

Committee of the Whole (1) Report

DATE: Tuesday, September 14, 2021

WARD(S): ALL

TITLE: **BLACK CREEK FINANCIAL STRATEGY AND AREA SPECIFIC DEVELOPMENT CHARGES PUBLIC STATUTORY MEETING**

FROM:

Michael Coroneos, Deputy City Manager, Corporate Services, City Treasurer and Chief Financial Officer

ACTION: FOR INFORMATION

Purpose

To facilitate and provide information pertinent to the Public Meeting regarding the Draft Area Specific Development Charges (“ASDC”) Background Study and By-Law for the Black Creek Financial Strategy.

Report Highlights

- Staff sought approval of the Development Charges Background Study for the Edgeley Pond and Park and Black Creek Channel Works (“Background Study”) and By-laws in June 2021. At that time Council requested that further consultation be undertaken over the summer with revised rates being brought forward in the fall 2021.
- This Public Statutory Meeting is being held in accordance with the Development Charges Act, 1997 for the Background Study and related ASDC rates.
- Minor changes have been made to the Background Study resulting from further review and consultation. The changes are outlined in the body of this report.

Recommendations

1. That a report be brought to the October 13, 2021 Committee of the Whole (2) meeting, summarizing, and addressing, as necessary, comments from the public received at the September 14, 2021 Black Creek Financial Strategy and Area Specific Development Charges (ASDC) Public Statutory Meeting; and
2. That the revised draft Background Study and draft ASDC By-Law be received.

Background

The Development Charges Background Study for the Edgeley Pond and Park and Black Creek Infrastructure Works were originally presented to the Committee of the Whole on April 7, 2021. A Public Statutory Meeting was then held on May 12, 2021. The previous reports provided the details of the Financial Strategy for the works and can be accessed through the attachments listed below. On June 8th, 2021 Staff sought Council approval of a new by-law and ASDC rates. Council directed staff to pass a by-law which would maintain rates at the previous rate structure to allow for further consultation over the summer.

Staff have continued consultation over the summer months and this report serves to provide further updates resulting from those discussions. A subsequent Public Statutory Meeting is being held to ensure the opportunity for stakeholders to provide additional feedback regarding any changes that have occurred since the Statutory meeting held on May 12, 2021. Staff will report back on any feedback received as a part of the final report to Committee of the Whole (2) on October 13th, 2021.

Previous Reports/Authority

[April 7, 2021 – Committee of the Whole \(1\) – Black Creek Financial Strategy and VMC West Interchange Sanitary Sewer Area Specific Development Charges Update](#)

[May 12, 2021 – Committee of the Whole \(2\) – Black Creek Financial Strategy and VMC West Interchange Sanitary Sewer Public Statutory Meeting](#)

[June 8, 2021 – Committee of the Whole \(2\) - Black Creek Financial Strategy and VMC West Interchange Sanitary Sewer Area Specific Development Charges Update](#)

[June 22, 2021 – Council Communication – Item #1, Report #32 – Black Creek Financial Strategy Area Specific Development Charge By-law Update](#)

Analysis and Options

The Development Charges Act, 1997 has mandatory communication requirements that require the advertising of at least one public hearing and the City Clerk is mandated to

carry out such advertising at least twenty (20) days in advance of the meeting date. An initial Public Statutory hearing was held on May 12th, 2021 this is a subsequent meeting being held to report additional adjustments proposed to the Strategy that have been identified over the summer months during the extended consultation period. This subsequent meeting was advertised using a number of channels to optimize public awareness. This included advertising in the Vaughan Citizen and Thornhill Liberal on August 12, 2021. Both advertising of the Public Meeting as well as pertinent information such as the draft Development Charge Background Study and By-law was also made available on August 25th, 2021 on the City's website.

Subsequent to Council approval of the Development Charge Background Study and the Edgeley Pond and Black Creek Works ASDC by-law, appropriate notices will be provided by the Clerks Department as prescribed by the Development Charge Act.

Extensive consultation has occurred since the initiation of the project in late 2020

Since the initiation of the update to the Black Creek Financial Strategy Update staff have held a series of meetings with the development industry including four (4) group technical sessions, outlined below, and several one-on-one meetings to discuss site-specific issues as they relate to the works.

December 4, 2020 – Kick-off meeting with external stakeholders

March 19, 2021 – Presented Draft ASDC Rates

April 8, 2021 – Technical Session

May 14, 2021 – Technical Session

In addition to the meetings described above, several written deputations were received at the May 12, 2021 Public Statutory Meeting and at the June 8, 2021 Committee of the Whole (2) meeting. Staff have provided formal written responses to these deputations and in some instances held subsequent site-specific meetings over the summer months to address further questions and/or concerns.

Some minor adjustments are being proposed as a result of further consultation

After further review of the material two minor changes were identified both to the costs and the allocation of some costs across funding sources. First, the rates as presented at the June 8, 2021 Committee of the Whole (2) meeting included a labour cost recovery for two project managers that would be directly responsible for the delivery of the Edgeley Pond and Park and Black Creek Channel Works over the term of the construction. City staff had initially assumed that the pond and channel works would be

undertaken as two separate stand-alone projects which would have required additional internal resources in order to delivery each project. Since that time, it has now been determined that the Edgeley Pond and Park and Black Creek Channel works would be undertaken as one cohesive project, therefore only one project manager will now be required. This has resulted in a slight reduction of cost which is prorated across the entire project thereby causing the rates across all three benefitting areas to come down slightly.

Below is a table showing the reduction of cost across the various infrastructure components resulting from the change described above:

Infrastructure	June 8th \$(M)	% of Total	Proposed \$(M)	% of Total
Channelization	59.5	26.9%	59.2	26.9%
Land	80.4	36.4%	80.4	36.5%
Edgeley Pond	56.7	25.7%	56.4	25.6%
SE Stormwater Pond/Tank	18.2	8.2%	18.1	8.2%
Other	6.3	2.9%	6.2	2.8%
Total	221	100%	220	100%

In addition to this change staff have identified \$2.4 million in Section 37 funds that have been secured to date to be utilized towards the bridges within the Edgeley Pond. This has resulted in some of the cost being transferred to local cost as the funding source which resulted in a lowering of the “Map 2 – VMC Landowners Draining into Edgeley Pond” ASDC rate.

Below is a table outlining the shift in costs across funding sources resulting from this change:

Funding Source	% of Total June 8th	% of Total Proposed
ASDC	26.1%	26.1%
City-Wide - DC Engineering	34.3%	34.3%
City-Wide - DC Community Services	6.1%	5.4%
Site Specific Contributions	4.1%	5.1%
Region/TRCA	1.8%	1.8%
Non-Growth	27.7%	27.3%
Total	100%	100%

These adjustments have had the effect of reducing the ASDC rates slightly for all three benefitting areas. Below is a table outlining the resulting changes in the rates:

Area	Calculated Rates (\$/net ha): April 7, 2021	Calculated Rates (\$/net ha): Revised June 8, 2021	Calculated Rates (\$/net ha): Proposed September 14, 2021
Immediately Affected Landowners (Map 1)	\$9,467,470	\$6,707,788	\$6,685,033
Vaughan Metropolitan Centre Draining to Edgeley Pond (Map 2)	\$465,823	\$497,154	\$494,653
Undeveloped Lands in the Black Creek Drainage Shed (Map 3)	\$96,260	\$67,874	\$67,670

Financial Impact

Although there is no direct financial impact as a result of this report, an outline of the full financial implications and related Development Charges Background Study for Edgeley Pond and Park and Black Creek Channel Works which are the subject of the Public Statutory Meeting can be found in the previous reports linked above and in the attachments to this report.

Broader Regional Impacts/Considerations

The Region of York continues to be engaged in discussions regarding the Black Creek Financial Strategy and the infrastructure components that they have committed to partially funding.

Conclusion

Completion of the Edgeley Pond and Park and Black Creek Channel works is a vital step towards flood relief and the development of the VMC as Vaughan’s downtown core. One component of the Strategies is the enactment of ASDC By-laws and therefore a statutory process must be followed. Staff will report back to the Committee of the Whole (2) Meeting on October 13, 2021 after the public consultation and statutory meeting are complete in order to obtain approval for the ASDC By-law enactment.

For more information, please contact: Brianne Clace, Project Manager of Development Finance, ext. 8284 or Nelson Pereira, Manager of Development Finance, ext. 8393.

Attachments

1. Development Charges Background Study for the Edgeley Pond and Park and Black Creek Channel Works, Prepared by Hemson Consulting Ltd.
2. Draft Black Creek Financial Strategy ASDC By-law

Prepared by

Brianne Clace, Project Manager of Development Finance, ext. 8284

Approved by



Michael Coroneos, DCM of Corporate Services and Chief Financial Officer

Reviewed by



Nick Spensieri, City Manager