

COMMITTEE OF THE WHOLE (1) – OCTOBER 8, 2024

COMMUNICATIONS

	<u>Item No.</u>
<u>Distributed October 7, 2024</u>	
C1. Presentation material	1
C2. Memorandum from the Deputy City Manager, Corporate Services, City Treasurer and Chief Financial Officer and the Deputy City Manager, Infrastructure Development	1
C3. Meaghan McDermid, Davies Howe, LLP, Adelaide Street West, Toronto, dated October 7, 2024.	1
<u>Distributed October 8, 2024</u>	
C4. Andrew Lam, Project Manager, Delta Urban Inc., Dufferin Street, Vaughan, dated October 7, 2024	1
C5. Paul DeMelo, KAGAN SHASTRI DeMELO WINER PARK LLP, Avenue Road, Toronto, dated October 8, 2024.	1

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Please note there may be further Communications.

Statutory Public Meeting

Area Specific Development Charges – Teston Road East and West Sanitary Sewer Infrastructure



C 1
Communication
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Item No. 1



Purpose of Today's Meeting

- Statutory Public Meeting required by Section 12 of the *Development Charges Act*.
- Primary purpose is to provide the public with an opportunity to make representation on the proposed 2024 Development Charges Background Study and By-laws
- DC Background Study and by-laws were made publicly available on **September 17th, 2024** ⁽¹⁾
- Notice of the public meeting was provided in accordance with the DCA

Note 1: The capital costs of servicing within the Teston Road West area has been updated since the initial release to reflect ongoing discussion with stakeholders.

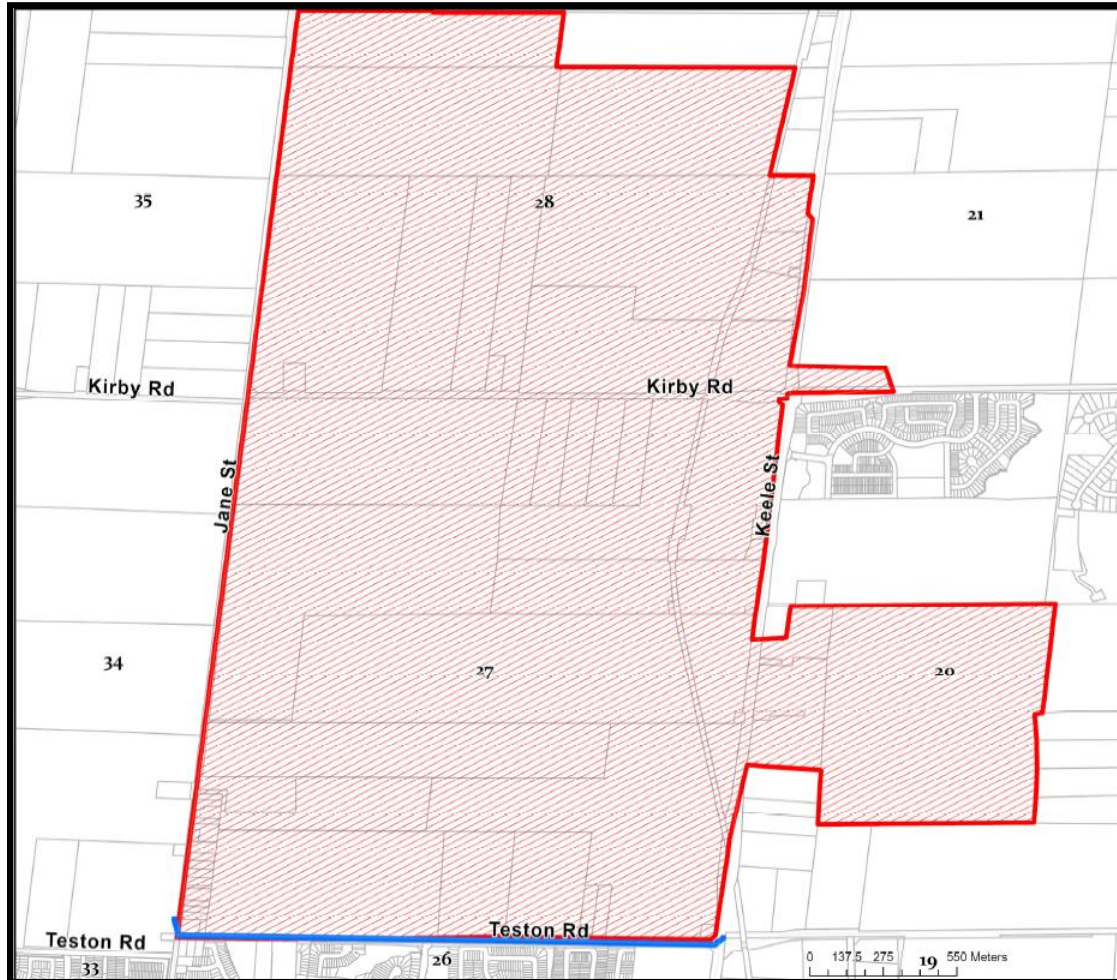
Development Charges Act Requirements (DCs)

- DCs imposed through by-law
 - City imposes both City-wide and ASDC by-laws
- New Area-Specific Development Charges will require new by-law(s) to impose a charge
 - New ASDC is to be levied in addition to the existing City-wide DCs imposed
- Prior to passing a by-law the City must:
 - Undertake a background study
 - Hold at least one public meeting
- DC by-law will expire 10-years after it comes into force
 - City has authority to update earlier

ASDC Consultation Program

- Council Information Session held on September 17th 2024
- City staff and Hemson have initiated discussions with interested stakeholders
 - Four (4) formal meetings with stakeholders have been held to date
- Continued dialogue with interested stakeholders is expected over the coming months to review the materials and information prior to the passage of new by-laws

Teston Road – Sanitary Sewer East

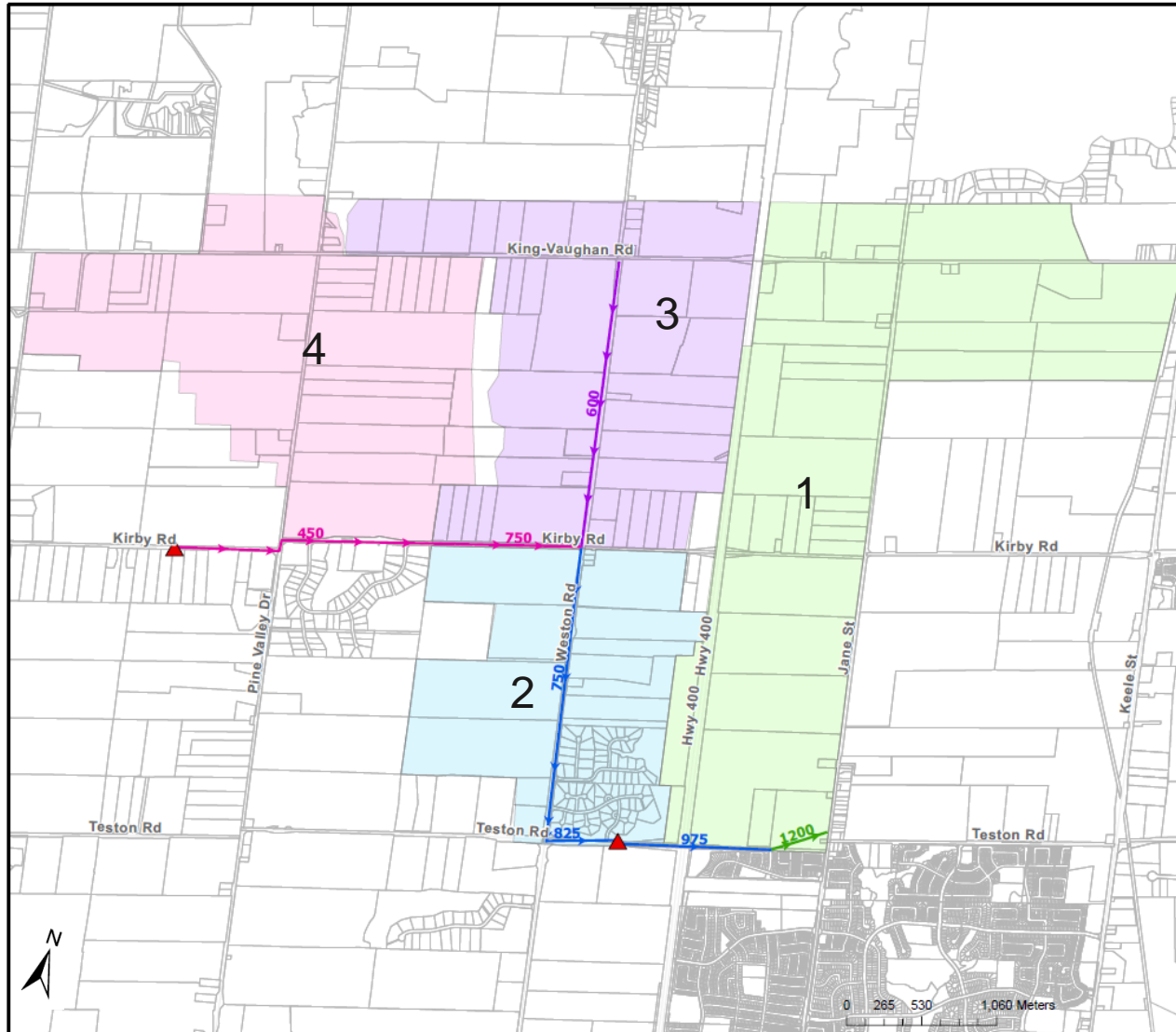


- 4 Legend
- ▭ SERVICE AREA
 - PROPOSED SANITARY WORKS

Capital Works	Teston Road Sanitary Sewer East
Capital Cost ⁽¹⁾	\$27,573,405
Benefitting Area (net hectare)	443.55 ha
By-law Administration: DRAFT Calculated Charge (\$/ha)	\$62,165.21

Note 1: Figures include financing costs

Overview of Teston Road West Sanitary Sewer Infrastructure Benefitting Areas



▲ Pumping Station

Serviced Areas

1

2

3

4

Note: Colored Lines with arrows denote proposed linear works.

Note: Numbers on this map denote "Areas."

- The ASDC would be administered under 4 Maps
- Maps are comprised of a combination of "Areas"
- The Map would reflect the lands benefitting from the infrastructure

Teston Road West – ASDC Calculation

Capital Works	Capital Cost ⁽¹⁾	Benefitting Area	By-law Administration: DRAFT Calculated Charge (\$/ha)
Segment A Servicing <i>Teston Road Sanitary Sewer</i> <u>Map 1</u>	\$4,363,580	Area 1,2,3 and 4 = 1,164.03 ha	\$3,748.68
Segment B Servicing ⁽²⁾ <i>Weston (Teston/Kirby) & Teston Road incl. Teston SPS</i> <u>Map 2</u>	\$100,942,796	Area 2, 3 and 4 = 731.55 ha	\$137,984.40
Segment C Servicing <i>Weston (Kirby to K/V) Sanitary Sewer</i> <u>Map 3</u>	\$7,973,003	Area 3 = 274.14 ha	\$29,084.04
Segment D Servicing <i>Kirby Sanitary Sewer and SPS (Kirby)</i> <u>Map 4</u>	\$45,750,200	Area 4 = 265.05 ha	\$172,609.70

Note 1: Figures include financing costs

6 Note 2: Based on discussions with stakeholders, the cost of servicing segment B have been adjusted since the release of the DC Study. The cost change increased the calculated development charges.

Teston Road West – ASDC Calculation Summary

Development	Benefitting Infrastructure	By-law Administration: Total Applicable Charges (\$/net ha)
Lands Located in Area 1	Segment A (Map 1)	\$3,748.68
Lands Located in Area 2	Segment A (Map 1) Segment B (Map 2) Total	\$3,748.68 <u>\$137,984.40</u> \$141,733.08
Lands Located in Area 3	Segment A (Map 1) Segment B (Map 2) Segment C (Map 3) Total	\$3,748.68 \$137,984.40 <u>\$29,084.04</u> \$170,817.12
Lands Located in Area 4	Segment A (Map 1) Segment B (Map 2) Segment D (Map 4) Total	\$3,748.68 \$137,984.40 <u>\$172,609.70</u> \$314,342.77

Key Steps in Passing a DC By-Law

Task	Description
Release DC Background Study to Public	<ul style="list-style-type: none"> • 60 days before by-law passage and 2 weeks before Public Meeting • By September 20, 2024
Advertise for Public Meeting	<ul style="list-style-type: none"> • 20 days notice • By September 17, 2024
Release Proposed DC By-law	<ul style="list-style-type: none"> • 2 weeks before Public Meeting (or sooner) • September 24, 2024
Hold Statutory Public Meeting	<ul style="list-style-type: none"> • October 8th, 2024 • Receive submissions from public and Council • Amend proposed charges and by-law if warranted • Determine if additional Public Meeting is required
DC By-law Passage	<ul style="list-style-type: none"> • November 19, 2024
Notice of By-law Passage	<ul style="list-style-type: none"> • 20 days after DC by-law passage
Appeal Period	<ul style="list-style-type: none"> • 40 days following DC by-law passage
DC Pamphlet	<ul style="list-style-type: none"> • 60 days after passage of DC by-law



C 2

Communication

CW(1) – October 8, 2024

Item No. 1

DATE: October 4, 2024

TO: Mayor and Members of Council

FROM: Michael Coroneos, DCM of Corporate Services, City Treasurer and CFO;
and Vince Musacchio, DCM of Infrastructure Development

RE: COMMUNICATION – Committee of the Whole (1), October 8, 2024

Item #1, Report #32

**TESTON ROAD EAST AND WEST SANITARY INFRASTRUCTURE
AREA SPECIFIC DEVELOPMENT CHARGES PUBLIC STATUTORY
MEETING**

Recommendation

1. That the adjustments to the capital cost estimates and Area Specific Development Charge (ASDC) rate for Map 2 of the Teston Road West Sanitary Infrastructure be made in accordance with this communication and be brought forward as a part of the final Background Study to Committee of the Whole (2) on November 12, 2024.

Background

Through ongoing consultation with the landowners that will be impacted by the proposed ASDCs for the Teston Road East and West Sanitary Sewer infrastructure, staff had been provided with feedback that suggested some adjustments to the cost estimates for the Teston Road West Sanitary Sewer and Pumping Station and the Weston Road sewer would be required. These cost revisions are related to adjustments to the unit rates for tunneling segments and to the costs associated with additional tunneling sections on Weston Road per requirements of York Region to maintain a travel lane. After a review of these items staff agree that a revision to the cost estimates was warranted.

The result of these adjustments pertains to Map 2 of the Teston Road West Sanitary Infrastructure and are outlined in the table below (inclusive of financing costs):

Teston Road West Sanitary Infrastructure	Map	Net Cost	Net Developable Area	Charge Per Net Developable Hectare
Segment B - Weston/Teston Road Sewer and Pumping Station - Previous Rate	Map 2	\$ 90,716,184	731.55	\$ 124,005
Segment B - Weston/Teston Road Sewer and Pumping Station - Revised Rate	Map 2	\$ 100,942,796	731.55	\$ 137,984
Increase in Cost and Rate		\$ 10,226,612		\$ 13,979

As the ASDC benefitting map areas and associated rates impact multiple services areas depending on the service area location, lands may be impacted by more than one of the rates listed above. Below is a table that shows the total change in charge by service area:

Development	Benefitting Infrastructure	Total Applicable Charges per net ha - Based on Previous Rates	Total Applicable Charges per net ha - Based on Revised Rates	Net Change in Total Applicable Charges per net ha
Lands Located in Area 1	Segment A (Map 1)	\$ 3,748.68	\$ 3,748.68	\$ -
	TOTAL	\$ 3,748.68	\$ 3,748.68	\$ -
Lands Located in Area 2	Segment A (Map 1)	\$ 3,748.68	\$ 3,748.68	\$ -
	Segment B (Map 2)	\$ 124,005.07	\$ 137,984.40	\$ 13,979.33
	TOTAL	\$ 127,753.75	\$ 141,733.08	\$ 13,979.33
Lands Located in Area 3	Segment A (Map 1)	\$ 3,748.68	\$ 3,748.68	\$ -
	Segment B (Map 2)	\$ 124,005.07	\$ 137,984.40	\$ 13,979.33
	Segment C (Map 3)	\$ 29,084.04	\$ 29,084.04	\$ -
	TOTAL	\$ 156,837.79	\$ 170,817.12	\$ 13,979.33
Lands Located in Area 4	Segment A (Map 1)	\$ 3,748.68	\$ 3,748.68	\$ -
	Segment B (Map 2)	\$ 124,005.07	\$ 137,984.40	\$ 13,979.33
	Segment D (Map 4)	\$ 172,609.70	\$ 172,609.70	\$ -
	TOTAL	\$ 300,363.45	\$ 314,342.78	\$ 13,979.33

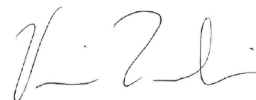
Staff will incorporate the above noted revisions along with any further revisions that may result from feedback at the Public Statutory Meeting and any additional ongoing consultation meetings that are held with the impacted landowners groups within the final draft of the ASDC Background Study that will be presented to Council on November 12, 2024.

For more information, contact Brianne Clace, Project Manager, Financial Planning and Development Finance, ext. 8284

Respectfully submitted by



Michael Coroneos
DCM of Corporate Services;
City Treasurer and CFO



Vince Musacchio
DCM of Infrastructure Development

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.



October 7th, 2024

Sent via email <clerks@vaughan.ca>

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

C 4
Communication
CW(1) – October 8, 2024
Item No. 1

**Re: Agenda Item 6.1 Committee of the Whole Meeting – October 8, 2024
Teston Road East and West Sanitary Infrastructure Area Specific Development Charge
Block 27 Landowners Group (“the Group”)
City of Vaughan (the “City”)**

Dear Members of the Committee of the Whole,

We are writing to you as the Group Manager for the Block 27 Landowners Group (the “Group”). The Group owns ~90% of the lands within the Block 27 Secondary Plan Area in the City of Vaughan, which is bordered by Keele Street on the east, Jane Street on the west, Teston Road on the south and Kirby Road on the north, as illustrated in **Schedule A**. The Group’s lands are within a tributary area of the proposed Teston Road East Sanitary Sewer for which an area specific development charge is contemplated (the “ASDC”).

The Group has met with City staff twice regarding the ASDC as part of the consultation process. Additionally, Schaeffers Consulting Engineers (“Schaeffers”), the Group’s engineering consultant, submitted comments via email on August 16, 2024 (see **Attachment 1**). The City responded to Schaeffers’ comments on August 30, 2024, providing cost estimates and information about the drainage area. Since then, Schaeffers has been thoroughly reviewing the information provided by the City. Most recently, we met with City staff on October 4, 2024, to discuss our comments on the cost estimates related to infrastructure for Block 27, which we followed up with an email on the same day. As a next step, Schaeffers will provide further comments along with updated engineering plans and a comprehensive cost estimate for review and consideration by the City.

We kindly request that all costs be updated prior to the Council's enactment of the ASDC, and we look forward to working with City Staff in this regard.

Should you have any questions or concerns regarding the foregoing, please do not hesitate to contact the undersigned.

Yours Very Truly,

Andrew Lam
Andrew Lam, BURPI
Project Manager
Delta Urban Inc.



cc. *Mustafa Ghassan, Partner, Delta Urban Inc.*
Alex Lusty, Partner, Davies Howe
Koryun Shahbikian, Partner, Schaeffers Consulting Engineers
Block 27 Landowners Group




Enclosed. *Schedule A: Block 27 Landowners Group Ownership Map*
Attachment 1: Schaeffers Consulting Engineers email submission dated August 16, 2024

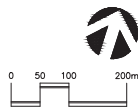
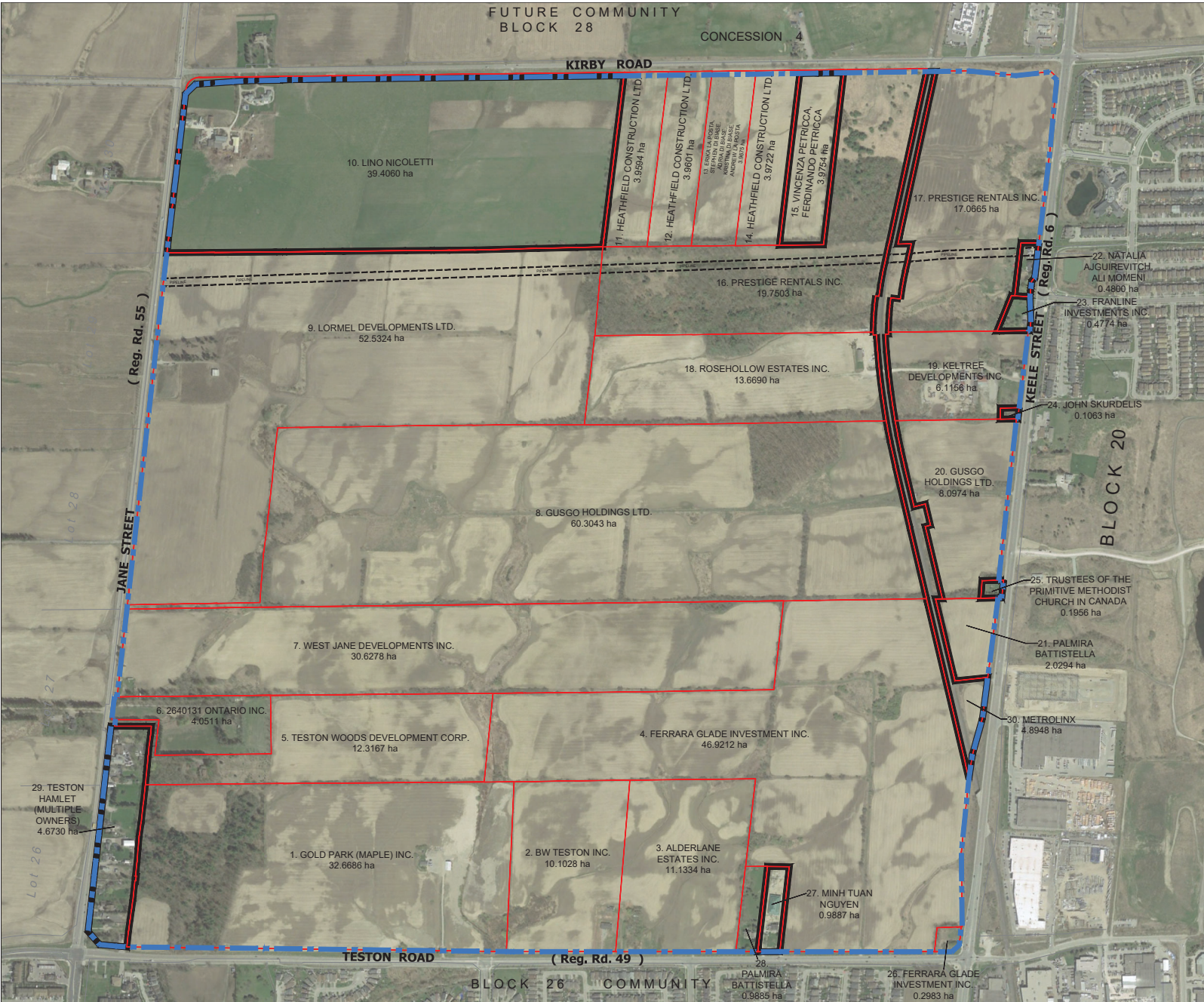


Schedule A
Block 27 Landowners Group Ownership Map

Block 27, City of Vaughan OWNERSHIP MAP (October 26, 2023)

LEGEND

-  BLOCK 27 BOUNDARY
-  PROPERTY BOUNDARIES
-  NON-PARTICIPATING OWNERS



112sk



Attachment 1

Schaeffers Consulting Engineers email submission dated August 16, 2024

From: [Koryun Shahbikian](#)
To: [Carlos Couto](#); [Brienne Clace](#)
Cc: [Mustafa Ghassan](#); [Andrew Lam](#)
Subject: some comments on ASDC presentation for Block 27
Date: Friday, August 16, 2024 3:48:15 PM
Attachments: [image001.png](#)

Dear Brienne and Carlos,

Thanks for the presentations. It is great that the City has initiated the ASDC by-law process.

I want to provide a few comments on behalf of Block 27, and we hope those comments can be considered for ASDC by-laws and rates.

From the presentation, we understood that only the construction of the Teston Road sewer between Keele Street and Jane Street (Blue line) is currently considered in ASDC rate calculations.

1. The number of shafts does not reflect the current design. Block 27 is connected to this system in three locations.
2. We anticipate that the size of the trunk, especially at the downstream, will be larger than 900mm.
3. City staff told Block 27 LOG to upsize their sewers to convey the external drainage areas (i.e. Block 28). Two branches of the sewer system drain the flow from Kirby Road to Teston Road, which needs to be upsized for external areas.
4. Furthermore, on Page 7 of the presentation, the figure shows that there is an external area that drains to the Teston Road sewer from the east side of Keele Street:
 - a. It is unclear whether the flow from this area will be directed to the Teston trunk through block 27 or if it will connect via Keele Street.
 - b. If it is going to be directed via Block 27, then the upgraded sewer in Block 27 should be included in the calculations. Only the blue trunk line is not sufficient.
 - c. If it goes through Keele Street, then Blue Trunk will also convey the flow from existing employment lands on the east side of Keele Street, and therefore, the calculation should reflect that.
5. Please note that the land uses are quite different. We have low-rise, mid-rise, and 12-story buildings and employment land use within this catchment.
6. Does the benefitting area used in the calculation include only net development areas, or does it include NHS and other non-developable areas?
7. The timelines in the presentation are pretty aggressive, and considering the engineering works of these blocks are progressing and the drainage solutions in some areas can be changed, refined, or improved, I am afraid that the information being used in the ASDC by-law calculation today will require to be revised in a few months.

Best regards,

Koryun Shahbikian, LLB, LLM, M.Eng., P.Eng.

Partner



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Kagan | Shastri
DeMelo | Winer | Park
LAWYERS | LLP

Paul DeMelo
Direct: (437) 780-3435
pdemelo@ksllp.ca

File No. 24180

October 8th 2024

C 5
Communication
CW(1) – October 8, 2024
Item No. 1

VIA EMAIL clerks@vaughan.ca

City of Vaughan, Office of the City Clerk
Vaughan City Hall
2141 Major Mackenzie Dr.
Vaughan, ON L6A 1T1
Canada

Dear Sirs;

Re: Committee of the Whole (1) October 8, 2024
Item 6.1 TESTON ROAD EAST AND WEST SANITARY
INFRASTRUCTURE AREA SPECIFIC DEVELOPMENT
CHARGES PUBLIC STATUTORY MEETING

We are the Solicitors to a number of landowners within Block 41 (the "Landowners") that would be subject to the proposed Area Specific Development Charge ("ASDC") as described in the Staff report of Ms. Brianne Clace. We have had the opportunity to review the report as well as its multiple attachments and provide some preliminary respond herein.

Roughly 20 years ago some of the owners that we represent within Block 41 installed oversized sanitary sewers to accommodate future and expected residential development on their lands. This infrastructure was installed at their expense without contribution from the City or other landowners outside of Block 41. Now, the City has proposed to enact an ASDC that would see these same owners to pay for sanitary services a second time. Not only have they already paid for infrastructure that was put into the ground years before by them, but the City is now proposing to take that infrastructure and to allocate that capacity, which our clients constructed and paid for, to others that did not construct or contribute to same, while at the same time also now requiring our clients to pay for added infrastructure to service Block 41 that is not required to service them.

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I understand that our clients and the City Staff are involved in ongoing discussions regarding the application and final form of the ASDC. These discussions will hopefully lead to recommendations for changes the final form and application of the ASDC that reflect our client's prior contributions. Additionally, our client believes that there have been errors in the calculation of the charge including the appropriate amount of developable lands and the costing of various projects that have all resulted in a charge that is not appropriate and one that has not been calculated in accordance with the legislative provisions. Therefore we respectfully reserve the right to provide further comments regarding the ASDC following those future engagements.

If you have any questions regarding the above, please do not hesitate to contact me at (437) 780-3435 or via email at pdemelo@ksllp.ca

Yours truly,

KAGAN SHASTRI DeMELO WINER PARK LLP

A handwritten signature in black ink, appearing to read 'Paul DeMelo', with a large, sweeping flourish underneath.

Paul DeMelo
PD/dp

cc: client.
Please reply to the: Yorkville Office