

Committee of the Whole (1) Report

DATE: Tuesday, March 4, 2025

WARD(S): ALL

TITLE: 2024 SERVICING CAPACITY ALLOCATION ANNUAL
SUMMARY

FROM:

Vince Musacchio, Deputy City Manager, Infrastructure Development

ACTION: DECISION

Purpose

This report updates Council on the status of the City's allocation of servicing capacity and reserve to the end of 2024, made available through The Regional Municipality of York (York Region) York Durham Sewage System, Kleinburg Water Resource Recovery Facility, and York Water System.

Report Highlights

- In 2024, 4,615 persons equivalent was allocated for approved development planning applications city-wide (excluding the Kleinburg Water Resource Recovery Facility service area).
- The total City Servicing Capacity remaining to the end of 2024 (excluding the Kleinburg Water Resource Recovery Facility service area and City Block 27) is 5,762 persons equivalent.
- In 2024, York Region formed the York Region Capacity Assignment Working Group to improve and standardize the servicing capacity allocation process region-wide.
- York Region has confirmed its next servicing capacity assignment to the City will be in November 2025.

Recommendations

1. THAT development planning application file numbers DA.18.030, 19T-16V001 and consent application file numbers A155/23, B008/24 and B011/24 be ALLOCATED servicing capacity from the York Durham Sewage System/York Water System for a total of 21 persons equivalent.

2. THAT development planning application file numbers DA.25.005 be ALLOCATED servicing capacity from York Regions purpose-built rental reserve for a total of 526 persons equivalent.
3. THAT a total of 6,535 persons equivalent in servicing capacity be RESERVED for 2025 accordingly:
 - a. 5,762 persons equivalent for distribution to active and future development planning applications city-wide (excluding the Kleinburg Water Resource Recovery Facility service area) which are tributary to the York Durham Sewage System / York Water System; and
 - b. 773 persons equivalent for distribution to active and future development planning applications for the area tributary to the Kleinburg Water Resource Recovery Facility / York Water System.
4. THAT a total of 28,837 persons equivalent in servicing capacity continue to be RESERVED for development planning applications approved in City Block 27 in accordance with the York Region and City Agreement's with the Block 27 Landowners Group;
5. THAT following the mandate of the York Region Capacity Assignment Working Group, the City's Allocation of Servicing Capacity Policy (included as Attachment 1) be reviewed by City staff to assess whether revisions to the policy would effectively improve the servicing capacity assignment process, with a recommendation report brought forth to a future Committee of the Whole meeting.
6. THAT City staff continue to track and review the City's available servicing capacity and bring forward an annual update report to a Committee of the Whole meeting in Q1 of each year.
7. THAT a copy of this report be forwarded to York Region and to the Building Industry and Land Development Association (BILD) – York Chapter.

Background

York Region supplies bulk water through large trunk transmission mains to local area municipalities for daily consumption and fire protection. York Region is also responsible for providing trunk wastewater conveyance and treatment for local area municipalities. Accordingly, York Region establishes limits on wastewater sewage and water servicing capacity to accommodate the needs of each of the nine local area municipalities within the Region. Limits are set based on the overall availability and capacity of the Regional infrastructure network. Each local municipality is provided a capacity assignment from

York Region and is then responsible to allocate this capacity to individual land development applications, considering the availability and capacity of local infrastructure. Therefore, a formal City servicing capacity allocation process is necessary to efficiently manage the distribution of the limited Regional capacity.

City's Servicing Capacity Distribution Protocol and Policy

On December 17, 2019, a formal Servicing Capacity Distribution Policy (Corporate Policy Number 08.C.01) was approved by Vaughan Council.

Development Engineering requests formal assignment of servicing capacity allocation for site plan, draft plan of subdivision, and Ontario Land Tribunal (OLT) development planning applications through Council approval. Staff report to Council on a quarterly basis to request allocation approval to site plans approved via delegated authority, while formal assignment of servicing capacity allocation related to draft plan of subdivision applications are provided directly at the time of Council approval of the application. OLT applications are captured in annual allocation reports or in a planning recommendation report, if applicable.

The City's current Policy ensures allocated capacity will not sit idle. Provisions have been included to ensure Council may consider the redistribution of capacity post allocation if an application does not proceed to registration and/or building permit issuance within a 36-month period of a development planning application approval, subject to conditions stipulated in the Policy.

York Region's last water and wastewater capacity assignment to Vaughan was provided in November 2023 with the next assignment anticipated for November 2025

Typically, York Region provides each municipality a 3-to-4-year servicing capacity assignment. However, in November 2023, York Region provided Vaughan a 2-year capacity supply to accurately meet local municipalities development demands and to reflect progress on critical YDSS infrastructure. For Vaughan, this includes the West Vaughan Sanitary Trunk Sewer Project and Northeast Vaughan Water and Wastewater Servicing Project currently under construction.

York Region's next Capacity Monitoring Assignment to the City is anticipated for November 2025.

York Region provides the City with a private purpose-built rental reserve.

In 2019, a 4,000-person reserve was established by York Region to encourage the development of new private purpose-built rental developments throughout the Region,

to be shared amongst the nine local municipalities. There were no development planning applications in Vaughan that utilized this reserve to the end of 2024.

Previous Reports/Authority

The 2023 Allocation of Servicing Capacity Annual Distribution and Update Report dated March 26, 2024, can be accessed via the following link:

[Extract from Council Meeting Minutes of March 26, 2024 \(Item 3, Report No. 10 of the Committee of the Whole\)](#)

Analysis and Options

2024 Annual City-Wide Servicing Capacity Assignment Summary (excluding the Kleinburg Water Resource Recovery Facility service area)

To the end of 2024, 4,615 persons equivalent were formally allocated servicing capacity through Council approval to a total of eleven (11) site plan and draft plan of subdivision development planning applications city-wide (excluding the Kleinburg Water Resource Recovery Facility service area). Of the total amount, 1,856 persons equivalent were designated to a single site plan development planning application in the Vaughan Metropolitan Centre.

2024 Kleinburg Water Resource Recovery Facility Service Area Capacity Assignment Summary

To the end of 2024, there was one (1) development planning application approved in the Kleinburg Water Resource Recovery Facility service area for 973 persons equivalent. With this approved assignment, 773 persons equivalent of Regional servicing capacity assignment remains available from the Kleinburg Water Resource Recovery Facility Service Area for distribution to active development planning applications located within the Kleinburg-Nashville service area.

York Region has committed to monitoring the capacity of standalone wastewater facilities such as the Kleinburg Water Resource Recovery Facility to maximize excess available servicing capacity for new growth in these communities.

Previously approved development planning applications that require additional servicing capacity

Staff are recommending that two (2) previously approved development planning applications be provided additional servicing capacity by Council from the city-wide reserve because of a unit count increase for a total value of 10 persons equivalent:

Development Planning Application Number	Municipal Address	Population	Original Approval Date
DA.18.030	7476 Kipling Avenue	3 persons equivalent	January 26, 2021
19T-16V001 (Phase 1 and 2)	Block 18	7 persons equivalent	February 21, 2017 (Phase 1) and June 22, 2021 (Phase 2)
Total:		10 persons equivalent	

Purpose-built rental unit to receive servicing capacity allocation from York Regions dedicated assignment

Staff is recommending one (1) purpose-built rental file receive servicing capacity allocation from York Region's dedicated purpose-built rental servicing capacity assignment:

Development Planning Application Number	Municipal Address	Units and Population	
DA.25.005	320 and 330 Woodbridge Avenue	238 residential units (526 persons equivalent)	
Total:		526 persons equivalent	

2024 Consent or Variance Applications Servicing Capacity Approval

To the end 2024, two (2) Consent Applications and one (1) Variance Application requiring servicing allocation were approved by the Committee of Adjustment. Staff are recommending the following applications be formally allocated servicing capacity by Council from the city-wide reserve for a total value of 11 persons equivalent:

Consent / Variance Application Number	Municipal Address	Number of Units, Unit Type and Population	Approval Date
---------------------------------------	-------------------	-------------------------------------------	---------------

B008/24	50 Pine Ridge Avenue	1 single-family unit (3.58 persons equivalent)	October 3, 2024
B011/24	37 Riverside Boulevard	1 single-family unit (3.58 persons equivalent)	November 14, 2024
A155/23	81 Hilda Avenue	1 single-family unit (3.58 persons equivalent)	April 25, 2024
Total:		11 persons equivalent	

2024 Reconciled City-Wide servicing capacity

To the end of 2024, two (2) previously approved development planning applications with servicing allocation were either revised or determined to be over-allocated. The unused allocated servicing capacity remaining from these applications total 139 persons equivalent and have been reconciled and added back to the overall city-wide servicing capacity reserve, in accordance with the City's Allocation Policy, as follows:

Development Planning Application File Number	Original Approval & Persons Equivalent	Over-allocation/Revision Reason	Reconciled Servicing Capacity (persons equivalent)
DA.19.075	769 residential apartment units (1,699 persons equivalent)	Reduced number of units by three (3) apartment units for DA.19.075	6 persons equivalent
DA.20.052	629 residential apartment units (1,390 persons equivalent)	Reduced number of units by sixty (60) apartment units for DA.22.051	133 persons equivalent
Total:			139 persons equivalent

Total Remaining City-Wide Regional Servicing Capacity (excluding the Kleinburg Water Resource Recovery Facility service area) to the end of 2024

The following is a summary of the total remaining City-wide regional servicing capacity assignment (excluding the Kleinburg Water Resource Recovery Facility service area), to the end of 2024, upon Council approval and adoption of the recommendations in this report:

Allocation Milestone	Amount Allocated (Persons Equivalent)
Vaughan's Regional Servicing Capacity balance at the end of 2023	+10,259 ^[1]
Vaughan's Regional Servicing Capacity allocated to Development Planning Applications in 2024	-4,615
Vaughan's Approved Development Planning Applications Requiring Additional Units	-10
Vaughan's 2024 Approved Committee of Adjustment Applications	-11
Vaughan's Reconciled Servicing Capacity 2024	+139
Total Remaining City of Vaughan Unrestricted Servicing Capacity available for City-Wide Utilization in 2025 (excludes Block 27)	5,762

1. Excludes Block 27 specific servicing capacity assignment of 28,837 persons equivalent pursuant to York Region's Block 27 Prepaid Development Charge Credit / Reimbursement Agreement and the City's Block 27 Water and Wastewater Servicing Capacity Allocation Agreement

The City currently has 5,762 persons equivalent of Regional servicing capacity assignment remaining to allocate for development planning applications (excluding the Kleinburg Water Resource Recovery Facility service area) until York Region's next Capacity Monitoring Assignment, anticipated for November 2025.

Addressing the City's Remaining Servicing Capacity until York Region's Next Servicing Capacity Assignment

City staff foresee an increased demand for servicing capacity in 2025 based on the number of high-density active development planning applications currently in the queue specifically located in Regional Centres and Corridors, Secondary Plan Areas and

Block's, and Major Transit Station Areas such as Vaughan Metropolitan Centre; Yonge-Steeles; Weston and Highway 7; Vaughan Mills Mall; and Weston and Major Mackenzie Drive.

Based on the increasing demand for residential development, the remaining 5,762 persons equivalent of available unrestricted servicing capacity for city-wide development planning application approvals will likely be fully utilized prior to York Region's next servicing capacity assignment anticipated in November 2025.

In April 2024, given the increasing demand for residential development and local municipalities commitment to building more homes, York Region formed the York Region Capacity Assignment Working Group. The York Region Capacity Assignment Working Group is a Committee chaired and coordinated by the Region to provide a forum for collaboration and modernization of data exchange to ensure future Regional water and wastewater capacity assignments align with local municipal needs. The Committee meets on a quarterly basis and is comprised of York Region Planning and Public Works departments, and representatives from Planning/Development services of all nine York Region local municipalities.

Staff recommend a detailed review of the City's Allocation of Servicing Capacity Policy to assess for improvements following the mandate of the York Region Capacity Assignment Working Group

Staff recommends, following the conclusion of the York Region Capacity Assignment Working Group, a detailed review of the City's Allocation of Servicing Capacity Policy to assess whether revisions of the policy should be considered to effectively improve the assignment of servicing allocation and ensure timely utilization, taking into consideration industry concerns along with York Region's servicing capacity allocation assignment process and policy.

In the meantime, staff are tracking developments which are approaching the 36-month allocation approval timeline, and which appear to be inactive. Staff will be issuing Notice of Redistribution of Servicing Capacity warning letters to developers at the 6 month and 1-month marks prior to the 36-month expiry timeline requesting a developer provide proof of development activity in accordance with requirements stipulated in Section 4 – Redistribution of Servicing Capacity in the Allocation of Servicing Capacity Policy. If insufficient proof is provided by the Owner following the issuance of the warning letters, Staff will recommend to Council that their assigned servicing capacity be reconciled and redistributed back into the City's assignment reserve in a subsequent annual allocation report.

Financial Impact

None.

Operational Impact

At the City's current pace of allocating regional servicing capacity to development planning applications, it is anticipated that the City's current assignment will likely be fully utilized by Q2-2025. As a result, once the remaining regional servicing capacity assignment has been fully utilized, subsequent development planning applications (at the zoning approval stage) will require a Holding Symbol ("H"), with removal conditional upon future regional servicing allocation when it becomes available upon the next York Region capacity assignment. The use of a Holding Symbol ("H") prevents the issuance of a full building permit and requires the applicant to bring forth a report to a future Council meeting to lift the Holding Symbol ("H") when the conditions are satisfied, thereby resulting in additional staff time to process and prepare Holding Symbol ("H") reports and delays in the development planning approval process.

Broader Regional Impacts/Considerations

Annual allocation status reports serve to inform York Region of the City's short-term development projections and demonstrate the City's effectiveness in managing Regional capacity and overall growth.

Conclusion

Following the reconciliation and allocation of regional servicing capacity for development planning and Committee of Adjustment applications, the City will have 5,762 persons equivalent in regional servicing capacity in our reserves for use until the next regional servicing capacity assignment anticipated in November 2025.

For more information, please contact: Frank Suppa, Director, Development Engineering, ext. 8255.

Attachment

1. Allocation of Servicing Capacity (Corporate Policy No.08.C.01)

Prepared by

Tony Artuso, Water/Wastewater Lead, ext. 8396

Andy Lee, Manager, Development Services and Environmental Engineering, ext. 8711