

October 7, 2024

By E-Mail Only to clerks@vaughan.ca

City of Vaughan Committee of the Whole
Vaughan City Hall
2141 Major Mackenzie Drive
Vaughan, ON L6A 1T1

Attention: Todd Coles, City Clerk

Dear Members of the Committee of the Whole:

**Re: Agenda Item 6.1 Committee of the Whole Meeting - October 8, 2024
Public Statutory Meeting
Teston Road West Sanitary Sewer Area Specific Development Charge
("ASDC")
Vaughan 400 North Landowners Group Inc. Comments**

We are counsel to the Vaughan 400 North Landowners Group Inc. (the "**Group**"), the owners of lands within Blocks 34 West and 35 (the "**400 North Lands**") in the City of Vaughan (the "**City**"). The 400 North Lands are located on the east and west sides of Highway 400 and are generally bounded to the north by the King/Vaughan border, to the west by Weston Road, to the east by Jane Street and to the south by Kirby Road on the east side of Highway 400 and Teston Road on the west side of Highway 400. The 400 North Lands are within the benefitting areas (Areas 1, 2 and 3) proposed to be included in and subject to the Teston Road West Sanitary Sewer ASDC.

The Group and its engineering consultant, SCS Consulting Group ("**SCS**") have reviewed the Teston Road West Sanitary Sewer ASDC Draft By-law (the "**Draft By-law**"), the Teston Road East and West Sanitary Sewer ASDC Draft Background Study, and information provided to SCS by City Staff, including cost estimates.

Based on their review of these documents, it is the Group's view that modifications to the Draft By-law are required before it is passed. Below are the Group's detailed comments regarding the ASDC and their requested modifications. These comments are in addition to those submitted by SCS to City staff via email on August 29, 2024 and October 3, 2024, and during meetings with City staff.

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Cost Estimate Discrepancies

The Group has concerns with some of the detailed cost estimates that were used to determine the capital costs which form the basis for the development charges sought to be imposed through the ASDC. To the extent permitted by the *Development Charges Act, 1997*, the ASDC should reflect the actual anticipated cost of the infrastructure projects. If the capital costs included in the ASDC are insufficient to fund the actual costs of the planned infrastructure, this creates uncertainty for both the City and the landowners in the delivery of the necessary infrastructure and the timeline for development. In addition, where the Group or its individual members may agree with the City to front-end infrastructure included within the ASDC, there is a risk that full cost recovery will not be possible.

Accordingly, the Draft By-law should be updated before it is passed to ensure that infrastructure costs are accurate. Below are some of the cost discrepancies that SCS has identified.

Microtunnelling

SCS has prepared detailed design drawings for approximately 1.64 km of Segment B of the Teston Road West Sanitary Sewer. Approximately 950 m of the 750 mm diameter sewer is proposed to be microtunnelled due to the anticipated depths of the sewer and York Region's requirements to maintain a travel lane. SCS has advised that the unit rate for the microtunnelled portions in the cost estimates should be updated. We understand that City staff have prepared updated cost estimates which include these corrections, but they have not yet been incorporated into the Draft By-law.

The Group requests that the City update Schedule A of the Draft By-law to reflect these cost corrections.

Shaft and tunnelling unit rate

SCS has advised that the shaft and tunnelling unit rates for the 750 mm diameter sewer in Segment B are lower than anticipated in the cost estimates. As with the above item, we understand that corrections have been made in updated cost estimates, but not yet incorporated into the Draft By-law.

The Group requests that the unit rates be corrected and the net capital costs in Schedule A of the Draft By-law be updated accordingly.

Land Area Discrepancies

The Group has concerns with the accuracy of the developable land area used in the ASDC calculation. As the ASDC proposes to collect development charges based on a rate per net hectare, if the net area over which the project cost is spread is inaccurate this

would lead to a development charge rate that is either too high, resulting in undue and inappropriate additional costs to landowners, or too low, leading to a shortfall in collected revenue from development charges to fund the necessary infrastructure and risks to landowners seeking to front-end the construction of infrastructure.

SCS has identified several discrepancies in the net developable land area calculation. In particular, the amount of land deducted for parks, walkways and buffers in the gross land areas for portions of Block 34W overestimate the amount of land to be excluded for parks in these areas. SCS advises that the developable areas of Block 34W should be identified as 25.33 ha for the Employment Lands and 41.10 ha for existing unserviced lands. SCS has also identified a discrepancy in the amount of gross land area assumed for Block 35W.

The Group requests that these discrepancies be corrected and the Net Areas and resultant development charge rates in Schedule A of the Draft By-law be adjusted accordingly.

Conclusion

The Group appreciates the City's efforts in preparing the ASDC and the co-operation from City staff to date. The Group appreciates City staff's efforts to review and update cost estimates thus far and will continue to work with City staff to seek to ensure that the final ASDC fully addresses the Group's concerns. The Group requests that Committee of the Whole direct staff to continue to work with the Group and SCS and revise the Draft By-law accordingly before bringing it to Council for enactment.

Please contact the undersigned if you have any questions or require any additional information.

Yours truly,

DAVIES HOWE LLP



Meaghan McDermid (she/her)
MM:lc

copy: Ms. Lindsay Moore, SCS Consulting Group
Ms. Rosemarie Humphries, Humphries Planning Group Inc.
Mr. Andrew Orr, Trustee, Vaughan 400 North Landowners Group Inc.