

Meeting Number: 7  
April 8, 2019, 9:30 AM - 3:00 PM  
Council Chamber

Please bring this General Committee Agenda to the Council meeting on April 16, 2019.

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	<b>Pages</b>
1. CALL TO ORDER	
2. DISCLOSURE OF PECUNIARY INTEREST	
3. APPROVAL OF PREVIOUS MINUTES	
3.1 MINUTES OF THE MARCH 25, 2019 GENERAL COMMITTEE (16.0)	9
1. That the minutes of the March 25, 2019 General Committee meeting be confirmed.	
4. DEPUTATIONS	
4.1 MARKHAM STOUFFVILLE HOSPITAL AND THE MARKHAM STOUFFVILLE FOUNDATION (12.2.6)	
Note: Jo-anne Marr, CEO & President, Markham Stouffville Hospital and Suzette Strong, CEO, Markham Stouffville Foundation will be in attendance to provide an overview of the future plans for the hospital.	
5. COMMUNICATIONS	
5.1 YORK REGION COMMUNICATIONS (13.4)	16
Note: Questions regarding Regional correspondence should be directed to Chris Raynor, Regional Clerk.	
The following York Region Communications are available <u>on-line only</u> .	
1. That the following communications dated March 6, 2019 from York Region be received for information purposes:	
a. Appointments to Boards and Advisory Committees for the 2019-2022 Term,	

- b. Proposed Amendment 1 to the Growth Plan; and,
- 2. That the following communications dated March 22, 2019 from York Region be received for information purposes:
  - a. 2018 Employment and Industry Report
  - b. 2018 Drinking Water Systems Report
  - c. Proposed Employment Area Conversion Criteria
  - d. 2018 Integrated Management System Update Report for Water, Wastewater and Waste Management
  - e. Community Improvement Project Area for Affordable Rental Housing Incentives
  - f. Economic Development - 2018 Year in Review

## 6. PETITIONS

## 7. CONSENT REPORTS - FINANCE & ADMINISTRATIVE ISSUES

### 7.1 MINUTES OF THE FEBRUARY 21, 2019 MARKHAM ENVIRONMENTAL ADVISORY COMMITTEE (16.0) 214

- 1. That the minutes of the February 21, 2019 Markham Environmental Advisory Committee meeting be received for information purposes.

### 7.2 MINUTES OF THE FEBRUARY 25, 2019 MARKHAM PUBLIC LIBRARY BOARD (16.0) 218

- 1. That the minutes of the February 25, 2019 Markham Public Library Board meeting be received for information purposes.

### 7.3 AWARD OF TENDER 002-T-19 ASPHALT MAINTENANCE (7.12) 227

J. Hoover, ext. 4808 and M. Lee, ext. 2239

- 1. That the report entitled “Award of Tender 002-T-19 Asphalt Maintenance” be received; and,
- 2. That the contract for asphalt maintenance be awarded to the lowest priced Bidder, Forest Contractors Ltd. for one (1) year in the amount of \$1,065,819.99 (Inclusive of HST), with an option to renew the contract for an additional three (3) years. The price will remain firm fixed for the first three (3) years. The remaining one (1) year will be subject to

an annual price increase based on the Consumer Price Index for All Items Canada for the twelve (12) month period ending October 31 in the applicable year and shall not exceed 3%; and,

3. That the award in the amount of \$1,065,819.99 inclusive of HST be funded from operating and capital accounts as identified in the Financial Considerations section of this report with total available budget of \$1,268,260.00; and,
4. That the remaining budget in the amount of \$202,440.01 (\$1,268,260.00 - \$1,065,819.99) be utilized to address potential additional asphalt maintenance on an as required basis; and,
5. That the 2020 – 2023 purchase orders be adjusted for growth and/or price escalation, subject to Council approval of the respective year's budgets; and further,
6. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

#### **7.4 DEVELOPMENT CHARGES DECEMBER 31, 2018 RESERVE BALANCES AND ANNUAL ACTIVITY OF THE ACCOUNTS (7.11)**

230

K. Ross, ext. 2126 and S. Neville, ext. 2659

1. That the report titled “Development Charges December 31, 2018 Reserve Balances and Annual Activity of the Accounts” be received by Council as required under Section 43(1) of the *Development Charges Act, 1997, as amended*; and,
2. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

#### **7.5 2018 YEAR-END REVIEW OF OPERATIONS (7.0)**

244

A. Tang, ext. 2433 and J. Pak, ext. 2514

1. That the report entitled “2018 Year-End Review of Operations” be received; and,
2. That the City’s 2018 net favourable variance of \$3.58M be transferred as follows, as per the approved Financial Planning and Budgeting Policy :
  - a. \$1.40M to the Corporate Rate Stabilization Reserve to achieve a balance equal to 15% of the local tax levy as per City policy;
  - b. \$2.18M to the Life Cycle Capital Replacement and Capital Reserve Fund; and further,

3. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

## 8. PRESENTATIONS - FINANCE & ADMINISTRATIVE ISSUES

### 8.1 CHEQUE PRESENTATION FROM ANIMAL CARE COMMITTEE FOR CAT ADOPTION AND EDUCATION CENTRE UPDATE (2.8)

**Note: Members of the Animal Care Committee will be in attendance to present Mayor and Members of Council with a \$3000 donation towards the Cat Adoption and Education Centre.**

## 9. PRESENTATIONS - COMMUNITY SERVICE ISSUES

### 9.1 TELECOMMUNICATION COMPANY ACTIVITIES IN THE CITY OF MARKHAM (5.0)

274

R. Penner, ext. 4550 and T. Anastacio ext. 2150

1. That the staff presentation by Mr. Robert Penner, Manager, Utility Inspection Survey Group entitled "Telecommunication Company Activities in the City of Markham", be received;
2. That the staff report entitled, Telecommunication Company Activities in the City of Markham be received; and,
3. That the Mayor and Clerk be authorized to execute funding agreements between the City and telecommunication companies to cover the costs to meet service levels as a result of increased permit applications relating to infrastructure upgrade projects, as outlined in this report, provided that the form and content of such agreements are satisfactory to the Commissioner of the Community and Fire Services and the City Solicitor; and,
4. That 5 additional two year contract staff be hired at the cost of approximately \$332,000 per year, with costs being funded through amounts paid to the City pursuant to a funding agreement and through permit fees recovered from increased permit review applications; and,
5. That the Treasurer and Director of Operations be authorized to hire additional temporary staff to address the legislated time requirements for permit review during the period of increased volumes with the costs of such fully recovered through amounts paid to the City pursuant to funding agreement(s) and through permit fees recovered from increased permit review applications; and further,
6. That Staff be authorized and directed to do all things necessary to give effect to this resolution.



**10. REGULAR REPORTS - FINANCE & ADMINISTRATIVE ISSUES****10.1 POSSIBLE APPOINTMENT OF MARKHAM'S ALTERNATE MEMBER FOR REGIONAL COUNCIL (16.0) 298**

K. Kitteringham, ext. 4729 and J. Machesney, ext. 2211

1. That the report entitled "Possible Appointment of Markham's Alternate Member for Regional Council" be received; and,
2. That the City Clerk notify the Regional Clerk of the appointment of Markham's Alternate Member for York Region Council for the 2018-2022 term of Council should Markham City Council choose to do so; and further,
3. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**10.2 FLOOD CONTROL PROGRAM – DISASTER MITIGATION & ADAPTATION FUND (DMAF) (5.5 & 7.0) 308**

P. Kumar, ext. 2989 and R. Muir, ext. 2894

1. That the Report entitled "Flood Control Program – Disaster Mitigation & Adaptation Fund (DMAF)" be received; and
2. That Council approve the shared funding allocation between the Government of Canada and City of Markham as follows:
3. That the Mayor and Clerk be authorized to execute the Disaster Mitigation & Adaptation Fund (DMAF) Agreement (and any related documents), in a form and content satisfactory to the City Solicitor and the Commissioner of Community & Fire Services, and that the Commissioner of Community & Fire Services (or designate) be authorized to act as an authorized signing officer for the City under the Agreement (including for the purpose of submitting required reports and confirmations); and
4. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**10.3 FLOOD CONTROL PROGRAM AND STORMWATER FEE UPDATE (5.5 & 7.0) 311**

M. Visser, ext. 4260 and R. Grech, ext. 2357

1. That the report "Flood Control Program and Stormwater Fee Update" be received; and,

2. That an annual stormwater fee continue to be imposed on all property within the municipal boundaries of the City of Markham, save and except those noted in the Stormwater Fee By-law 2020-XXX as outlined in Appendix “A” to this staff report; and,
3. That the annual stormwater fee for Residential properties be increased in year 2020 from \$47 to \$50 per property; and further be increased by \$1 per year, each year thereafter; and,
4. That the annual stormwater fee rate for Non-Residential properties be increased in year 2020 by \$2 per \$100,000 of current value assessment (CVA); and further be increased by 2% per year, each year thereafter; and,
5. That the annual stormwater fee rate for Vacant Land properties be increased in year 2020 by \$2 per \$100,000 of current value assessment (CVA) and further be increased by 2% per year, each year thereafter; and,
6. That the Treasurer continue to be authorized to adjust the annual stormwater fee rate for both Non-Residential and Vacant Land properties to compensate for the average annual change in City-wide CVA; and,
7. That the annual stormwater fee levied continue to be included as a separate line item on the final tax bill of the property; and,
8. That the City continue to allocate \$2,000,000 per year of Federal Gas Tax funding to the Flood Control Program;
9. That By-law 2015-130 be repealed in its entirety and replaced with the Stormwater Fee By-law 2020-XXX as outlined in Appendix “A” to this staff report; and,
10. That staff report back to Council in 2024 with any required update to the annual Stormwater Fees, for implementation in 2025, to ensure that the Flood Control Program is adequately funded; and further,
11. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

11. **MOTIONS**

12. **NOTICES OF MOTION**

13. **NEW/OTHER BUSINESS**

*As per Section 2 of the Council Procedural By-Law, "New/Other Business" would generally apply to an item that is to be added to the **Agenda** due to an urgent statutory*

*time requirement, or an emergency, or time sensitivity".*

**14. ANNOUNCEMENTS**

**15. ADJOURNMENT**

### **Information Page**

**General Committee Members:** All Members of Council

#### **General Committee**

Chair: Regional Councillor Jack Heath

Vice Chair: Councillor Khalid Usman

#### **Finance & Administrative Issues**

Chair: Regional Councillor Jack Heath

Vice Chair: Councillor Khalid Usman

#### **Community Services Issues**

Chair: Councillor Karen Rea

Vice Chair: Councillor Isa Lee

#### **Environment & Sustainability Issues**

Chair: Regional Councillor Joe Li

Vice Chair: Councillor Reid McAlpine

#### **Land, Building & Parks Construction Issues**

Chair: Councillor Keith Irish

Vice Chair: Councillor Andrew Keyes

General Committee meetings are audio and video streamed live at the City of Markham's website.

Alternate formats are available upon request.

**Consent Items:** All matters listed under the consent agenda are considered to be routine and are recommended for approval by the department. They may be enacted on one motion, or any item may be discussed if a member so requests.

**Note:** The times listed on this agenda are approximate and may vary; Council may, at its discretion, alter the order of the agenda items.

**Note: As per the Council Procedural By-Law, Section 7.1 (h)  
General Committee will take a 10 minute recess after  
two hours have passed since the last break.**

**General Committee is scheduled to recess for lunch from  
approximately 12:00 PM to 1:00 PM.**



## General Committee Minutes

**Meeting Number: 6**

**March 25, 2019, 9:30 AM - 3:00 PM**

**Council Chamber**

Roll Call	Mayor Frank Scarpitti	Councillor Reid McAlpine
	Deputy Mayor Don Hamilton	Councillor Karen Rea
	Regional Councillor Jack Heath	Councillor Andrew Keyes
	Regional Councillor Joe Li (arrived at 9:50 AM)	Councillor Amanda Collucci
	Regional Councillor Jim Jones	Councillor Khalid Usman
	Councillor Keith Irish	Councillor Isa Lee
	Councillor Alan Ho	
Staff	Andy Taylor, Chief Administrative Officer	Joel Lustig, Treasurer
	Trinela Cane, Commissioner of Corporate Services	Bryan Frois, Chief of Staff
	Brenda Librecz, Commissioner of Community & Fire Services	Kimberley Kitteringham, City Clerk
	Arvin Prasad, Commissioner Development Services	Martha Pettit, Deputy City Clerk
	Catherine Conrad, City Solicitor and Acting Director of Human Resources	Josh Machesney, Elections & Committee Coordinator

### 1. CALL TO ORDER

The General Committee meeting convened at the hour of 9:37 AM with Regional Councillor Jack Heath in the Chair.

### 2. DISCLOSURE OF PECUNIARY INTEREST

Councillor Karen Rea expressed a disclosure of pecuniary interest with respect to item 7.1 "Indemnification of Employees and Members of Council" (Subject of pending litigation). (See item 7.1).

### 3. APPROVAL OF PREVIOUS MINUTES

**3.1 MINUTES OF THE MARCH 4, 2019 GENERAL COMMITTEE (16.0)**

Moved by Deputy Mayor Don Hamilton

Seconded by Councillor Alan Ho

1. That the minutes of the March 4, 2019 General Committee meeting be confirmed.

**Carried**

**4. DEPUTATIONS**

There were no depositions.

**5. PETITIONS**

There were no petitions.

**6. CONSENT REPORTS - FINANCE & ADMINISTRATIVE ISSUES****6.1 MINUTES OF THE NOVEMBER 28, 2018 BOARD OF MANAGEMENT UNIONVILLE BUSINESS IMPROVEMENT AREA (UBIA) (16.0)**

Moved by Councillor Isa Lee

Seconded by Councillor Khalid Usman

1. That the minutes of the November 28, 2018 Board of Management Unionville Business Improvement Area Committee meeting be received for information purposes.

**Carried**

**6.2 MINUTES OF THE FEBRUARY 19, 2019 SENIORS ADVISORY COMMITTEE (16.0)**

Moved by Councillor Isa Lee

Seconded by Councillor Khalid Usman

1. That the minutes of the February 19, 2019 Seniors Advisory Committee meeting be received for information purposes.

**Carried**

### **6.3 042-T-15 CATHODIC PROTECTION OF IRON WATERMAINS – CONTRACT EXTENSION (7.12)**

Moved by Councillor Isa Lee

Seconded by Councillor Khalid Usman

1. That the report entitled “042-T-15 Cathodic Protection of Iron Watermains – Contract Extension” be received; and,
2. That contract # 042-T-15 Cathodic Protection of Iron Watermains, awarded to 1460973 Ontario Limited O/A C.P. Systems (C.P. Systems), be extended for three (3) additional years at the same itemized pricing; and,
3. That the tendering process for the Cathodic Protection of Iron Watermains be waived in accordance with Purchasing By-Law 2017-8, Part II, Section 11.1 (c); which states that “when the extension of an existing Contract would prove more cost-effective or beneficial”; and,
4. That the annual amount of \$289,283.33, inclusive of HST, be awarded for 2019; and,
5. That a 8% contingency in the amount of \$23,142.67 be established to cover any additional construction costs and that authorization to approve expenditures of this contingency amount up to the specified limit be in accordance with the Expenditure Control Policy; and,
6. That the award in the amount of \$312,426.00 be funded from the capital project 053-6150-19241-005 “Cathodic Protection of Iron Watermains”; and,
7. That the remaining funds of \$65,374.00 in project #19241 “Cathodic Protection of Iron Watermains” be returned to the original funding source; and,
8. That the contract services award (inclusive of 8% contingency) for:
  - a. Year 2020 in the amount of \$328,900.12 (\$304,537.15 + \$24,362.97),
  - b. Year 2021 in the amount of \$443,098.05 (\$410,275.97 + \$32,822.08), be requested as part of the 2020 and 2021 capital budget process, subject to Council approval; and further,
9. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**Carried**

### **6.4 AWARD OF CONTRACT 126-R-18 REAL ESTATE BROKERAGE SERVICES (7.12)**

Moved by Councillor Isa Lee

Seconded by Councillor Khalid Usman

1. That the report entitled “Award of Contract 126-R-18 Real Estate Brokerage Services” be received; and,
2. That the contract for Real Estate Brokerage Services be awarded to the highest ranked/lowest priced bidder, Cushman & Wakefield Ltd.; and,
3. That Contract 126-R-18 for Real Estate Brokerage Services be awarded to the highest ranked bidder, Cushman & Wakefield Ltd., for a one (1) year term with the City having an option to renew for four (4) additional years, with the following commission rates payable to them upon closing of the property transaction for five years (exclusive of HST);

<b>Years 1 - 5</b>	<b>Commission rates</b>
Sale of property	1.00%
Purchase of property*	1.00%
Lease of property	
a) Residential (% of 1-month rent)	50.00%
b) Industrial (% of 1 <sup>st</sup> year net rent)	1.00%
c) Industrial (% of each of the remaining years of the initial lease term)	1.00%
d) Office (\$ per square foot)	\$0.20

\*When it is disclosed at the beginning of a transaction that the Vendor/Landlord will not pay a commission to the broker, the City shall pay the commission at the rate as outlined on the above chart; and,

4. That bidder Cushman & Wakefield Ltd. be designated as the preferred vendor of the City’s Real Estate Brokerage Services needs for a one year term with the City Solicitor having the authority to renew successive one year terms to a maximum of five years; and further,
5. That Staff be authorized and directed to do all things necessary to give effect to this resolution.



**Carried****7. REGULAR REPORTS - FINANCE & ADMINISTRATIVE ISSUES****7.1 INDEMNIFICATION OF EMPLOYEES AND MEMBERS OF COUNCIL  
(2.0)**

**Councillor Karen Rea declared a conflict on this item and did not participate in the discussion or vote on the matter. (Subject of pending litigation.)**

Catherine Conrad, City Solicitor & Acting Director of Human Resources, introduced the item and explained the purpose of enacting an indemnification by-law and spoke to various sections of the proposed by-law.

There was discussion about the application of the proposed by-law.

Moved by Councillor Isa Lee

Seconded by Regional Councillor Joe Li

1. That the report entitled “Indemnification of Employees and Members of Council”, dated March 25, 2019, be received; and,
2. That Attachment “A”, the proposed Indemnification of Employees and Members of Council By-law, be enacted; and,
3. That the contract for the City’s Integrity Commissioner be amended to include the responsibilities set out in the By-law attached as Attachment “A”; and,
4. That the Chief Administrative Officer and the City Clerk be authorized to enter into indemnification/reimbursement agreements with eligible persons where the Integrity Commissioner has authorized indemnity, in a form satisfactory to the City Solicitor; and further,
5. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**Carried****8. MOTIONS**

There were no motions.

**9. NOTICES OF MOTION**

There were no notices of motions.

**10. NEW/OTHER BUSINESS**

There was no new / other business.

**11. ANNOUNCEMENTS**

There were no announcements.

**12. CONFIDENTIAL ITEMS**

Moved by Councillor Amanda Collucci

Seconded by Councillor Andrew Keyes

That, in accordance with Section 239 (2) of the Municipal Act, General Committee resolve into a confidential session to discuss the following matters (10:43 AM):

**Carried**

**12.1 FINANCE & ADMINISTRATIVE ISSUES****12.1.1 BOARD OF MANAGEMENT UNIONVILLE BUSINESS  
IMPROVEMENT AREA COMMITTEE CONFIDENTIAL  
MINUTES - DECEMBER 3, 2018 (16.0) [Section 239 (2) (b) (d)]**

General Committee confirmed the December 3, 2018 Board of Management Unionville Business Improvement Area Committee confidential meeting minutes.

**Carried**

**12.1.2 PERSONAL MATTERS ABOUT AN IDENTIFIABLE  
INDIVIDUAL, INCLUDING MUNICIPAL OR LOCAL BOARD  
EMPLOYEES (REPORT OF INTEGRITY COMMISSIONER  
REGARDING CODE OF CONDUCT COMPLAINT ABOUT  
WARD 4 COUNCILLOR KAREN REA) (16.23) [Section 239 (2) (b)]**

General Committee referred this item directly to the April 2, 2019 Council meeting for consideration without any discussion.

**12.2 LAND, BUILDING & PARKS CONSTRUCTION ISSUES**

**12.2.1 A PROPOSED OR PENDING ACQUISITION OR DISPOSITION  
OF LAND BY THE MUNICIPALITY OR LOCAL BOARD (WARD  
2) (8.6) [Section 239 (2) (c)]**

General Committee consented to placing this item on the April 2, 2019 Council agenda for consideration.

**12.2.2 A PROPOSED OR PENDING ACQUISITION OR DISPOSITION  
OF LAND BY THE MUNICIPALITY OR LOCAL BOARD (WARD  
6) (8.6) [Section 239 (2) (c)]**

General Committee consented to placing this item on the April 2, 2019 Council agenda for consideration.

**13. ADJOURNMENT**

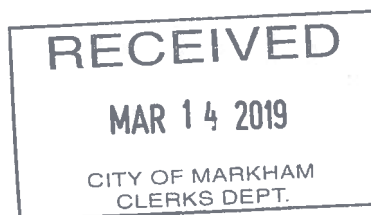
The General Committee meeting adjourned at 12:01 PM.

Moved by Councillor Amanda Collucci

Seconded by Councillor Andrew Keyes

That General Committee be adjourned.

**Carried**



Corporate Services  
Regional Clerk's Office

March 6, 2019

Ms. Kimberley Kitteringham  
City Clerk  
City of Markham  
101 Town Centre Boulevard  
Markham, ON L3R 9W3

Dear Ms. Kitteringham:

**Re: Proposed Amendment 1 to the Growth Plan**

On February 28, 2019 Regional Council adopted the following recommendations:

1. Council endorse this report and Attachments 1 and 2 as the Region's submission to the Province in response to the Environmental Registry of Ontario (ERO) postings: Proposed Amendment to the Growth Plan for the Greater Golden Horseshoe, 2017 (ERO # 013-4504), Proposed Framework for Provincially Significant Employment Zones (ERO # 013-4506), Proposed Modifications to O.Reg. 311/06 (Transitional Matters – Growth Plans) (ERO # 013-4505) and Proposed Modifications to O.Reg. 525/97 (Exemption from Approval – Official Plan Amendments) (ERO 013-4507) with the following amendment:
  - a) Council requests that the Province reduce the intensification target for York Region from 60% to 50%.
2. The Regional Clerk forward this report and attachments to the Ministry of Municipal Affairs and Housing, the Clerks of the local municipalities and the Clerks of the other upper and single-tier municipalities in the GTHA.
3. The Province be made aware that additional comments regarding provincially significant employment zones may be forthcoming.

Please contact Paul Bottomley, Manager Policy, Research and Forecasting at 1-877-464-9675 ext.71530 if you have any questions with respect to this matter.

Sincerely,

A handwritten signature in black ink, appearing to be 'CR' with a large loop and a diagonal stroke.

Christopher Raynor  
Regional Clerk

Attachments

# **The Regional Municipality of York**

Committee of the Whole  
Planning and Economic Development  
February 21, 2019

Report of the Commissioner of Corporate Services and Chief Planner

## **Comments on Proposed Amendment 1 to the Growth Plan**

### **1. Recommendations**

1. Council endorse this report and Attachments 1 and 2 as the Region's submission to the Province in response to the Environmental Registry of Ontario (ERO) postings: Proposed Amendment to the Growth Plan for the Greater Golden Horseshoe, 2017 (ERO # 013-4504), Proposed Framework for Provincially Significant Employment Zones (ERO # 013-4506), Proposed Modifications to O.Reg. 311/06 (Transitional Matters – Growth Plans) (ERO # 013-4505) and Proposed Modifications to O.Reg. 525/97 (Exemption from Approval – Official Plan Amendments) (ERO 013-4507).
2. The Regional Clerk forward this report and attachments to the Ministry of Municipal Affairs and Housing, the Clerks of the local municipalities and the Clerks of the other upper and single-tier municipalities in the GTHA.

### **2. Summary**

This report provides Council with proposed comments on the Province's proposed Amendment 1 to the Growth Plan, associated regulation changes and a framework for provincially significant employment zones for endorsement.

#### **Key Points:**

- Overall, staff generally support the direction of the proposed changes to the Growth Plan.
- Staff support proposed changes to intensification and density targets that apply to York Region and provincially significant employment zones, subject to modifications recommended in this report.
- Staff recommend that all employment land conversions and settlement area boundary expansions continue to be considered only at the time of a Regional municipal comprehensive review.

### 3. Background

#### **Province is soliciting comments on proposed Amendment 1 to the 2017 Growth Plan**

The Provincial Growth Plan for the Greater Golden Horseshoe, 2017 (Growth Plan) provides a long-term framework for managing growth and sets out where and how to grow. Policy direction on infrastructure planning and protecting resources is incorporated in the Plan as part of an integrated approach to growth management. The current Growth Plan came into effect in July 2017 and replaced the original 2006 Growth Plan. York Region's Official Plan and all land use planning decisions must conform with the Growth Plan.

In the fall of 2018, the Ministry of Municipal Affairs and Housing held a number of working group sessions and a stakeholder forum with representatives from the municipal sector, development industry and other stakeholder groups to discuss Growth Plan implementation issues, challenges and potential solutions.

#### **The deadline for comments is February 28, 2019**

On January 15, 2019, the Province released proposed Amendment 1 to the Growth Plan for comment. According to the Province, proposed changes are intended to address potential barriers to increasing the supply of housing, creating jobs and attracting investments. Comments are to be made through the Environmental Registry of Ontario (ERO) and are due by February 28, 2019. In addition to Amendment 1, there are associated postings for comment dealing with a Proposed Framework for Provincially Significant Employment Zones and modifications to two regulations related to Growth Plan implementation.

### 4. Analysis

Staff comments on Amendment 1 to the Growth Plan are organized under the following themes: Intensification and Density Targets, Employment Planning, Settlement Area Boundary Expansion, Small Rural Settlements, Major Transit Station Areas and Agricultural and Natural Heritage Systems. Attachment 1 provides detailed comments.

#### **Overall, the proposed changes to the Growth Plan are generally supported**

Subject to the recommended modifications in this report and the attachment, overall, staff are generally supportive of the changes proposed for the Growth Plan. The proposed amendment maintains many of the key guiding principles of the current Growth Plan for York Region. These include prioritizing growth through intensification and higher densities for greenfield areas while providing increased flexibility for municipalities.

## INTENSIFICATION AND DENSITY TARGETS

### Proposed intensification targets reflect “one size does not fit all”

Throughout the consultation process, Greater Golden Horseshoe (GGH) municipalities highlighted the need for a “one size does not fit all” approach with respect to intensification targets. In response, Amendment 1 proposes application of different intensification targets for three geographic zones of upper and single-tier municipalities in the GGH. York Region is grouped with the City of Hamilton and the Regions of Peel and Waterloo, all with a minimum intensification target of 60 percent, the highest among the three zones. This means that 60 percent of residential growth is to occur within the Provincially delineated built-up area on an annual basis. This accelerates intensification from what is in the 2017 Growth Plan which phases in intensification from 50 percent to 2031 and then 60 percent from 2031 to 2041.

The second group of municipalities has an intensification target of 50 percent which includes the Regions of Durham and Halton, while the third group is to establish an intensification target based on maintaining or improving their current minimum intensification target. This multi-zoned approach recognizes varying abilities of different regions within the GGH to accommodate intensification. Table 1 below summarizes both intensification and Designated Greenfield Area density targets for the three zones.

**Table 1**  
**Intensification and Density Targets in Amendment 1**

Municipalities by Geographic Zone	Intensification Target (Built-up area)	Designated Greenfield Area Density Target
<b>Inner Zone</b>		
Regions of York, Peel, Waterloo and City of Hamilton	60%	60 residents and jobs per hectare
<b>Middle Zone</b>		
Cities of Barrie, Brantford, Guelph, Orillia and Peterborough and Regions of Durham, Halton and Niagara	50%	50 residents and jobs per hectare
<b>Outer Zone</b>		
City of Kawartha Lakes and the Counties of Brant, Dufferin, Haldimand, Northumberland, Peterborough, Simcoe and Wellington	To establish a target based on maintaining or improving on their current minimum intensification target	40 residents and jobs per hectare



## **York Region is well-positioned to achieve increased intensification**

Staff support the placement of York Region within the Inner Zone and the associated intensification target. From 2006 to 2017, York Region has averaged 48 percent of annual housing growth occurring within the built-up area (i.e. 48% intensification rate). Significant investment in transit and other infrastructure combined with comprehensive planning for intensification allows York Region to accommodate the proposed intensification target. Over \$3 billion has been invested by all three levels of government in transit infrastructure in York Region including the Spadina subway extension and Bus Rapid Transit corridors along Highway 7, Yonge Street and Davis Drive, with additional transit expansions and improvement planned.

York Region's Centres and Corridors strategy has been in place since 1994 and local municipalities have been implementing the Regional structure by developing secondary plans for Regional and local centres and corridor intensification areas. In addition, there are opportunities for a range of more modest forms of intensification including smaller scale infill projects and second suites which will contribute to meeting the Region's intensification target.

## **Designated Greenfield Area density target is proposed to be maintained at 60 residents and jobs per hectare**

The current Growth Plan requires an overall minimum density of 60 residents and jobs per hectare for the existing Designated Greenfield Area and a minimum density of 80 residents and jobs per hectare for future urban expansion areas, if required. The proposed amendment would remove the requirement for a higher density for future urban expansion areas while maintaining the overall minimum 60 residents and jobs per hectare density target. This means that across the Designated Greenfield Area (excluding employment lands), both existing built and unbuilt areas together must reach a density of 60 residents and jobs per hectare.

Similar to the intensification target, the Province has taken an approach of customizing density targets by geographic zones of municipalities (see Table 1). York is grouped with the City of Hamilton and the Regions of Peel and Waterloo with a minimum density target of 60 residents and jobs per hectare. The second grouping of municipalities has a proposed minimum density target of 50 residents and jobs per hectare and third group, 40 residents and jobs per hectare.

Staff support the proposed minimum target of 60 residents and jobs per hectare across the Designated Greenfield Area. This is appropriate for York Region and also allows for the continued planning of the Region's New Community Areas at 70 residents and jobs per hectare, as set out in the Regional Official Plan. This density is intended to encourage the development of more complete communities.

## **Criteria for alternative intensification and Designated Greenfield Area density targets has been simplified**

Amendment 1 also proposes simplified criteria for establishing alternative intensification and Designated Greenfield Area targets. In considering alternative target requests, staff expect the Province will maintain the key principles and purpose of the Growth Plan. To do so, staff recommend that additional criteria be included when considering an alternative intensification target which would require improving upon the historic level of intensification being achieved in the upper or single-tier municipality. Consideration of alternative targets should only occur at the time of a municipal comprehensive review and not at any time as suggested by the proposed new policy.

## **Designated Greenfield Area minimum density targets proposed for other upper and single-tier municipalities is below transit supportive densities**

Although not directly applicable to York Region, a minimum Designated Greenfield Area density target of 40 or 50 residents and jobs per hectare is not considered to be transit supportive and does not generally promote walkable, compact and complete communities. The Designated Greenfield Area target of 50 residents and jobs per hectare as proposed is not equivalent to the 2006 Growth Plan 50 residents and jobs per hectare density policy since the latter included employment lands in the calculation which tend to be at a lower density than community lands. A Designated Greenfield Area density target at 40 or 50 for community lands is well below the minimum density target in the 2006 Growth Plan and could result in very low density and inefficient greenfield growth. Staff suggest that the Designated Greenfield Area target be set at 60 residents and jobs per hectare for all upper and single-tier municipalities in the Greater Golden Horseshoe in order to promote transit supportive and complete communities.

## **EMPLOYMENT PLANNING**

### **Consideration of employment land conversions should remain at the time of a municipal comprehensive review**

Under the current Growth Plan, conversions of employment lands to non-employment uses are only permitted through a municipal comprehensive review. Amendment 1 is proposing a one-time window for municipalities to undertake employment land conversions between the effective date of Amendment 1 and the next municipal comprehensive review, subject to criteria. Included in the criteria is a requirement to maintain a significant number of jobs on lands being proposed for conversion.

In staff's view, employment land conversions should continue to be considered only at the time of a municipal comprehensive review. In addition to other criteria, conversion of employment lands need to be assessed in the context of the Region's employment land base, regional employment trends and employment forecast for the local municipality and the Region. The proposed requirement to maintain "a significant number of jobs" on the lands

being considered for conversion is vague and open to a wide range of interpretation. If the Province decides to maintain this proposed policy, it is staff's recommendation that only municipally initiated employment land conversions be considered as part of the one-time window. In addition, the Province should clarify the wording in Amendment 1 to indicate that only a one-time window is being proposed.

Since York Region's Municipal Comprehensive Review process is currently well underway, it is not clear whether this new provision in the Growth Plan would apply to York Region. To date, York Region has received over 30 requests for employment land conversions. To evaluate these areas comprehensively, it is recommended that York Region continue with the current process of assessing employment land conversions only as part of the municipal comprehensive review.

### **Province is proposing provincially significant employment zones**

Associated with Amendment 1 is a proposed framework for provincially significant employment zones identified by the Minister of Municipal Affairs and Housing. Areas within these zones are deemed to be crucial to the province's economy and would not be able to be converted outside of a municipal comprehensive review. The proposed provincially significant employment zones mapping is shown in Attachment 2 (page 1). Twenty-nine zones across the Greater Golden Horseshoe are identified. Four zones include lands within York Region. Collectively, these zones cover a significant portion of the Region's employment land base in southern York Region (see page 2 of Attachment 2). The ability to designate prime employment areas as set out in the current Growth Plan would be removed under Amendment 1. Prime employment areas are defined as land extensive and low density employment uses that require locations near major good movement facilities and corridors.

Staff support identifying provincially significant employment zones to protect the Region's employment land base. It is recommended that the Province add designated employment lands along 400 series highways in the Region as shown on pages 3, 4 and 5 of Attachment 2. These areas all have potential to be significant concentrations of employment and economic output when they are developed and need to be protected for employment land uses. Any potential conversions should be considered comprehensively through the municipal comprehensive review. In addition to including these areas, staff recommend minor modifications to the boundaries of the zones proposed by the Province to include the full extent of the employment areas.

### **Province should clarify the intent of the change in definition of Office Parks**

Amendment 1 proposes to change the definition of office parks by deleting wording that states that they are employment areas designated in an official plan. This could be interpreted that office parks in employment areas would no longer be considered employment lands and therefore not subject to employment land conversion policies. Staff assume this is not the intent and request the Province to clarify the definition and policies around office parks.

## **SETTLEMENT AREA BOUNDARY EXPANSION**

### **The proposed amendment would permit small scale settlement area boundary expansions outside of a municipal comprehensive review**

Amendment 1 would allow a settlement area boundary expansion in advance of a municipal comprehensive review subject to the following requirements: the lands will achieve the Designated Greenfield Area density target or applicable employment area density target, the location of the lands will meet applicable Growth Plan requirements, the proposed area is not a rural settlement or in the Greenbelt, is no larger than 40 hectares, is municipally serviced with available capacity and will be taken into account in the forecast and land needs assessment for the next municipal comprehensive review.

Staff recommend any area boundary expansions only be considered at the time of a municipal comprehensive review when there can be a full assessment of the need for the expansion in the context of the overall Regional structure, supporting infrastructure and population and employment forecasts.

If the Province proceeds with this policy, the Province should specify there is a limit of a potential total expansion of 40 hectares outside of the municipal comprehensive review process. In addition, if this policy is maintained, any potential 40 hectare settlement area expansion should only occur if municipally initiated by an upper or single-tier municipality.

Amendment 1 also proposes a new policy which allows adjusting settlement area boundaries outside of a municipal comprehensive review provided there would be no net increase in land within settlement areas. The adjustment would need to support the ability to meet intensification and density targets and must not be a rural settlement or in the Greenbelt. Staff are not supportive of this policy as it could result in ad hoc exchanges of lands in the settlement area without regard to the impacts on overall Regional urban structure, necessary infrastructure and population and employment forecasts.

### **Criteria for determining the location of settlement area boundary expansions have been simplified**

The current Growth Plan contains criteria to determine feasibility and the most appropriate location for urban boundary expansions. Amendment 1 simplifies requirements and introduces more flexibility while maintaining key considerations in evaluating locational options for urban expansion. The amended criteria are intended to focus more on outcomes and demonstrating that a particular criterion has been met rather than specifying studies that need to be completed. The revised criteria are generally reasonable, subject to the recommended modifications in Attachment 1, since it maintains the key considerations for evaluating potential urban boundary expansions.

## **SMALL RURAL SETTLEMENTS**

### **Proposed amendment recognizes the role of small rural settlements in accommodating growth**

Under the current Growth Plan, many of the Region's hamlets and other rural settlement areas are categorized as undelineated built-up areas. These are settlement areas for which the Province has not delineated a built boundary. Initially, these areas were to be treated as part of the Designated Greenfield Area. In 2018, a regulation was passed that restricted this requirement to undelineated areas outside of hamlets in the Greenbelt Plan and rural settlements in the Oak Ridges Moraine Conservation Plan. In York Region, Ballantrae, Fairfield Estates and Maple Lake Estates remain as undelineated areas that are to be treated as part of the Designated Greenfield Areas. Inclusion of these areas in the Designated Greenfield Area make it more challenging to meet the required density target since they are developed and planned for relatively low densities.

Amendment 1 introduces a new term, rural settlements, which are existing hamlets or similar small settlement areas that are long-established and identified in official plans. The term "undelineated built-up area" is proposed to be deleted. These changes are reasonable since rural settlement areas are intended to accommodate relatively modest levels of growth at lower densities and should not be part of the Designated Greenfield Area.

A proposed new Growth Plan policy would allow for minor boundary adjustments of non-Greenbelt rural settlements outside of a municipal comprehensive review. The change would constitute minor rounding out of existing development in keeping with the rural character of the area, subject to confirmation that servicing can be provided and subject to provisions in the Provincial Policy Statement. Similar to the settlement area expansion policies, staff are of the view that boundary expansions of rural settlements should only be considered as part of a municipal comprehensive review. The fact that "minor" is not a defined term could potentially lead to broad interpretation of this policy. If the Province decides to proceed with this policy, rural settlement boundary adjustments should be municipally initiated.

## **MAJOR TRANSIT STATION AREAS**

### **More streamlined and flexible approach is proposed for delineating Major Transit Station Areas**

Major Transit Station Areas (MTSAs) are defined under the Growth Plan as the area including and around existing and planned higher order transit stations or stops within a settlement area. York Region is required to delineate and set minimum density targets for MTSAs located within provincially defined priority transit corridors. There is also the option to identify MTSAs beyond these corridors. MTSAs are classified as Strategic Growth Areas and are to be planned for specified minimum densities in the Growth Plan (e.g. 160 residents and jobs per hectare for Bus Rapid Transit stations).



Amendment 1 allows municipalities to delineate and set density targets for MTSAs in advance of the municipal comprehensive review, subject to identifying the MTSAs as “Protected” under the Planning Act. This provision protects MTSAs from planning appeals related to issues of land use, building height and density. The delineation and setting of density targets for MTSAs is currently well underway as part of the York Region municipal comprehensive review process. Therefore, this provision would likely not result in a more expedited process, at least for the current municipal comprehensive review. Going forward, it would be beneficial to employ a streamlined approach to delineate and set targets for new MTSAs or modifications to existing MTSA boundaries and/or density targets. This process can occur outside of the municipal comprehensive review since the density targets for MTSAs are long term targets that are most likely to be achieved beyond the horizon of the Growth Plan.

### **Province is proposing to simplify the process and criteria for alternative minimum density targets for Major Transit Station Areas**

Separate approval by Council and the Minister would no longer be required for alternative minimum density targets for Major Transit Station Areas. The proposed criteria considers whether development is severely restricted or prohibited by provincial policy as well as consideration whether a major trip generator or transit feeder service will sustain high ridership at the station. Staff request that an additional criterion be included which provides additional flexibility for the context of the lands surrounding a major transit station which may not be appropriate for extensive intensification (e.g. King City GO Station Major Transit Station Area).

Amendment 1 also clarifies that MTSA delineation can range from an approximate 500 to 800 metre radius of a transit station. This provides flexibility for situations where it is appropriate for a MTSA boundary to extend beyond 500 metres to include nearby intensification areas or areas of existing high density development.

The Province has also requested feedback on the question of whether employment areas that overlap with major transit station areas should be included in the provincially significant employment zones and implications associated with potential conversion requests. In staff’s view, MTSAs without residential uses can exist in employment areas and provincially significant employment zones at transit supportive densities.

## **AGRICULTURAL AND NATURAL HERITAGE SYSTEMS**

### **Provincial agricultural lands and natural heritage system mapping may be refined through the municipal comprehensive review**

The Province is proposing that provincial mapping of the agricultural land base and Natural Heritage System does not apply until it has been implemented in upper and single-tier official plans. This direction is consistent with previous Regional comments on draft Provincial guidance for the Natural Heritage System and Agricultural System submitted in 2017.

Municipalities would be able to refine and implement mapping in advance of the municipal comprehensive review. Once provincial mapping of the agricultural land base has been implemented in official plans, further refinement may only occur through a municipal comprehensive review. During the period before provincial mapping is implemented in official plans, it is proposed that the Growth Plan policies for protecting prime agricultural areas and natural heritage systems apply. Staff support this proposed policy direction.

### **Proposed Growth Plan Amendment 1 supports objectives of Vision 2051, the Strategic Plan 2015 to 2019 and Regional Official Plan**

Provincial growth management policies in the Growth Plan have direct impact on Vision 2051 goals including Creating Liveable Cities and Complete Communities. The Growth Plan policies also support achievement of the Strategic Plan 2015 to 2019 objectives of ensuring optimal locations for business and employment growth are available, and encouraging growth in Regional Centres and Corridors. The Growth Plan and the proposed amendment support the key themes of the Regional Official Plan: a Sustainable Natural Environment, Healthy Communities and Economic Vitality.

## **5. Financial**

As part of the current Regional municipal comprehensive review process, Regional population and employment forecasts will be updated to 2041, consistent with Growth Plan policies. The growth forecast will be used in the next update of the development charges by-law. The proposed minimum intensification target of 60 percent will require directing growth to areas with existing infrastructure but will also require a continued shift in the housing market towards higher density forms of housing in areas with infrastructure investment providing the opportunity to capitalize on the existing investment.

A lower than anticipated growth rate for either ground-related or higher density housing could result in a shortfall of projected development charges collections and assessment growth revenue. This could cause delays in capital cost recovery, impact costs for debt repayment, create pressures on the Region's operating budget and result in a need for potential deferrals of elements in the capital program. Staff will be assessing financial implications and will report back to Council with a fiscal strategy.

## **6. Local Impact**

The proposed Growth Plan Amendment has direct implications for local municipalities. The new intensification target will affect local municipal intensification targets and growth forecasts. The other proposed changes to the Growth Plan will have potential local municipal impacts with regards to planning for new communities, centres and corridors planning and employment land planning.

Local municipal staff are working alongside the Region in updating their official plans to reflect the policies in the updated Regional Official Plan generated through the Regional

municipal comprehensive review, once approved. Under the Planning Act, local municipal official plans are required to update to conform to the ROP within one year of it coming into effect.

## 7. Conclusion

This report has provided a summary of staff's comments on the Province's proposed Amendment 1 to the Growth Plan. Proposed policies in the areas of Intensification and Density Targets, Employment Planning, Settlement Area Boundary Expansion, Small Rural Settlements, Major Transit Station Areas and Agricultural and Natural Heritage Systems are generally supported by staff subject to the comments outlined in this report.

It is recommended that staff submit this report and the attachments to the Province as the formal submission in response to proposed Amendment 1 to the Growth Plan. Once the Growth Plan changes are finalized, staff will assess the impacts of any further changes to the current Regional municipal comprehensive review process and report back to Council as necessary.

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For more information on this report, please contact Paul Bottomley, Manager Policy, Research and Forecasting at 1-877-464-9675 ext.71530. Accessible formats or communication supports are available upon request.

Recommended by:

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Chief Administrative Officer

February 8, 2019  
Attachments (2)  
eDOCS # 9132693





## Attachment 1

**York Region Comments on Proposed Amendment 1 to the Growth Plan for the Greater Golden Horseshoe, 2017 (ERO # 013-4504), Proposed Framework for Provincially Significant Employment Zones (ERO # 013-4506), Proposed Modifications to O.Reg. 311/06 (Transitional Matters – Growth Plans) (ERO # 013-4505) and Proposed Modifications to O.Reg. 525/97 (Exemption from Approval – Official Plan Amendments) (ERO 013-4507)**

**ERO # 013- 4504**

**Amendment 1 to the Growth Plan for the Greater Golden Horseshoe**

<b>General Comments</b>	
	<p>York Region staff are generally supportive of the Province's direction proposed in Amendment 1 for York Region of continuing to prioritize growth through intensification and increasing flexibility for municipalities.</p> <p>The Growth Plan presents challenges for the Region with respect to meeting growth targets and providing the necessary infrastructure to service that growth. It is recommended that the review of the Growth Plan result in consequential amendments to other regulations to streamline Environmental Assessment and other provincial approval processes to bring infrastructure online more quickly to service designated and planned growth.</p>
<b>Intensification and Density Targets</b>	
2.2.2.1, 2.2.7.2	<p>Staff support the proposed minimum intensification target of 60 percent and the Designated Greenfield Density Target of 60 residents and jobs per hectare for York Region. Both are appropriate and reasonable targets for York Region given the level of transit infrastructure investment and the well-established land use planning framework for Regional centres and corridors as well as local centres and corridors and other intensification areas.</p> <p>Although not applicable to York Region, staff note that the proposed DGA densities of 40 and 50 residents and jobs per hectare proposed for the other two groups of municipalities in the GGH are lower than typical subdivisions being built today and are lower than the 2006 Growth Plan 50 density target since the 2006 DGA density calculation included employment lands (which are typically at a lower density than community lands). In staff's view, the Designated Greenfield Area target should be set at 60 for all municipalities in order to promote transit supportive complete communities.</p>
2.2.2.4, 2.2.7.4	<p>Staff accept the reduced criteria for alternative intensification and density targets provided that the prime direction of the Growth Plan of prioritizing growth intensification is maintained when the Province is assessing alternative targets. An additional criterion is also recommended that requires that an alternative intensification target be higher than historic intensification levels.</p> <p>The proposed amendment states that Councils can request alternative targets for intensification at any time and not be restricted by the timing of a MCR. Alternative targets should only be requested at the time of a MCR in order to properly align with forecasting and</p>

## York Region Comments – Proposed Growth Plan Amendment 1

	growth management work that is undertaken as part of the MCR.
<b>Employment Planning</b>	
2.2.5.10	<p>Staff recommend employment land conversions remain at the time of a Regional municipal comprehensive review. Conversions of employment lands need to be assessed in the context of the overall Regional employment land base and employment forecast. In addition, the requirement to maintain “a significant number of jobs” on lands being considered for conversion is too vague and open to a wide range of interpretation.</p> <p>Notwithstanding staff’s position stated above, if the Province decides to proceed with the one-time window for conversions, these should be limited to only municipally initiated conversions. Staff also request that language be clarified in the amendment to indicate that it would be only a one-time window for conversions.</p> <p>Staff request clarification on what constitutes “at the time of next municipal comprehensive review” in the context of the “one time window” for considering employment land conversions? It is not clear if this provision only applies to municipalities that have not commenced their municipal comprehensive review processes?</p>
2.2.5.4	Staff accept the proposed change to require municipalities to set multiple density targets for employment areas rather than a single target.
2.2.5.5 2.2.5.6 2.2.5.7	Staff agree with the policy direction on locating and preserving employment areas adjacent to major goods movement facilities and corridors and the requirement to provide for an appropriate interface between employment areas and adjacent non-employment areas. Staff also support the proposed policy to allow for employment area designations to be incorporated into upper or single-tier official plans by amendment at any time in advance of the next MCR.
2.2.5.8	This policy should prioritize the minimization or mitigation of adverse impacts on sensitive land uses and not the other way around.
2.2.5.12	Staff support identifying provincially significant employment zones to protect the Region’s employment land base but as stated above, maintain that all employment land conversions should only be considered at the time of a Regional municipal comprehensive review. Comments on the mapping for the provincially significant employment zones are provided under the comments section on the Proposed Framework for Provincially Significant Employment Zones in this Attachment.
2.2.5.14	“Outside of employment areas, redevelopment of any employment lands should retain space for a similar number of jobs to remain accommodated on site.” Suggest simplifying this policy to say that the redevelopment should accommodate a similar number of jobs.
Definitions	<p>Province should add a definition of provincially significant employment zones in the definition section of the Growth Plan.</p> <p>Amendment 1 proposes to change the definition of office parks to delete the component of the definition that states they are employment areas designated in an official plan. This could</p>

## York Region Comments – Proposed Growth Plan Amendment 1

	be interpreted that office parks in employment areas would no longer be considered employment lands and therefore would not be subject to any employment land conversion policies. Assuming this is not the intent, staff request the Province to clarify the definition and policies around office parks.
<b>Settlement Area Boundary Expansion</b>	
2.2.8.5 2.2.8.6	<p>Settlement area boundary expansions should only be considered at the time of a municipal comprehensive review (MCR) when there can be a full assessment of the need for the expansion in the context of the overall Regional structure, supporting infrastructure and population and employment forecast.</p> <p>If the Province proceeds with this policy, it should be clarified there is a limit of a potential total expansion of 40 hectares outside of the MCR process. In addition, if this policy is maintained, any potential 40 hectare settlement area expansion should only occur as a result of an upper or single-tier municipally initiated process.</p>
2.2.8.4	Staff do not support the proposed provision allowing municipalities to adjust settlement area boundaries outside the MCR if there is no net increase in land within the settlement area. This policy could lead to multiple ad hoc adjustments across the Region without proper regard for the Region's population and employment forecast, planned urban structure and other considerations in planning for appropriate locations for growth. In addition, it is not clear whether the exchange of lands in the Province's proposed policy would be an exchange of the same type of lands. For example, could there be an exchange of non-developable lands within the settlement area for developable lands outside of the settlement area?
2.2.8.3	Staff generally support the amended criteria to evaluate locations for settlement area boundary expansions which provide more flexibility and focus on outcomes rather than specific studies in meeting requirements. Staff do have concerns regarding the change in Section 2.2.8.3.d – which proposes to change the language from stating that the proposed expansion including the associated water, wastewater and stormwater servicing would not negatively impact the water resource system to minimize and mitigate potential negative impacts on watershed conditions. This is counter to other Provincial direction including source water protection and Section 4.2.1. – Water Resource Systems in the Growth Plan.
<b>Small Rural Settlements</b>	
2.2.9.7	Any boundary expansions of rural settlements should occur as part of a municipal comprehensive review. In addition, the lack of definition for the term "minor" could lead to misuse of this policy. If the Province decides to proceed with this policy, rural settlement boundary adjustments should be municipally initiated.
2.2.9.7.c	It is recommended that this section specify that servicing is achievable through reserve infrastructure capacity, similar to how it is addressed in section 2.2.8.5.d
Definitions	Staff support removal of the term "undelineated built-up area" and introduction of the defined term rural settlement to recognize areas which are not intended to accommodate significant

## York Region Comments – Proposed Growth Plan Amendment 1

	growth and which would not be considered part of the Designated Greenfield Area.
<b>Major Transit Station Areas</b>	
2.2.4.4	Staff request an additional criterion be added to allow alternative minimum density targets for MTSA's that have very limited intensification potential in both the short and long term based on existing development in the surrounding lands.
2.2.4.5.	Staff support the proposed policy to allow municipalities to delineate and set density targets for MTSA's in advance of the municipal comprehensive review. Staff note that this process is already underway as part of the Region's current MCR, so the new provision would likely not result in a more expedited process for the current MTSA delineation and target setting process. Going forward, it would be useful to employ a streamlined approach to delineate and set targets for new MTSA's or modifications to existing MTSA boundaries and/or density targets.
Definitions	Staff support additional flexibility provided in clarifying that MTSA's can range from an approximate 500 to 800 metre radius from a transit station subject to our comments on Section 2.2.4.5, giving flexibility to municipalities.
<b>Agricultural and Natural Heritage Systems</b>	
4.2.2.4 4.2.2.5 4.2.6.7 4.2.6.8	<p>Staff support proposed changes that specify provincial mapping of the agricultural land base and Natural Heritage System for the Growth Plan does not apply until implemented in the Regional Official Plan as well as the ability for municipalities to refine and implement provincial mapping in advance of the MCR. This provision provides upper and single-tier municipalities with the flexibility to advance the work associated with the mapping and policies required to conform to the Growth Plan or undertake it during the municipal comprehensive review process.</p> <p>Staff also agree with the specification that once provincial mapping of the agricultural land base has been implemented in official plans, further refinements may only occur through a MCR.</p>
4.2.6.3	With respect to the interface between agricultural and non-agricultural uses outside of settlement areas, staff agree with the new provision that mitigation measures, where appropriate, should be based on an agricultural impact assessment.
<b>Other Areas</b>	
1.2	Request clarification on how the Province is defining "market demand" and how that is to be balanced while ensuring housing supply meets local need through a full range and mix of housing types and tenures including affordable housing. Market demand should not be prioritized over unsustainable forms of development. The Province could consider linking the phrase "what is needed in local communities" to local housing needs identified through 10-year housing and homelessness plans, which would align with Growth Plan section 2.2.6.1.c.



## York Region Comments – Proposed Growth Plan Amendment 1

	<p>With respect to rental housing supply, municipalities lack the necessary tools and resources to match demand with supply. The Province should consider introducing new tools, such as the ability to zone by tenure recently introduced in British Columbia, to assist municipalities in responding to market and local community needs.</p> <p>Staff support the Province's mandate of putting people first. To support this, it is recommended that re-inclusion of social equity in the Vision is needed. As noted in Section 2.2.1.4, social equity is an important element in complete communities where people live, work and play.</p>
2.1	<p>In third last paragraph of Section 1.2. request removing "in larger urban centres" and adding a revision that would indicate that all communities need to grow at transit supportive densities appropriate for the local context and transit service being contemplated, rather than just those in larger urban centres.</p> <p>As identified in York Region's submission on the Made-in-Ontario Environment Plan, the Growth Plan provides critical direction that supports Greenhouse Gas reduction and community resilience. It is recommended that the proposed GHG reduction target of 30% below 2005 levels by 2030 be considered a minimum. The Province is encouraged to establish a longer term (2050 target) aligned with the Intergovernmental Panel on Climate Change.</p>
2.2.1	<p>Section 2.2.1.4.f. – Amendment 1 proposes to remove the reference to "low carbon communities", staff question how will the objective of being more environmentally sustainable be measured?</p> <p>Section 2.2.1.4.g. – Request that the word "appropriate" be removed with reference to low impact development. The inclusion of this word weakens the policy direction for the implementation of green infrastructure.</p>
2.2.6.1	<p>Staff accept the proposed removal of the requirement for a formal Housing Strategy but also recognize that the Housing Strategy is a key input to the Provincial Land Needs Assessment Methodology. Staff recommend that the Province amend the current Land Needs Assessment Methodology (LNA) to reflect the removal of the Housing Strategy. It should also be recognized that there will still be the need to plan for housing need with respect to determining housing mix options and affordable ownership and rental targets which will be required as inputs to the LNA.</p>
3.1	<p>In second paragraph, recommend returning text to "lower density development" from unmanaged growth in the statement "costs could be saved by moving from unmanaged growth to a more compact built form." Unmanaged growth could include both low and high density development. The statement makes more sense as previously written since lower density development is generally more costly to service.</p> <p>More generally, there is reference throughout the proposed Amendment to "unmanaged growth." This term implies municipalities and the Province have had little control over growth</p>

## York Region Comments – Proposed Growth Plan Amendment 1

	<p>in the GGH. It is recommended that a term such as “non-transit supportive growth” or similar be used.</p> <p>It is stated that the Plan aligns with provincial asset management regulations on page 26. It is recommended that consideration be given to protecting lands needed to facilitate asset management activities (e.g. easements) through a similar mechanism used to protect for transit corridors or employment areas.</p>
3.2.6.2.c, 3.2.7.1a, & 4.2.1.3	<p>Water and Wastewater Systems, Stormwater Management, Water Resource Systems</p> <p>It is recommended that “or equivalent” be removed. Watershed plans are important tools that help ensure drinking water sources are protected and should not be overridden.</p>
4.2.10	<p>Climate Change</p> <p>It is recommended the Province define what “other provincial plans and policies” take the place of the Ontario Climate Change Strategy. It would be beneficial for these to be defined to provide clarity on the guidance municipalities can use to ensure a consistent approach in developing vulnerability risks assessments, assessment of climate change impacts, etc.</p>
5.2.2	<p>Supplementary Direction</p> <p>Staff have concern regarding the potential for the Province to identify, establish or update “provincially significant employment zones” without consultation with municipalities. Recommend modifying this direction by inserting “in consultation with upper and single tier municipalities.”</p>

**ERO # 013- 4506****Proposed Framework for Provincially Significant Employment Zones**

Staff support the concept of provincially significant employment zones to be identified by the Minister of Municipal Affairs and Housing. Recommended modifications to the employment zone mapping are provided in Attachment 2 (pages 3, 4 and 5). The modifications consist of areas that Regional staff are proposing be added based on local municipal employment area designations as well as areas recommended for removal based on non-employment land use designations. The mapping in Attachment 2 highlights selected larger suggested modifications to the provincially significant employment zone boundaries. It is requested that Provincial staff follow-up with York Region staff to review in detail the complete proposed mapping modifications. Staff are proposing that designated employment lands along 400 series highways in the Region be added as provincially significant employment zones. These areas have potential to be significant concentrations of employment and economic output when developed and need to be protected for employment uses.

The Province is seeking feedback on whether employment areas that overlap with MTSAs should be included in the provincially significant employment zones. In our view, certain MTSAs may only have employment generating uses but at transit supportive densities, therefore, there is no need to exclude MTSAs from provincially significant employment zones.

**ERO # 013- 4505****Proposed Modifications to O.Reg.311/06 (Transitional Matters – Growth Plans)**

This regulation prescribes transition provisions for growth plans under the Places to Grow Act.

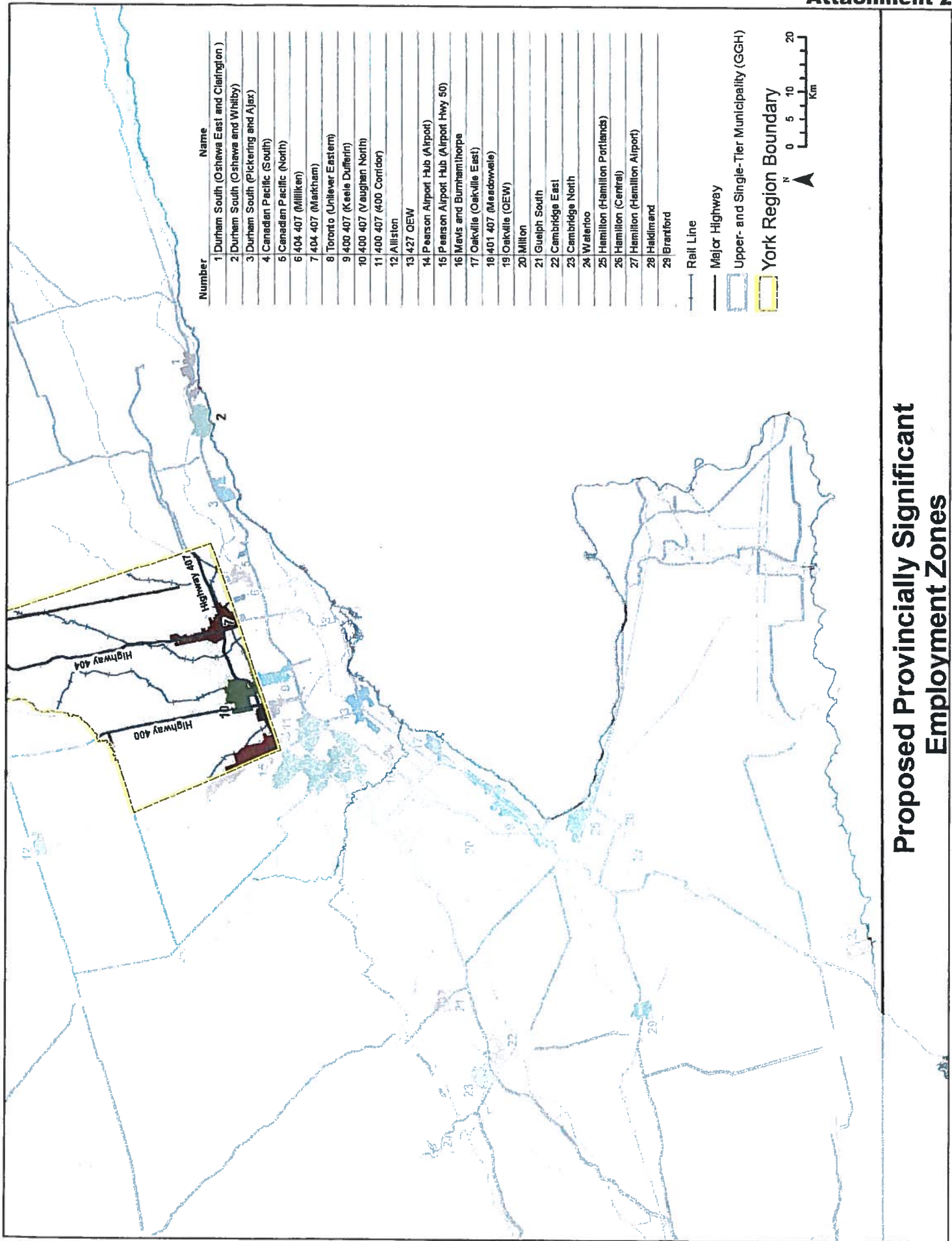
Although staff have been advised by Provincial staff that this regulation does not propose to eliminate the standard land needs assessment methodology, staff want to re-iterate the importance of having a consistent standard approach to land needs assessment. Staff support the current land needs assessment methodology as set out by the Province. In regards to this transition regulation, the Province is also seeking feedback as to whether there are any specific planning matters in process that should be addressed through the transition regulation. Staff would agree with the example provided by the Province that adopted official plan amendments under appeal should be subject to a transition regulation.

**ERO # 013- 4507****Proposed Modifications to O.Reg.525/97 (Exemption from Approval – Official Plan Amendments)**

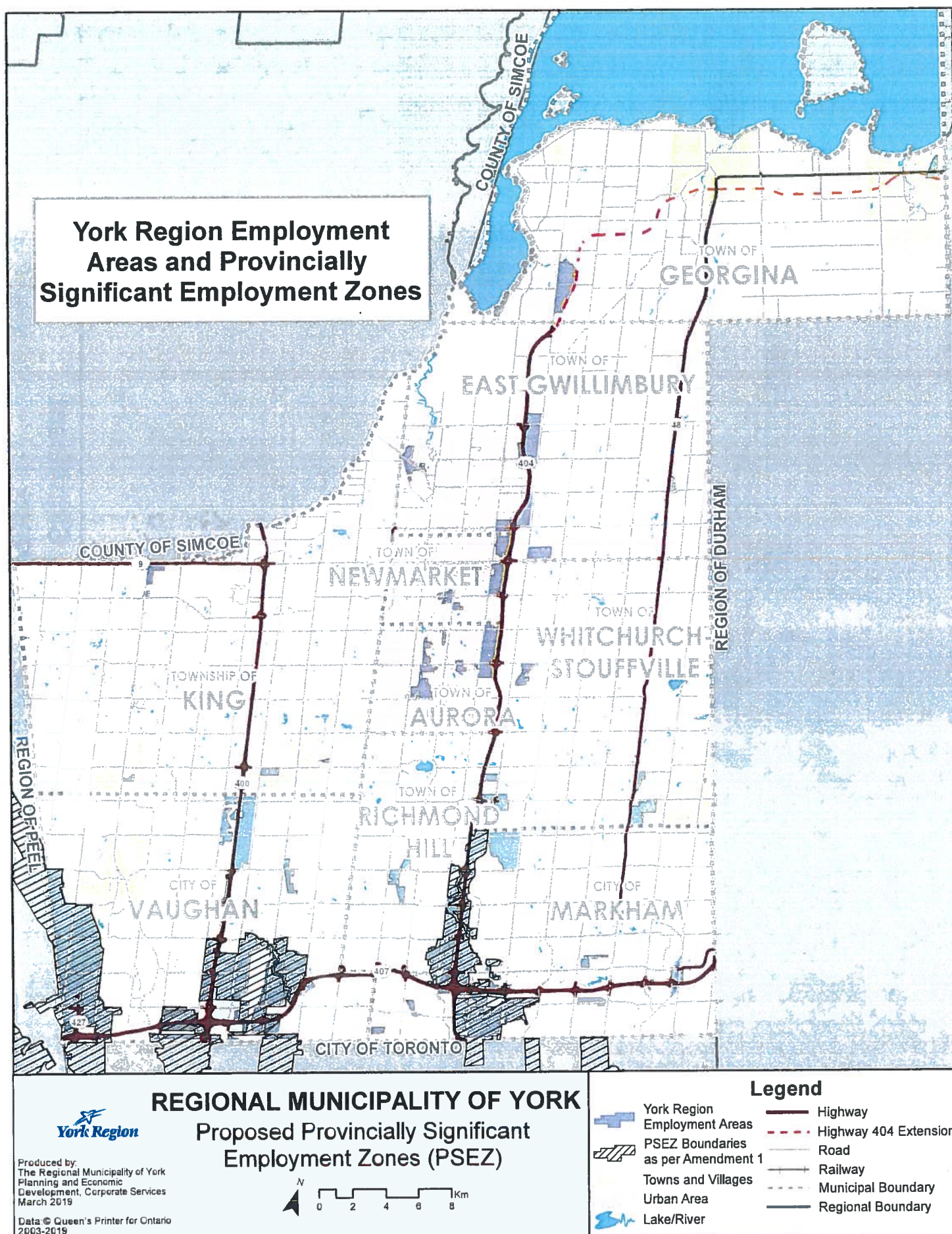
The purpose of this regulation is to facilitate the proposed amendments to the Growth Plan that would allow municipalities the flexibility to make changes to their official plan to implement the Agricultural System for the Greater Golden Horseshoe mapping or the Natural Heritage System for the Growth Plan mapping before their next municipal comprehensive review, while ensuring that the Minister's approval would be required for these changes. Staff support the proposed changes to the regulation.



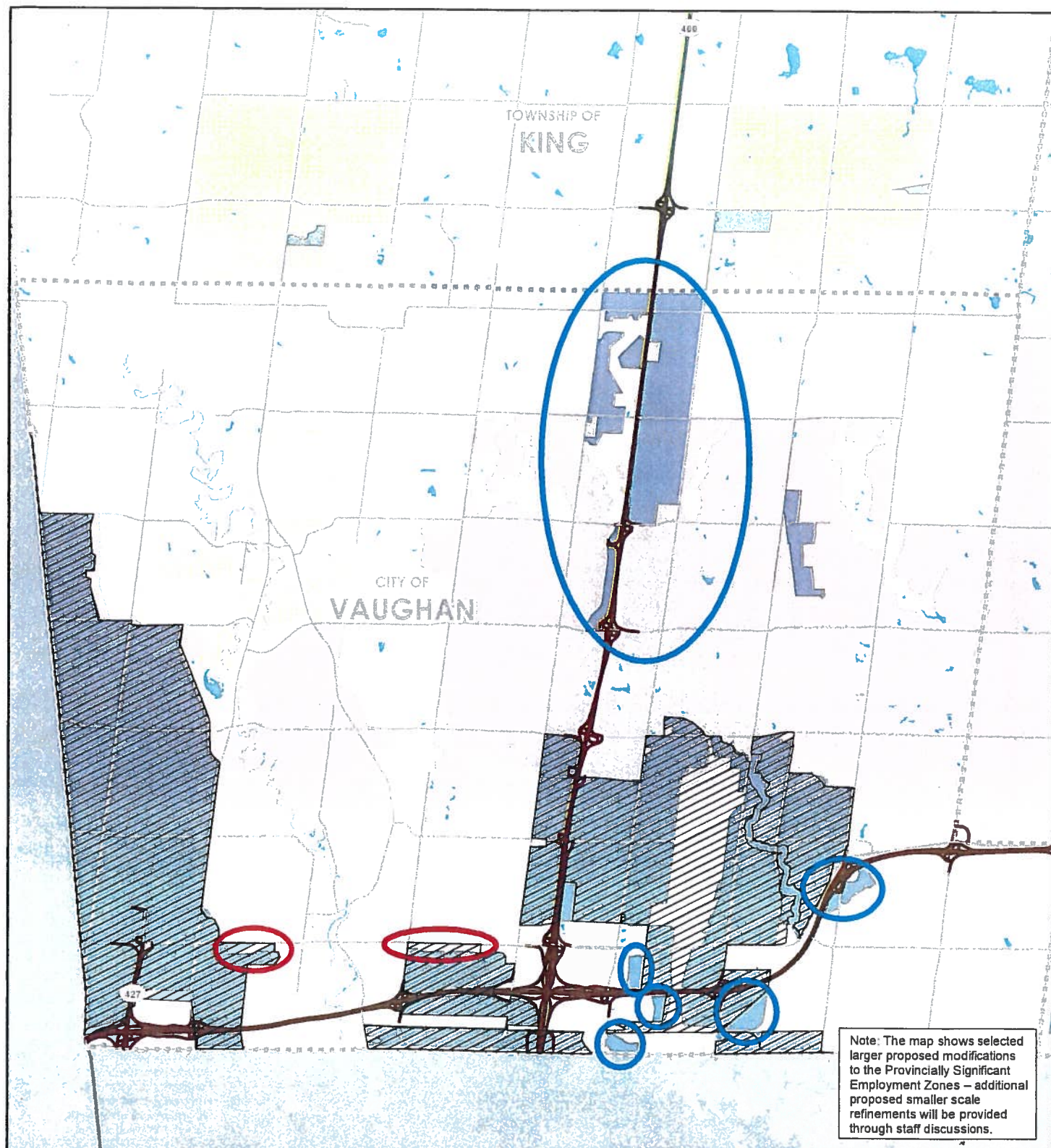












## REGIONAL MUNICIPALITY OF YORK

### Proposed Provincially Significant Employment Zones (PSEZ)



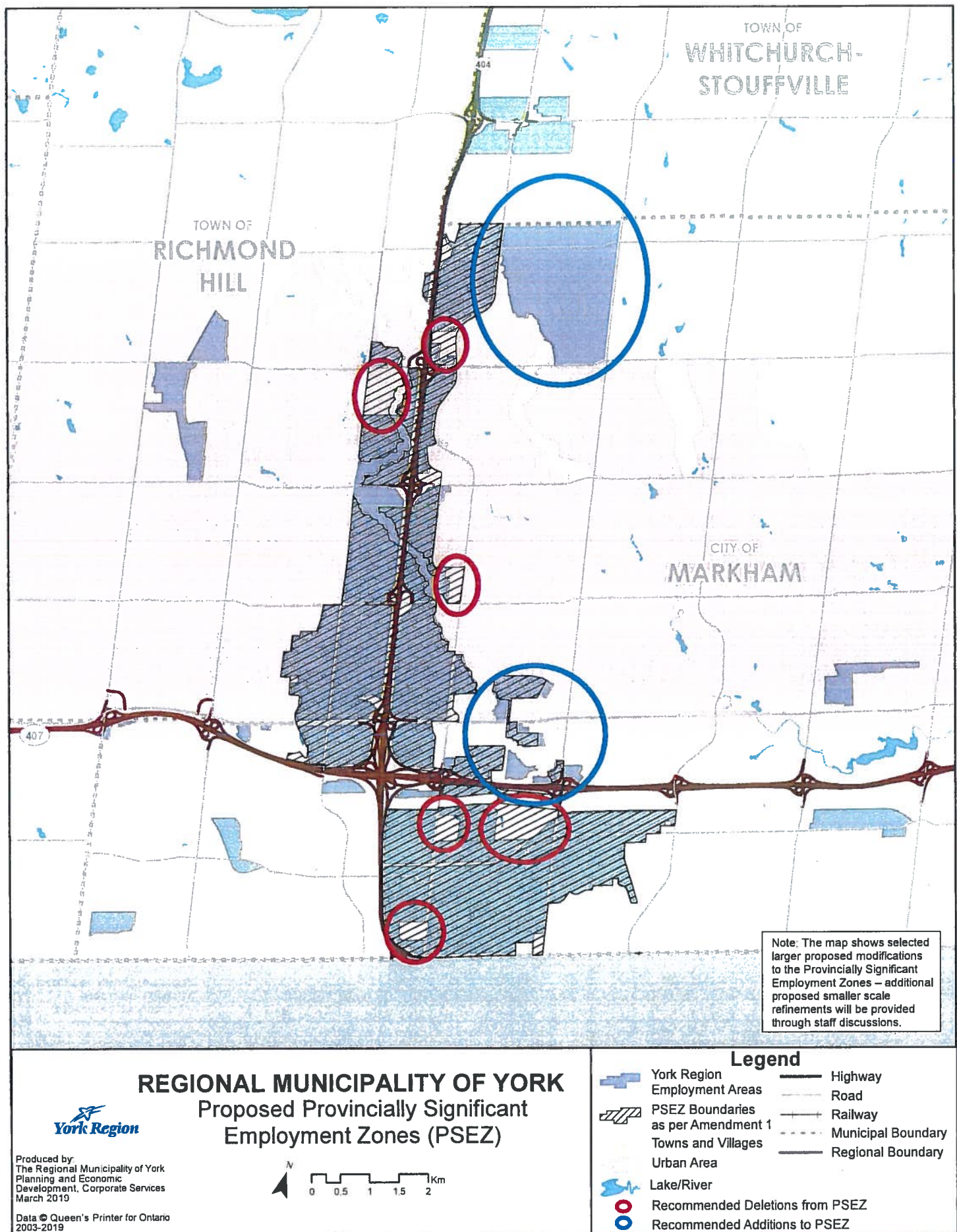
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March 2019

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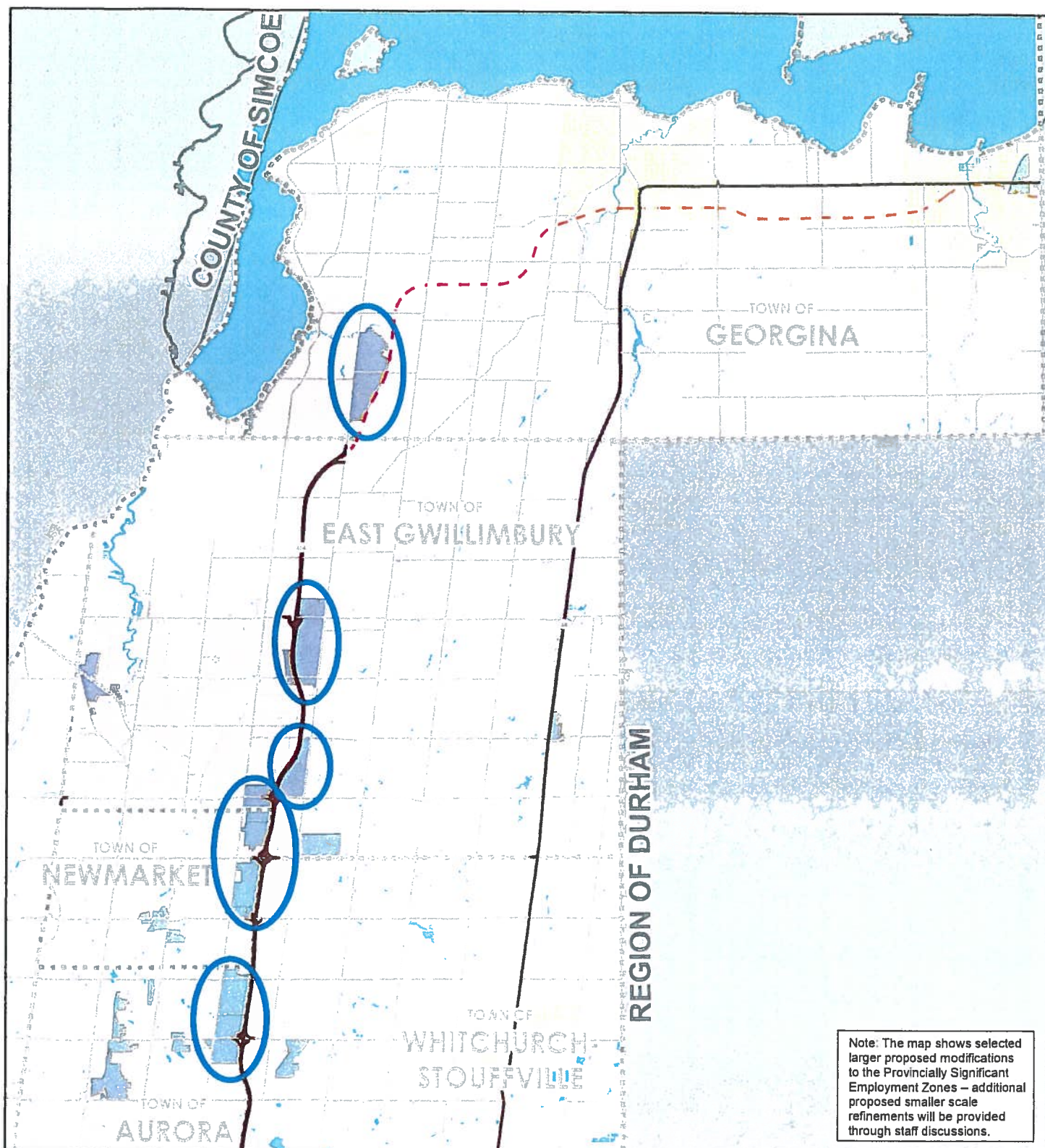


- ### Legend
- York Region Employment Areas
  - PSEZ Boundaries as per Amendment 1
  - Towns and Villages Urban Area
  - Lake/River
  - Recommended Deletions from PSEZ
  - Recommended Additions to PSEZ
  - Highway
  - Road
  - Railway
  - Municipal Boundary
  - Regional Boundary



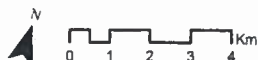




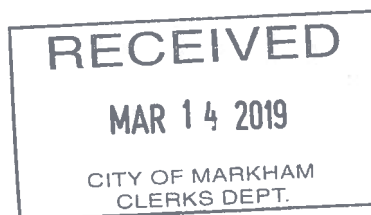


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 Planning and Economic  
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 March 2019

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Corporate Services  
Regional Clerk's Office

March 6, 2019

Ms. Kimberley Kitteringham  
City Clerk  
City of Markham  
101 Town Centre Boulevard  
Markham, ON L3R 9W3

Dear Ms. Kitteringham:

**Re: Proposed Amendment 1 to the Growth Plan**

On February 28, 2019 Regional Council adopted the following recommendations:

1. Council endorse this report and Attachments 1 and 2 as the Region's submission to the Province in response to the Environmental Registry of Ontario (ERO) postings: Proposed Amendment to the Growth Plan for the Greater Golden Horseshoe, 2017 (ERO # 013-4504), Proposed Framework for Provincially Significant Employment Zones (ERO # 013-4506), Proposed Modifications to O.Reg. 311/06 (Transitional Matters – Growth Plans) (ERO # 013-4505) and Proposed Modifications to O.Reg. 525/97 (Exemption from Approval – Official Plan Amendments) (ERO 013-4507) with the following amendment:
  - a) Council requests that the Province reduce the intensification target for York Region from 60% to 50%.
2. The Regional Clerk forward this report and attachments to the Ministry of Municipal Affairs and Housing, the Clerks of the local municipalities and the Clerks of the other upper and single-tier municipalities in the GTHA.
3. The Province be made aware that additional comments regarding provincially significant employment zones may be forthcoming.



Please contact Paul Bottomley, Manager Policy, Research and Forecasting at 1-877-464-9675 ext.71530 if you have any questions with respect to this matter.

Sincerely,

A handwritten signature in black ink, appearing to be 'CR' with a large loop and a diagonal stroke.

Christopher Raynor  
Regional Clerk

Attachments

# **The Regional Municipality of York**

Committee of the Whole  
Planning and Economic Development  
February 21, 2019

Report of the Commissioner of Corporate Services and Chief Planner

## **Comments on Proposed Amendment 1 to the Growth Plan**

### **1. Recommendations**

1. Council endorse this report and Attachments 1 and 2 as the Region's submission to the Province in response to the Environmental Registry of Ontario (ERO) postings: Proposed Amendment to the Growth Plan for the Greater Golden Horseshoe, 2017 (ERO # 013-4504), Proposed Framework for Provincially Significant Employment Zones (ERO # 013-4506), Proposed Modifications to O.Reg. 311/06 (Transitional Matters – Growth Plans) (ERO # 013-4505) and Proposed Modifications to O.Reg. 525/97 (Exemption from Approval – Official Plan Amendments) (ERO 013-4507).
2. The Regional Clerk forward this report and attachments to the Ministry of Municipal Affairs and Housing, the Clerks of the local municipalities and the Clerks of the other upper and single-tier municipalities in the GTHA.

### **2. Summary**

This report provides Council with proposed comments on the Province's proposed Amendment 1 to the Growth Plan, associated regulation changes and a framework for provincially significant employment zones for endorsement.

Key Points:

- Overall, staff generally support the direction of the proposed changes to the Growth Plan.
- Staff support proposed changes to intensification and density targets that apply to York Region and provincially significant employment zones, subject to modifications recommended in this report.
- Staff recommend that all employment land conversions and settlement area boundary expansions continue to be considered only at the time of a Regional municipal comprehensive review.

### 3. Background

#### **Province is soliciting comments on proposed Amendment 1 to the 2017 Growth Plan**

The Provincial Growth Plan for the Greater Golden Horseshoe, 2017 (Growth Plan) provides a long-term framework for managing growth and sets out where and how to grow. Policy direction on infrastructure planning and protecting resources is incorporated in the Plan as part of an integrated approach to growth management. The current Growth Plan came into effect in July 2017 and replaced the original 2006 Growth Plan. York Region's Official Plan and all land use planning decisions must conform with the Growth Plan.

In the fall of 2018, the Ministry of Municipal Affairs and Housing held a number of working group sessions and a stakeholder forum with representatives from the municipal sector, development industry and other stakeholder groups to discuss Growth Plan implementation issues, challenges and potential solutions.

#### **The deadline for comments is February 28, 2019**

On January 15, 2019, the Province released proposed Amendment 1 to the Growth Plan for comment. According to the Province, proposed changes are intended to address potential barriers to increasing the supply of housing, creating jobs and attracting investments. Comments are to be made through the Environmental Registry of Ontario (ERO) and are due by February 28, 2019. In addition to Amendment 1, there are associated postings for comment dealing with a Proposed Framework for Provincially Significant Employment Zones and modifications to two regulations related to Growth Plan implementation.

### 4. Analysis

Staff comments on Amendment 1 to the Growth Plan are organized under the following themes: Intensification and Density Targets, Employment Planning, Settlement Area Boundary Expansion, Small Rural Settlements, Major Transit Station Areas and Agricultural and Natural Heritage Systems. Attachment 1 provides detailed comments.

#### **Overall, the proposed changes to the Growth Plan are generally supported**

Subject to the recommended modifications in this report and the attachment, overall, staff are generally supportive of the changes proposed for the Growth Plan. The proposed amendment maintains many of the key guiding principles of the current Growth Plan for York Region. These include prioritizing growth through intensification and higher densities for greenfield areas while providing increased flexibility for municipalities.

## INTENSIFICATION AND DENSITY TARGETS

### Proposed intensification targets reflect “one size does not fit all”

Throughout the consultation process, Greater Golden Horseshoe (GGH) municipalities highlighted the need for a “one size does not fit all” approach with respect to intensification targets. In response, Amendment 1 proposes application of different intensification targets for three geographic zones of upper and single-tier municipalities in the GGH. York Region is grouped with the City of Hamilton and the Regions of Peel and Waterloo, all with a minimum intensification target of 60 percent, the highest among the three zones. This means that 60 percent of residential growth is to occur within the Provincially delineated built-up area on an annual basis. This accelerates intensification from what is in the 2017 Growth Plan which phases in intensification from 50 percent to 2031 and then 60 percent from 2031 to 2041.

The second group of municipalities has an intensification target of 50 percent which includes the Regions of Durham and Halton, while the third group is to establish an intensification target based on maintaining or improving their current minimum intensification target. This multi-zoned approach recognizes varying abilities of different regions within the GGH to accommodate intensification. Table 1 below summarizes both intensification and Designated Greenfield Area density targets for the three zones.

**Table 1**  
**Intensification and Density Targets in Amendment 1**

<b>Municipalities by Geographic Zone</b>	<b>Intensification Target (Built-up area)</b>	<b>Designated Greenfield Area Density Target</b>
<b>Inner Zone</b>		
Regions of York, Peel, Waterloo and City of Hamilton	60%	60 residents and jobs per hectare
<b>Middle Zone</b>		
Cities of Barrie, Brantford, Guelph, Orillia and Peterborough and Regions of Durham, Halton and Niagara	50%	50 residents and jobs per hectare
<b>Outer Zone</b>		
City of Kawartha Lakes and the Counties of Brant, Dufferin, Haldimand, Northumberland, Peterborough, Simcoe and Wellington	To establish a target based on maintaining or improving on their current minimum intensification target	40 residents and jobs per hectare

## **York Region is well-positioned to achieve increased intensification**

Staff support the placement of York Region within the Inner Zone and the associated intensification target. From 2006 to 2017, York Region has averaged 48 percent of annual housing growth occurring within the built-up area (i.e. 48% intensification rate). Significant investment in transit and other infrastructure combined with comprehensive planning for intensification allows York Region to accommodate the proposed intensification target. Over \$3 billion has been invested by all three levels of government in transit infrastructure in York Region including the Spadina subway extension and Bus Rapid Transit corridors along Highway 7, Yonge Street and Davis Drive, with additional transit expansions and improvement planned.

York Region's Centres and Corridors strategy has been in place since 1994 and local municipalities have been implementing the Regional structure by developing secondary plans for Regional and local centres and corridor intensification areas. In addition, there are opportunities for a range of more modest forms of intensification including smaller scale infill projects and second suites which will contribute to meeting the Region's intensification target.

## **Designated Greenfield Area density target is proposed to be maintained at 60 residents and jobs per hectare**

The current Growth Plan requires an overall minimum density of 60 residents and jobs per hectare for the existing Designated Greenfield Area and a minimum density of 80 residents and jobs per hectare for future urban expansion areas, if required. The proposed amendment would remove the requirement for a higher density for future urban expansion areas while maintaining the overall minimum 60 residents and jobs per hectare density target. This means that across the Designated Greenfield Area (excluding employment lands), both existing built and unbuilt areas together must reach a density of 60 residents and jobs per hectare.

Similar to the intensification target, the Province has taken an approach of customizing density targets by geographic zones of municipalities (see Table 1). York is grouped with the City of Hamilton and the Regions of Peel and Waterloo with a minimum density target of 60 residents and jobs per hectare. The second grouping of municipalities has a proposed minimum density target of 50 residents and jobs per hectare and third group, 40 residents and jobs per hectare.

Staff support the proposed minimum target of 60 residents and jobs per hectare across the Designated Greenfield Area. This is appropriate for York Region and also allows for the continued planning of the Region's New Community Areas at 70 residents and jobs per hectare, as set out in the Regional Official Plan. This density is intended to encourage the development of more complete communities.

## **Criteria for alternative intensification and Designated Greenfield Area density targets has been simplified**

Amendment 1 also proposes simplified criteria for establishing alternative intensification and Designated Greenfield Area targets. In considering alternative target requests, staff expect the Province will maintain the key principles and purpose of the Growth Plan. To do so, staff recommend that additional criteria be included when considering an alternative intensification target which would require improving upon the historic level of intensification being achieved in the upper or single-tier municipality. Consideration of alternative targets should only occur at the time of a municipal comprehensive review and not at any time as suggested by the proposed new policy.

## **Designated Greenfield Area minimum density targets proposed for other upper and single-tier municipalities is below transit supportive densities**

Although not directly applicable to York Region, a minimum Designated Greenfield Area density target of 40 or 50 residents and jobs per hectare is not considered to be transit supportive and does not generally promote walkable, compact and complete communities. The Designated Greenfield Area target of 50 residents and jobs per hectare as proposed is not equivalent to the 2006 Growth Plan 50 residents and jobs per hectare density policy since the latter included employment lands in the calculation which tend to be at a lower density than community lands. A Designated Greenfield Area density target at 40 or 50 for community lands is well below the minimum density target in the 2006 Growth Plan and could result in very low density and inefficient greenfield growth. Staff suggest that the Designated Greenfield Area target be set at 60 residents and jobs per hectare for all upper and single-tier municipalities in the Greater Golden Horseshoe in order to promote transit supportive and complete communities.

## **EMPLOYMENT PLANNING**

### **Consideration of employment land conversions should remain at the time of a municipal comprehensive review**

Under the current Growth Plan, conversions of employment lands to non-employment uses are only permitted through a municipal comprehensive review. Amendment 1 is proposing a one-time window for municipalities to undertake employment land conversions between the effective date of Amendment 1 and the next municipal comprehensive review, subject to criteria. Included in the criteria is a requirement to maintain a significant number of jobs on lands being proposed for conversion.

In staff's view, employment land conversions should continue to be considered only at the time of a municipal comprehensive review. In addition to other criteria, conversion of employment lands need to be assessed in the context of the Region's employment land base, regional employment trends and employment forecast for the local municipality and the Region. The proposed requirement to maintain "a significant number of jobs" on the lands



being considered for conversion is vague and open to a wide range of interpretation. If the Province decides to maintain this proposed policy, it is staff's recommendation that only municipally initiated employment land conversions be considered as part of the one-time window. In addition, the Province should clarify the wording in Amendment 1 to indicate that only a one-time window is being proposed.

Since York Region's Municipal Comprehensive Review process is currently well underway, it is not clear whether this new provision in the Growth Plan would apply to York Region. To date, York Region has received over 30 requests for employment land conversions. To evaluate these areas comprehensively, it is recommended that York Region continue with the current process of assessing employment land conversions only as part of the municipal comprehensive review.

### **Province is proposing provincially significant employment zones**

Associated with Amendment 1 is a proposed framework for provincially significant employment zones identified by the Minister of Municipal Affairs and Housing. Areas within these zones are deemed to be crucial to the province's economy and would not be able to be converted outside of a municipal comprehensive review. The proposed provincially significant employment zones mapping is shown in Attachment 2 (page 1). Twenty-nine zones across the Greater Golden Horseshoe are identified. Four zones include lands within York Region. Collectively, these zones cover a significant portion of the Region's employment land base in southern York Region (see page 2 of Attachment 2). The ability to designate prime employment areas as set out in the current Growth Plan would be removed under Amendment 1. Prime employment areas are defined as land extensive and low density employment uses that require locations near major good movement facilities and corridors.

Staff support identifying provincially significant employment zones to protect the Region's employment land base. It is recommended that the Province add designated employment lands along 400 series highways in the Region as shown on pages 3, 4 and 5 of Attachment 2. These areas all have potential to be significant concentrations of employment and economic output when they are developed and need to be protected for employment land uses. Any potential conversions should be considered comprehensively through the municipal comprehensive review. In addition to including these areas, staff recommend minor modifications to the boundaries of the zones proposed by the Province to include the full extent of the employment areas.

### **Province should clarify the intent of the change in definition of Office Parks**

Amendment 1 proposes to change the definition of office parks by deleting wording that states that they are employment areas designated in an official plan. This could be interpreted that office parks in employment areas would no longer be considered employment lands and therefore not subject to employment land conversion policies. Staff assume this is not the intent and request the Province to clarify the definition and policies around office parks.

## **SETTLEMENT AREA BOUNDARY EXPANSION**

### **The proposed amendment would permit small scale settlement area boundary expansions outside of a municipal comprehensive review**

Amendment 1 would allow a settlement area boundary expansion in advance of a municipal comprehensive review subject to the following requirements: the lands will achieve the Designated Greenfield Area density target or applicable employment area density target, the location of the lands will meet applicable Growth Plan requirements, the proposed area is not a rural settlement or in the Greenbelt, is no larger than 40 hectares, is municipally serviced with available capacity and will be taken into account in the forecast and land needs assessment for the next municipal comprehensive review.

Staff recommend any area boundary expansions only be considered at the time of a municipal comprehensive review when there can be a full assessment of the need for the expansion in the context of the overall Regional structure, supporting infrastructure and population and employment forecasts.

If the Province proceeds with this policy, the Province should specify there is a limit of a potential total expansion of 40 hectares outside of the municipal comprehensive review process. In addition, if this policy is maintained, any potential 40 hectare settlement area expansion should only occur if municipally initiated by an upper or single-tier municipality.

Amendment 1 also proposes a new policy which allows adjusting settlement area boundaries outside of a municipal comprehensive review provided there would be no net increase in land within settlement areas. The adjustment would need to support the ability to meet intensification and density targets and must not be a rural settlement or in the Greenbelt. Staff are not supportive of this policy as it could result in ad hoc exchanges of lands in the settlement area without regard to the impacts on overall Regional urban structure, necessary infrastructure and population and employment forecasts.

### **Criteria for determining the location of settlement area boundary expansions have been simplified**

The current Growth Plan contains criteria to determine feasibility and the most appropriate location for urban boundary expansions. Amendment 1 simplifies requirements and introduces more flexibility while maintaining key considerations in evaluating locational options for urban expansion. The amended criteria are intended to focus more on outcomes and demonstrating that a particular criterion has been met rather than specifying studies that need to be completed. The revised criteria are generally reasonable, subject to the recommended modifications in Attachment 1, since it maintains the key considerations for evaluating potential urban boundary expansions.



## **SMALL RURAL SETTLEMENTS**

### **Proposed amendment recognizes the role of small rural settlements in accommodating growth**

Under the current Growth Plan, many of the Region's hamlets and other rural settlement areas are categorized as undelineated built-up areas. These are settlement areas for which the Province has not delineated a built boundary. Initially, these areas were to be treated as part of the Designated Greenfield Area. In 2018, a regulation was passed that restricted this requirement to undelineated areas outside of hamlets in the Greenbelt Plan and rural settlements in the Oak Ridges Moraine Conservation Plan. In York Region, Ballantrae, Fairfield Estates and Maple Lake Estates remain as undelineated areas that are to be treated as part of the Designated Greenfield Areas. Inclusion of these areas in the Designated Greenfield Area make it more challenging to meet the required density target since they are developed and planned for relatively low densities.

Amendment 1 introduces a new term, rural settlements, which are existing hamlets or similar small settlement areas that are long-established and identified in official plans. The term "undelineated built-up area" is proposed to be deleted. These changes are reasonable since rural settlement areas are intended to accommodate relatively modest levels of growth at lower densities and should not be part of the Designated Greenfield Area.

A proposed new Growth Plan policy would allow for minor boundary adjustments of non-Greenbelt rural settlements outside of a municipal comprehensive review. The change would constitute minor rounding out of existing development in keeping with the rural character of the area, subject to confirmation that servicing can be provided and subject to provisions in the Provincial Policy Statement. Similar to the settlement area expansion policies, staff are of the view that boundary expansions of rural settlements should only be considered as part of a municipal comprehensive review. The fact that "minor" is not a defined term could potentially lead to broad interpretation of this policy. If the Province decides to proceed with this policy, rural settlement boundary adjustments should be municipally initiated.

## **MAJOR TRANSIT STATION AREAS**

### **More streamlined and flexible approach is proposed for delineating Major Transit Station Areas**

Major Transit Station Areas (MTSAs) are defined under the Growth Plan as the area including and around existing and planned higher order transit stations or stops within a settlement area. York Region is required to delineate and set minimum density targets for MTSAs located within provincially defined priority transit corridors. There is also the option to identify MTSAs beyond these corridors. MTSAs are classified as Strategic Growth Areas and are to be planned for specified minimum densities in the Growth Plan (e.g. 160 residents and jobs per hectare for Bus Rapid Transit stations).

Amendment 1 allows municipalities to delineate and set density targets for MTSA's in advance of the municipal comprehensive review, subject to identifying the MTSA's as "Protected" under the Planning Act. This provision protects MTSA's from planning appeals related to issues of land use, building height and density. The delineation and setting of density targets for MTSA's is currently well underway as part of the York Region municipal comprehensive review process. Therefore, this provision would likely not result in a more expedited process, at least for the current municipal comprehensive review. Going forward, it would be beneficial to employ a streamlined approach to delineate and set targets for new MTSA's or modifications to existing MTSA boundaries and/or density targets. This process can occur outside of the municipal comprehensive review since the density targets for MTSA's are long term targets that are most likely to be achieved beyond the horizon of the Growth Plan.

### **Province is proposing to simplify the process and criteria for alternative minimum density targets for Major Transit Station Areas**

Separate approval by Council and the Minister would no longer be required for alternative minimum density targets for Major Transit Station Areas. The proposed criteria considers whether development is severely restricted or prohibited by provincial policy as well as consideration whether a major trip generator or transit feeder service will sustain high ridership at the station. Staff request that an additional criterion be included which provides additional flexibility for the context of the lands surrounding a major transit station which may not be appropriate for extensive intensification (e.g. King City GO Station Major Transit Station Area).

Amendment 1 also clarifies that MTSA delineation can range from an approximate 500 to 800 metre radius of a transit station. This provides flexibility for situations where it is appropriate for a MTSA boundary to extend beyond 500 metres to include nearby intensification areas or areas of existing high density development.

The Province has also requested feedback on the question of whether employment areas that overlap with major transit station areas should be included in the provincially significant employment zones and implications associated with potential conversion requests. In staff's view, MTSA's without residential uses can exist in employment areas and provincially significant employment zones at transit supportive densities.

## **AGRICULTURAL AND NATURAL HERITAGE SYSTEMS**

### **Provincial agricultural lands and natural heritage system mapping may be refined through the municipal comprehensive review**

The Province is proposing that provincial mapping of the agricultural land base and Natural Heritage System does not apply until it has been implemented in upper and single-tier official plans. This direction is consistent with previous Regional comments on draft Provincial guidance for the Natural Heritage System and Agricultural System submitted in 2017.

Municipalities would be able to refine and implement mapping in advance of the municipal comprehensive review. Once provincial mapping of the agricultural land base has been implemented in official plans, further refinement may only occur through a municipal comprehensive review. During the period before provincial mapping is implemented in official plans, it is proposed that the Growth Plan policies for protecting prime agricultural areas and natural heritage systems apply. Staff support this proposed policy direction.

### **Proposed Growth Plan Amendment 1 supports objectives of Vision 2051, the Strategic Plan 2015 to 2019 and Regional Official Plan**

Provincial growth management policies in the Growth Plan have direct impact on Vision 2051 goals including Creating Liveable Cities and Complete Communities. The Growth Plan policies also support achievement of the Strategic Plan 2015 to 2019 objectives of ensuring optimal locations for business and employment growth are available, and encouraging growth in Regional Centres and Corridors. The Growth Plan and the proposed amendment support the key themes of the Regional Official Plan: a Sustainable Natural Environment, Healthy Communities and Economic Vitality.

## **5. Financial**

As part of the current Regional municipal comprehensive review process, Regional population and employment forecasts will be updated to 2041, consistent with Growth Plan policies. The growth forecast will be used in the next update of the development charges by-law. The proposed minimum intensification target of 60 percent will require directing growth to areas with existing infrastructure but will also require a continued shift in the housing market towards higher density forms of housing in areas with infrastructure investment providing the opportunity to capitalize on the existing investment.

A lower than anticipated growth rate for either ground-related or higher density housing could result in a shortfall of projected development charges collections and assessment growth revenue. This could cause delays in capital cost recovery, impact costs for debt repayment, create pressures on the Region's operating budget and result in a need for potential deferrals of elements in the capital program. Staff will be assessing financial implications and will report back to Council with a fiscal strategy.

## **6. Local Impact**

The proposed Growth Plan Amendment has direct implications for local municipalities. The new intensification target will affect local municipal intensification targets and growth forecasts. The other proposed changes to the Growth Plan will have potential local municipal impacts with regards to planning for new communities, centres and corridors planning and employment land planning.

Local municipal staff are working alongside the Region in updating their official plans to reflect the policies in the updated Regional Official Plan generated through the Regional

municipal comprehensive review, once approved. Under the Planning Act, local municipal official plans are required to update to conform to the ROP within one year of it coming into effect.

## 7. Conclusion

This report has provided a summary of staff's comments on the Province's proposed Amendment 1 to the Growth Plan. Proposed policies in the areas of Intensification and Density Targets, Employment Planning, Settlement Area Boundary Expansion, Small Rural Settlements, Major Transit Station Areas and Agricultural and Natural Heritage Systems are generally supported by staff subject to the comments outlined in this report.

It is recommended that staff submit this report and the attachments to the Province as the formal submission in response to proposed Amendment 1 to the Growth Plan. Once the Growth Plan changes are finalized, staff will assess the impacts of any further changes to the current Regional municipal comprehensive review process and report back to Council as necessary.

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For more information on this report, please contact Paul Bottomley, Manager Policy, Research and Forecasting at 1-877-464-9675 ext.71530. Accessible formats or communication supports are available upon request.

Recommended by:

**Paul Freeman**  
Chief Planner

**Dino Basso**  
Commissioner of Corporate Services

Approved for Submission:

**Bruce Macgregor**  
Chief Administrative Officer

February 8, 2019  
Attachments (2)  
eDOCS # 9132693



## Attachment 1

**York Region Comments on Proposed Amendment 1 to the Growth Plan for the Greater Golden Horseshoe, 2017 (ERO # 013-4504), Proposed Framework for Provincially Significant Employment Zones (ERO # 013-4506), Proposed Modifications to O.Reg. 311/06 (Transitional Matters – Growth Plans) (ERO # 013-4505) and Proposed Modifications to O.Reg. 525/97 (Exemption from Approval – Official Plan Amendments) (ERO 013-4507)**

**ERO # 013- 4504**

**Amendment 1 to the Growth Plan for the Greater Golden Horseshoe**

<b>General Comments</b>	
	<p>York Region staff are generally supportive of the Province's direction proposed in Amendment 1 for York Region of continuing to prioritize growth through intensification and increasing flexibility for municipalities.</p> <p>The Growth Plan presents challenges for the Region with respect to meeting growth targets and providing the necessary infrastructure to service that growth. It is recommended that the review of the Growth Plan result in consequential amendments to other regulations to streamline Environmental Assessment and other provincial approval processes to bring infrastructure online more quickly to service designated and planned growth.</p>
<b>Intensification and Density Targets</b>	
2.2.2.1, 2.2.7.2	<p>Staff support the proposed minimum intensification target of 60 percent and the Designated Greenfield Density Target of 60 residents and jobs per hectare for York Region. Both are appropriate and reasonable targets for York Region given the level of transit infrastructure investment and the well-established land use planning framework for Regional centres and corridors as well as local centres and corridors and other intensification areas.</p> <p>Although not applicable to York Region, staff note that the proposed DGA densities of 40 and 50 residents and jobs per hectare proposed for the other two groups of municipalities in the GGH are lower than typical subdivisions being built today and are lower than the 2006 Growth Plan 50 density target since the 2006 DGA density calculation included employment lands (which are typically at a lower density than community lands). In staff's view, the Designated Greenfield Area target should be set at 60 for all municipalities in order to promote transit supportive complete communities.</p>
2.2.2.4, 2.2.7.4	<p>Staff accept the reduced criteria for alternative intensification and density targets provided that the prime direction of the Growth Plan of prioritizing growth intensification is maintained when the Province is assessing alternative targets. An additional criterion is also recommended that requires that an alternative intensification target be higher than historic intensification levels.</p> <p>The proposed amendment states that Councils can request alternative targets for intensification at any time and not be restricted by the timing of a MCR. Alternative targets should only be requested at the time of a MCR in order to properly align with forecasting and</p>



## York Region Comments – Proposed Growth Plan Amendment 1

	growth management work that is undertaken as part of the MCR.
<b>Employment Planning</b>	
2.2.5.10	<p>Staff recommend employment land conversions remain at the time of a Regional municipal comprehensive review. Conversions of employment lands need to be assessed in the context of the overall Regional employment land base and employment forecast. In addition, the requirement to maintain “a significant number of jobs” on lands being considered for conversion is too vague and open to a wide range of interpretation.</p> <p>Notwithstanding staff’s position stated above, if the Province decides to proceed with the one-time window for conversions, these should be limited to only municipally initiated conversions. Staff also request that language be clarified in the amendment to indicate that it would be only a one-time window for conversions.</p> <p>Staff request clarification on what constitutes “at the time of next municipal comprehensive review” in the context of the “one time window” for considering employment land conversions? It is not clear if this provision only applies to municipalities that have not commenced their municipal comprehensive review processes?</p>
2.2.5.4	Staff accept the proposed change to require municipalities to set multiple density targets for employment areas rather than a single target.
2.2.5.5 2.2.5.6 2.2.5.7	Staff agree with the policy direction on locating and preserving employment areas adjacent to major goods movement facilities and corridors and the requirement to provide for an appropriate interface between employment areas and adjacent non-employment areas. Staff also support the proposed policy to allow for employment area designations to be incorporated into upper or single-tier official plans by amendment at any time in advance of the next MCR.
2.2.5.8	This policy should prioritize the minimization or mitigation of adverse impacts on sensitive land uses and not the other way around.
2.2.5.12	Staff support identifying provincially significant employment zones to protect the Region’s employment land base but as stated above, maintain that all employment land conversions should only be considered at the time of a Regional municipal comprehensive review. Comments on the mapping for the provincially significant employment zones are provided under the comments section on the Proposed Framework for Provincially Significant Employment Zones in this Attachment.
2.2.5.14	“Outside of employment areas, redevelopment of any employment lands should retain space for a similar number of jobs to remain accommodated on site.” Suggest simplifying this policy to say that the redevelopment should accommodate a similar number of jobs.
Definitions	<p>Province should add a definition of provincially significant employment zones in the definition section of the Growth Plan.</p> <p>Amendment 1 proposes to change the definition of office parks to delete the component of the definition that states they are employment areas designated in an official plan. This could</p>

## York Region Comments – Proposed Growth Plan Amendment 1

	be interpreted that office parks in employment areas would no longer be considered employment lands and therefore would not be subject to any employment land conversion policies. Assuming this is not the intent, staff request the Province to clarify the definition and policies around office parks.
<b>Settlement Area Boundary Expansion</b>	
2.2.8.5 2.2.8.6	<p>Settlement area boundary expansions should only be considered at the time of a municipal comprehensive review (MCR) when there can be a full assessment of the need for the expansion in the context of the overall Regional structure, supporting infrastructure and population and employment forecast.</p> <p>If the Province proceeds with this policy, it should be clarified there is a limit of a potential total expansion of 40 hectares outside of the MCR process. In addition, if this policy is maintained, any potential 40 hectare settlement area expansion should only occur as a result of an upper or single-tier municipally initiated process.</p>
2.2.8.4	Staff do not support the proposed provision allowing municipalities to adjust settlement area boundaries outside the MCR if there is no net increase in land within the settlement area. This policy could lead to multiple ad hoc adjustments across the Region without proper regard for the Region's population and employment forecast, planned urban structure and other considerations in planning for appropriate locations for growth. In addition, it is not clear whether the exchange of lands in the Province's proposed policy would be an exchange of the same type of lands. For example, could there be an exchange of non-developable lands within the settlement area for developable lands outside of the settlement area?
2.2.8.3	Staff generally support the amended criteria to evaluate locations for settlement area boundary expansions which provide more flexibility and focus on outcomes rather than specific studies in meeting requirements. Staff do have concerns regarding the change in Section 2.2.8.3.d – which proposes to change the language from stating that the proposed expansion including the associated water, wastewater and stormwater servicing would not negatively impact the water resource system to minimize and mitigate potential negative impacts on watershed conditions. This is counter to other Provincial direction including source water protection and Section 4.2.1. – Water Resource Systems in the Growth Plan.
<b>Small Rural Settlements</b>	
2.2.9.7	Any boundary expansions of rural settlements should occur as part of a municipal comprehensive review. In addition, the lack of definition for the term "minor" could lead to misuse of this policy. If the Province decides to proceed with this policy, rural settlement boundary adjustments should be municipally initiated.
2.2.9.7.c	It is recommended that this section specify that servicing is achievable through reserve infrastructure capacity, similar to how it is addressed in section 2.2.8.5.d
Definitions	Staff support removal of the term "undelineated built-up area" and introduction of the defined term rural settlement to recognize areas which are not intended to accommodate significant



## York Region Comments – Proposed Growth Plan Amendment 1

	growth and which would not be considered part of the Designated Greenfield Area.
<b>Major Transit Station Areas</b>	
2.2.4.4	Staff request an additional criterion be added to allow alternative minimum density targets for MTSA's that have very limited intensification potential in both the short and long term based on existing development in the surrounding lands.
2.2.4.5.	Staff support the proposed policy to allow municipalities to delineate and set density targets for MTSA's in advance of the municipal comprehensive review. Staff note that this process is already underway as part of the Region's current MCR, so the new provision would likely not result in a more expedited process for the current MTSA delineation and target setting process. Going forward, it would be useful to employ a streamlined approach to delineate and set targets for new MTSA's or modifications to existing MTSA boundaries and/or density targets.
Definitions	Staff support additional flexibility provided in clarifying that MTSA's can range from an approximate 500 to 800 metre radius from a transit station subject to our comments on Section 2.2.4.5, giving flexibility to municipalities.
<b>Agricultural and Natural Heritage Systems</b>	
4.2.2.4 4.2.2.5 4.2.6.7 4.2.6.8	<p>Staff support proposed changes that specify provincial mapping of the agricultural land base and Natural Heritage System for the Growth Plan does not apply until implemented in the Regional Official Plan as well as the ability for municipalities to refine and implement provincial mapping in advance of the MCR. This provision provides upper and single-tier municipalities with the flexibility to advance the work associated with the mapping and policies required to conform to the Growth Plan or undertake it during the municipal comprehensive review process.</p> <p>Staff also agree with the specification that once provincial mapping of the agricultural land base has been implemented in official plans, further refinements may only occur through a MCR.</p>
4.2.6.3	With respect to the interface between agricultural and non-agricultural uses outside of settlement areas, staff agree with the new provision that mitigation measures, where appropriate, should be based on an agricultural impact assessment.
<b>Other Areas</b>	
1.2	Request clarification on how the Province is defining "market demand" and how that is to be balanced while ensuring housing supply meets local need through a full range and mix of housing types and tenures including affordable housing. Market demand should not be prioritized over unsustainable forms of development. The Province could consider linking the phrase "what is needed in local communities" to local housing needs identified through 10-year housing and homelessness plans, which would align with Growth Plan section 2.2.6.1.c.

## York Region Comments – Proposed Growth Plan Amendment 1

	<p>With respect to rental housing supply, municipalities lack the necessary tools and resources to match demand with supply. The Province should consider introducing new tools, such as the ability to zone by tenure recently introduced in British Columbia, to assist municipalities in responding to market and local community needs.</p> <p>Staff support the Province's mandate of putting people first. To support this, it is recommended that re-inclusion of social equity in the Vision is needed. As noted in Section 2.2.1.4, social equity is an important element in complete communities where people live, work and play.</p>
2.1	<p>In third last paragraph of Section 1.2. request removing "in larger urban centres" and adding a revision that would indicate that all communities need to grow at transit supportive densities appropriate for the local context and transit service being contemplated, rather than just those in larger urban centres.</p> <p>As identified in York Region's submission on the Made-in-Ontario Environment Plan, the Growth Plan provides critical direction that supports Greenhouse Gas reduction and community resilience. It is recommended that the proposed GHG reduction target of 30% below 2005 levels by 2030 be considered a minimum. The Province is encouraged to establish a longer term (2050 target) aligned with the Intergovernmental Panel on Climate Change.</p>
2.2.1	<p>Section 2.2.1.4.f. – Amendment 1 proposes to remove the reference to "low carbon communities", staff question how will the objective of being more environmentally sustainable be measured?</p> <p>Section 2.2.1.4.g. – Request that the word "appropriate" be removed with reference to low impact development. The inclusion of this word weakens the policy direction for the implementation of green infrastructure.</p>
2.2.6.1	<p>Staff accept the proposed removal of the requirement for a formal Housing Strategy but also recognize that the Housing Strategy is a key input to the Provincial Land Needs Assessment Methodology. Staff recommend that the Province amend the current Land Needs Assessment Methodology (LNA) to reflect the removal of the Housing Strategy. It should also be recognized that there will still be the need to plan for housing need with respect to determining housing mix options and affordable ownership and rental targets which will be required as inputs to the LNA.</p>
3.1	<p>In second paragraph, recommend returning text to "lower density development" from unmanaged growth in the statement "costs could be saved by moving from unmanaged growth to a more compact built form." Unmanaged growth could include both low and high density development. The statement makes more sense as previously written since lower density development is generally more costly to service.</p> <p>More generally, there is reference throughout the proposed Amendment to "unmanaged growth." This term implies municipalities and the Province have had little control over growth</p>

## York Region Comments – Proposed Growth Plan Amendment 1

	<p>in the GGH. It is recommended that a term such as “non-transit supportive growth” or similar be used.</p> <p>It is stated that the Plan aligns with provincial asset management regulations on page 26. It is recommended that consideration be given to protecting lands needed to facilitate asset management activities (e.g. easements) through a similar mechanism used to protect for transit corridors or employment areas.</p>
3.2.6.2.c, 3.2.7.1a, & 4.2.1.3	<p>Water and Wastewater Systems, Stormwater Management, Water Resource Systems</p> <p>It is recommended that “or equivalent” be removed. Watershed plans are important tools that help ensure drinking water sources are protected and should not be overridden.</p>
4.2.10	<p>Climate Change</p> <p>It is recommended the Province define what “other provincial plans and policies” take the place of the Ontario Climate Change Strategy. It would be beneficial for these to be defined to provide clarity on the guidance municipalities can use to ensure a consistent approach in developing vulnerability risks assessments, assessment of climate change impacts, etc.</p>
5.2.2	<p>Supplementary Direction</p> <p>Staff have concern regarding the potential for the Province to identify, establish or update “provincially significant employment zones” without consultation with municipalities. Recommend modifying this direction by inserting “in consultation with upper and single tier municipalities.”</p>

**ERO # 013- 4506****Proposed Framework for Provincially Significant Employment Zones**

Staff support the concept of provincially significant employment zones to be identified by the Minister of Municipal Affairs and Housing. Recommended modifications to the employment zone mapping are provided in Attachment 2 (pages 3, 4 and 5). The modifications consist of areas that Regional staff are proposing be added based on local municipal employment area designations as well as areas recommended for removal based on non-employment land use designations. The mapping in Attachment 2 highlights selected larger suggested modifications to the provincially significant employment zone boundaries. It is requested that Provincial staff follow-up with York Region staff to review in detail the complete proposed mapping modifications. Staff are proposing that designated employment lands along 400 series highways in the Region be added as provincially significant employment zones. These areas have potential to be significant concentrations of employment and economic output when developed and need to be protected for employment uses.

The Province is seeking feedback on whether employment areas that overlap with MTSAs should be included in the provincially significant employment zones. In our view, certain MTSAs may only have employment generating uses but at transit supportive densities, therefore, there is no need to exclude MTSAs from provincially significant employment zones.

**ERO # 013- 4505****Proposed Modifications to O.Reg.311/06 (Transitional Matters – Growth Plans)**

This regulation prescribes transition provisions for growth plans under the Places to Grow Act.

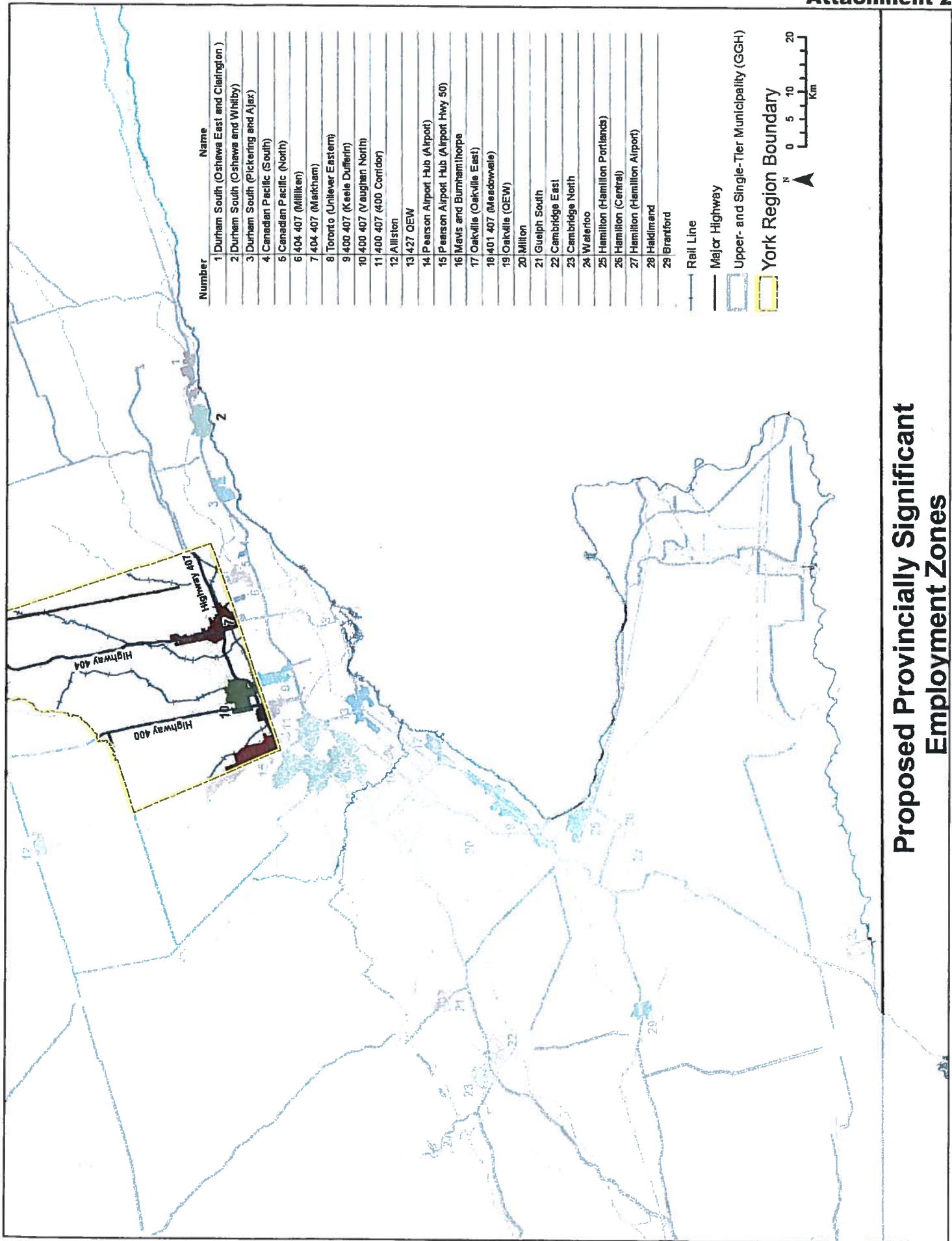
Although staff have been advised by Provincial staff that this regulation does not propose to eliminate the standard land needs assessment methodology, staff want to re-iterate the importance of having a consistent standard approach to land needs assessment. Staff support the current land needs assessment methodology as set out by the Province. In regards to this transition regulation, the Province is also seeking feedback as to whether there are any specific planning matters in process that should be addressed through the transition regulation. Staff would agree with the example provided by the Province that adopted official plan amendments under appeal should be subject to a transition regulation.

**ERO # 013- 4507****Proposed Modifications to O.Reg.525/97 (Exemption from Approval – Official Plan Amendments)**

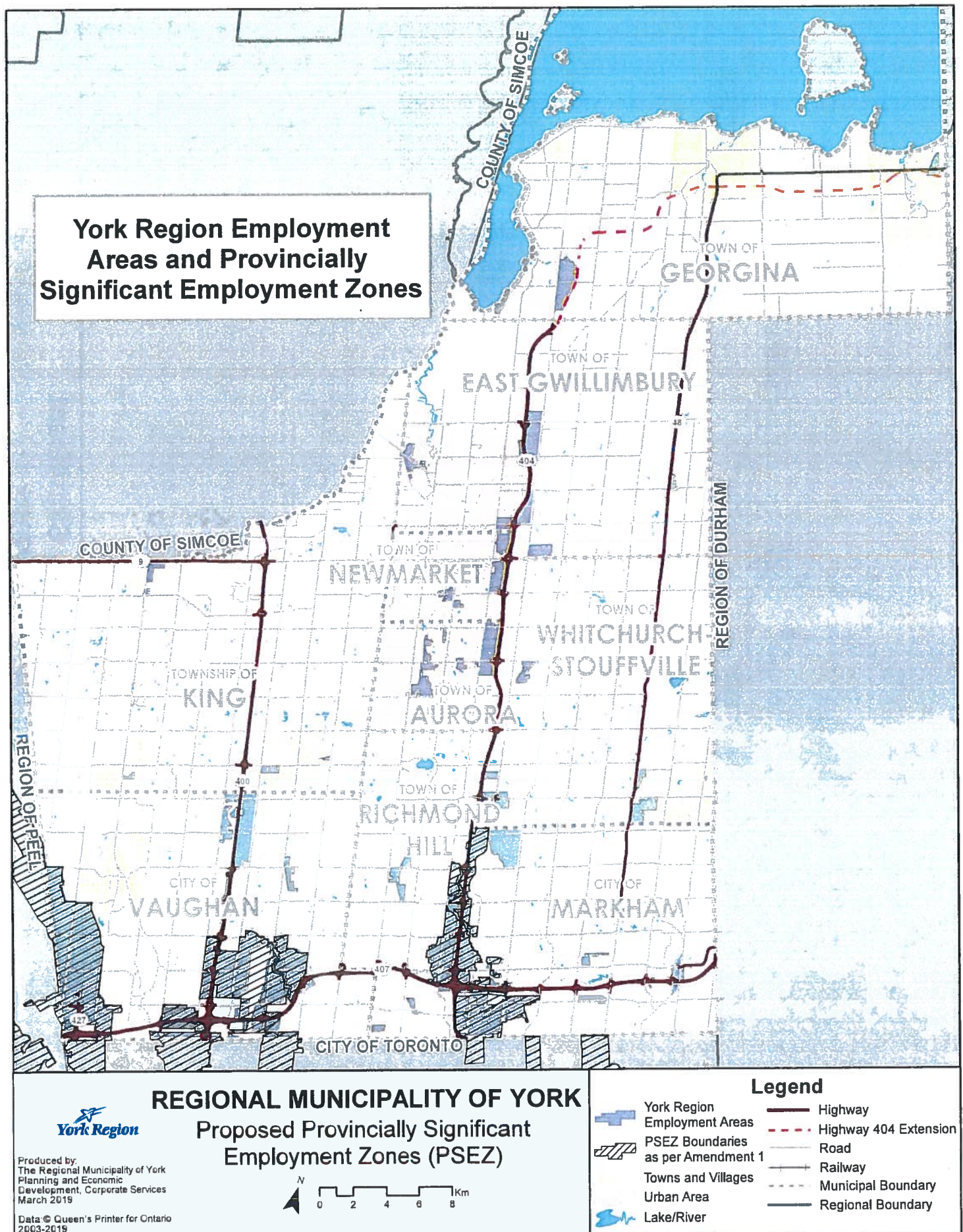
The purpose of this regulation is to facilitate the proposed amendments to the Growth Plan that would allow municipalities the flexibility to make changes to their official plan to implement the Agricultural System for the Greater Golden Horseshoe mapping or the Natural Heritage System for the Growth Plan mapping before their next municipal comprehensive review, while ensuring that the Minister's approval would be required for these changes. Staff support the proposed changes to the regulation.



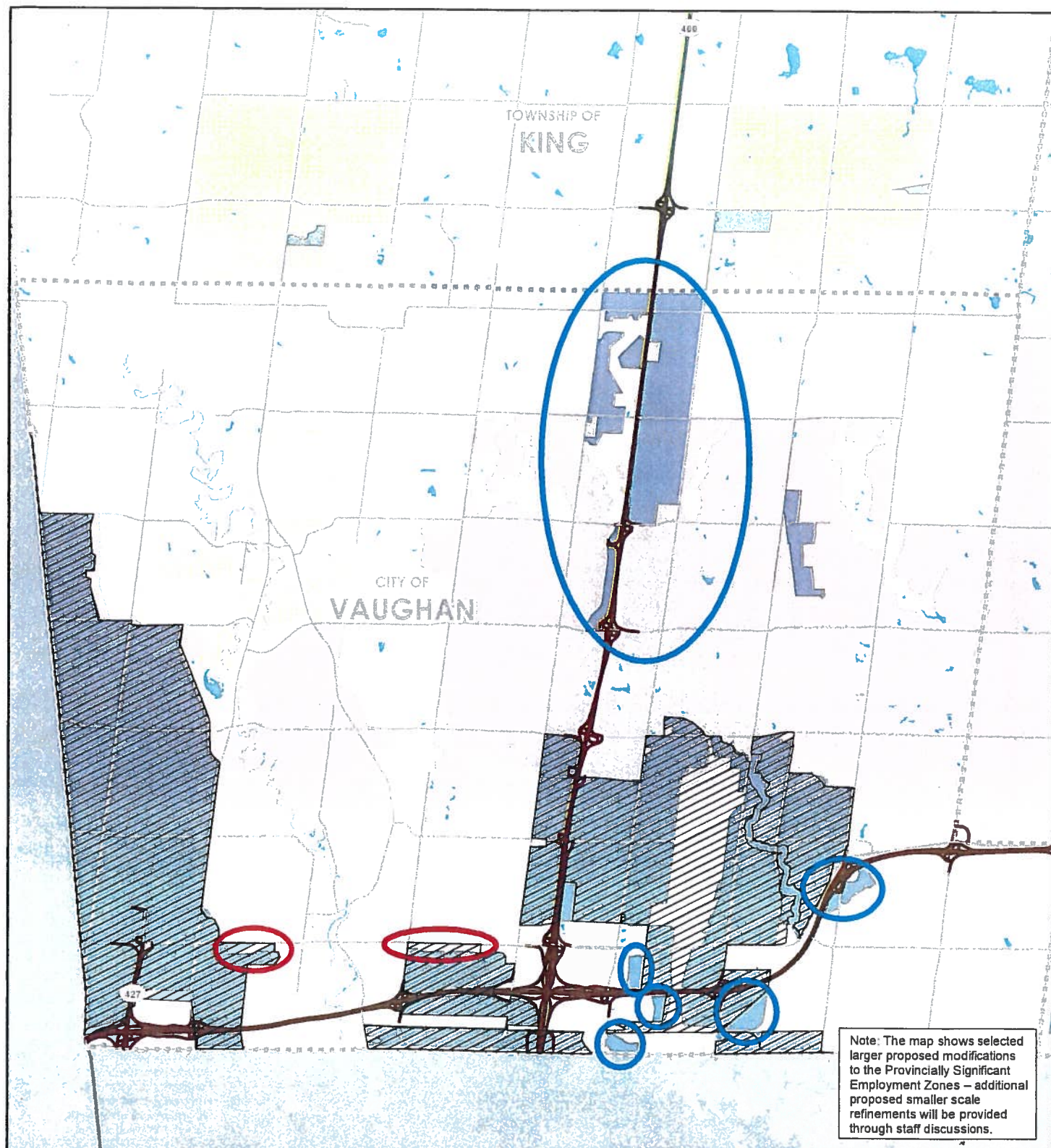












## REGIONAL MUNICIPALITY OF YORK

### Proposed Provincially Significant Employment Zones (PSEZ)



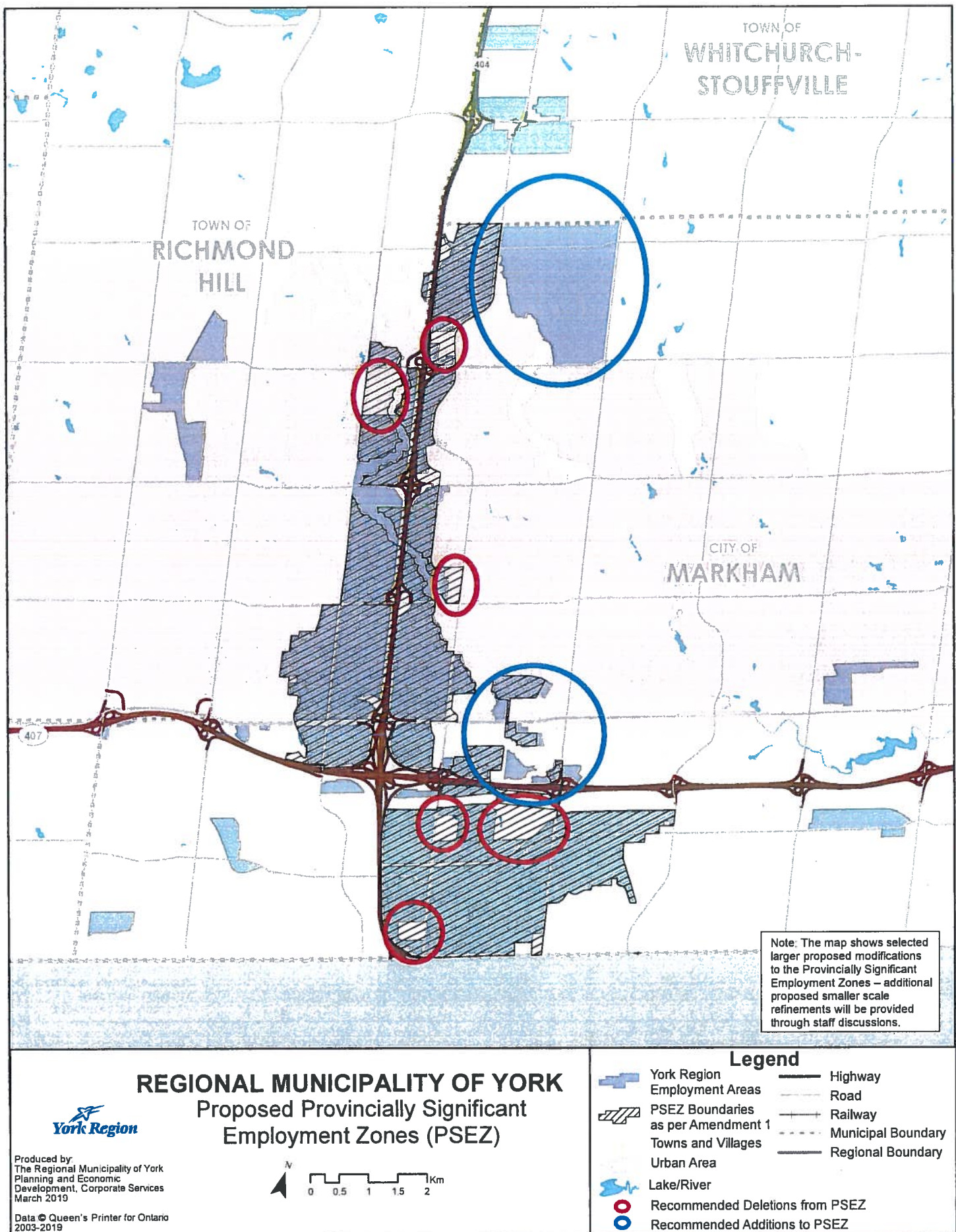
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Planning and Economic  
Development, Corporate Services  
March 2019

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2003-2019

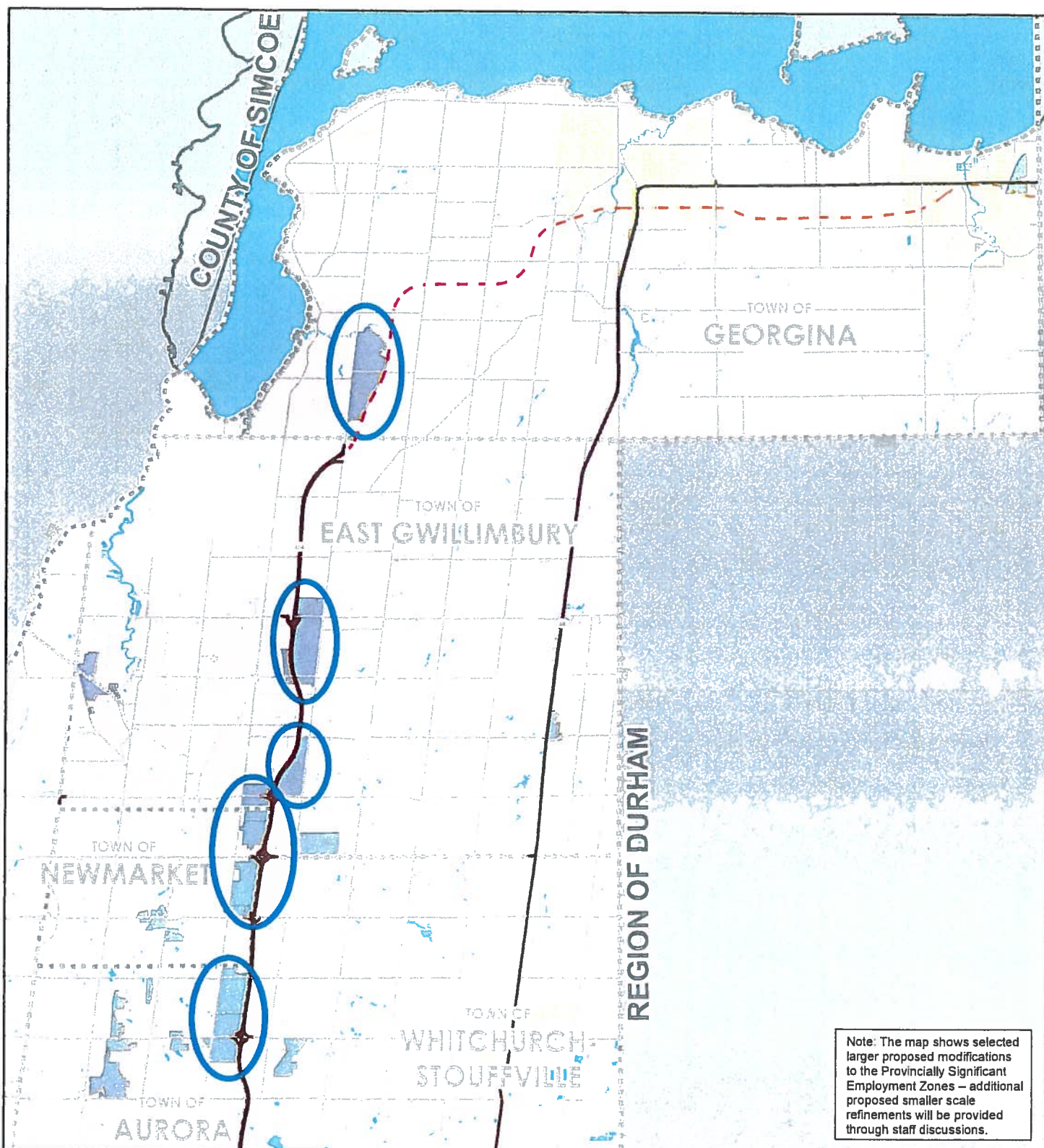


- ### Legend
- York Region Employment Areas
  - PSEZ Boundaries as per Amendment 1
  - Towns and Villages Urban Area
  - Lake/River
  - Recommended Deletions from PSEZ
  - Recommended Additions to PSEZ
  - Highway
  - Road
  - Railway
  - Municipal Boundary
  - Regional Boundary









Note: The map shows selected larger proposed modifications to the Provincially Significant Employment Zones – additional proposed smaller scale refinements will be provided through staff discussions.

## REGIONAL MUNICIPALITY OF YORK

### Proposed Provincially Significant Employment Zones (PSEZ)



Produced by:  
The Regional Municipality of York  
Planning and Economic  
Development, Corporate Services  
March 2019

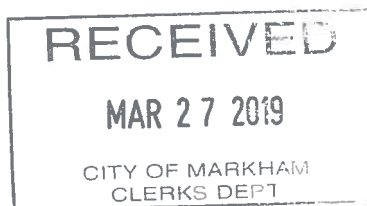
Data: © Queen's Printer for Ontario  
2003-2019



### Legend

- York Region Employment Areas
- PSEZ Boundaries as per Amendment 1
- Towns and Villages
- Urban Area
- Lake/River
- Recommended Deletions from PSEZ
- Recommended Additions to PSEZ
- Highway
- Highway 404 Extension
- Road
- Railway
- Municipal Boundary
- Regional Boundary





Corporate Services  
Regional Clerk's Office

March 22, 2019

Ms. Kimberley Kitteringham  
City Clerk  
City of Markham  
101 Town Centre Boulevard  
Markham, ON L3R 9W3

Dear Ms. Kitteringham:

**Re: 2018 Employment and Industry Report**

On March 21, 2019 Regional Council adopted the following recommendation:

1. The York Region 2018 Employment and Industry Report (Attachment 1) be posted on the york.ca and yorklink.ca websites and be circulated by the Regional Clerk to local municipalities, local chambers of commerce, boards of trade, the Workforce Planning Board and Toronto Global.

The original staff report is enclosed for your information.

Please contact Paul Bottomley, Manager, Policy, Research and Forecasting at 1-877-464-9675 ext. 71530 if you have any questions with respect to this matter.

Sincerely,



Christopher Raynor  
Regional Clerk

Attachments

# **The Regional Municipality of York**

Committee of the Whole  
Planning and Economic Development  
March 7, 2019

Report of the Commissioner of Corporate Services and Chief Planner

## **2018 Employment and Industry Report**

### **1. Recommendation**

1. The York Region 2018 Employment and Industry Report (Attachment 1) be posted on the york.ca and yorklink.ca websites and be circulated by the Regional Clerk to local municipalities, local chambers of commerce, boards of trade, the Workforce Planning Board and Toronto Global.

### **2. Summary**

The Employment and Industry Report 2018 provides an overview of industry and business sectors and employment growth trends in the Region primarily based on data collected from the 2018 Employment Survey.

Key Points:

- The 2018 Employment and Industry report identifies key trends in Regional businesses and employment growth
- There were an estimated 636,630 jobs in York Region as of mid-year 2018
- Between 2017 and 2018, York Region employment grew by 15,120 jobs or 2.4%
- York Region surveyed over 34,100 businesses in 2018

### **3. Background**

**Understanding Regional business and employment growth trends is important to support economic vitality**

Business and job growth are fundamental to York Region's economic vitality. Attracting and retaining high quality, good paying jobs across a broad range of sectors promotes economic resilience and helps ensure those living in York Region have opportunities to work where they live. Each year, the location, type and characteristics of businesses in the Region are tracked and analyzed. The data and analysis identify trends and inform development of Regional policies, programs, marketing initiatives and infrastructure investments.

## **Data and analysis is shared with Regional Employment Survey organizations to support policy and program development**

The data and analysis contained in this report are valuable resources for the Region and local municipalities. The data is used by the Planning and Economic Development branch, other municipal departments, non-profit organizations and private sector groups. Some key uses of the data include supporting preparation of employment growth forecasts used to inform long-term employment land needs, the Region's Development Charges Bylaw, transportation and water and wastewater infrastructure plans, monitoring targets in York Region's Official Plan, identifying economic trends and emerging sectors, and maintaining Regional and local business directories.

## **York Region's Employment Survey is one of a number of sources of data used to monitor economic trends**

Since 1998, the Region has conducted surveys of businesses with a physical location across the nine municipalities. The survey provides qualitative and quantitative data of the Region's businesses that is compared over time to identify trends. Since 2012, the employment survey has been collecting homebased data on a voluntary basis in an effort to report on home-based business trends. Home-based businesses are encouraged to submit information through the York Region website.

## **The Employment Survey contacts all businesses in York Region**

As previously stated in the 2017 Employment and Industry Report, presented at the 2018 Committee of the Whole meeting, the Statistics Canada Census and Employment Survey differ in methodologies. There are several key differences between the data gathered in York Region's employment survey and Census data. Statistics Canada released its 2016 Census labour force data on November 29, 2017. According to the 2016 Census there were 532,895 jobs in York Region during the data collection week of May 10, 2016. The York Region employment survey recorded 600,800 jobs during a similar data collection period of May-August 2016, a difference of 67,900 jobs.

The York Region survey gathers information directly from businesses whereas the Census collects data from employees at their place of residence. The Region's survey, therefore, collects data directly from the employment source potentially eliminating error. In addition, the Region's employment survey represents a 100% sample of York Region businesses with a physical location, whereas the Census is based on a 25% sample of employees. Another key difference between the Census and the Employment Survey is the ability for the survey to capture seasonal jobs after May and jobs for people in the labour force who hold multiple jobs, which due to differences in survey methodology, the Census does not capture.

Other information sources used within the report for comparative analysis include Statistics Canada Canadian Business Counts and Labour Force Survey and publicly available announcements regarding business acquisitions in the Region. Details regarding data sources and methodology are contained within Attachment 1.



## 4. Analysis

### NATIONAL, PROVINCIAL AND GREATER TORONTO AREA OVERVIEW

#### York Region's employment growth outpaced national and provincial averages

The Toronto economic region (represented as the GTA in Table 1) continues to be one of the fastest growing urban areas in Canada. The 2016 Census estimated total employment in the GTA at over 3.5 million jobs. A significant portion of this employment is accommodated within large municipalities in the north, west and central areas of the GTA, including York Region.

At 2.4%, employment growth in York Region outpaced national and provincial employed labour force growth between mid-year 2017 and mid-year 2018, of 1.1% and 2% respectively. Over the past five years York Region has grown at an average annual rate of 2.6%, outperforming average growth rates in the national (1%), provincial (1.2%) and GTA (1.6%) economies. Growth rates in the National economy appear to have peaked and are widely expected to moderate through 2019-2020 according to TD Economics.

**Table 1**  
**Comparison of Annual Labour Force and Employment Growth Rates: Canada, Ontario, GTA and York Region, 2013-2018**

	Canada	Ontario	Greater Toronto Area <sup>1</sup>	York Region <sup>2</sup>
2013-2014	0.5%	0.5%	-1.5%	1.4%
2014-2015	1.0%	1.1%	4.3%	2.6%
2015-2016	0.4%	0.5%	0.9%	3.7%
2016-2017	2.1%	1.8%	1.4%	3.0%
2017-2018	1.1%	2.0%	2.8%	2.4%
5 year Average	1.0%	1.2%	1.6%	2.6%

Source: York Region Planning and Economic Development Branch, 2018 and Statistics Canada's Labour Force Survey, 3-month moving average, unadjusted for seasonality, ending in August 2018

<sup>1</sup>Greater Toronto Area labour force employment growth approximated by the Toronto Economic Region

<sup>2</sup>York Region figures based on 2018 employment survey results and estimates for home-based, farm-based, and no contact businesses

## Services-producing sectors are the primary drivers of national, provincial and GTA employed labour force growth

Between mid-year 2017 and mid-year 2018, national employment increased by 1.1% (202,900 jobs), compared to 2.1% or 378,200 jobs from 2016 to 2017. Employment growth in services-producing sectors such as educational services and transportation were the primary drivers of this growth. Labour force employment in Ontario increased by 2% (142,300 jobs). Similar to national employment gains, the majority of the province's growth was driven by employment in services-producing industries including transportation and warehousing and educational services.

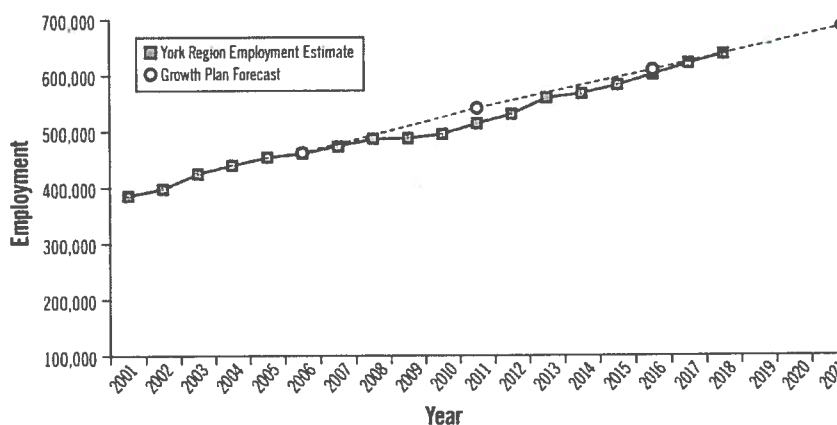
GTA employed labour force growth, also driven primarily by services-producing sectors, was stronger at 2.8% (97,500 jobs). The services-producing sectors recorded an increase of 73,200 jobs, with educational services, finance, insurance, real estate and accommodation and food services leading sectoral growth. The goods-producing sectors experienced an increase of 24,300 jobs overall with the construction sector driving most of this growth (+17%).

## YORK REGION EMPLOYMENT

### York Region employment continues to grow at a steady pace

According to York Region's employment survey, employment rose to an estimated 636,630 jobs in 2018, an increase of 2.4% or 15,120 jobs from 2017. This total includes surveyed employment figures from contacted firms, 2016 census of agriculture jobs and estimates for work at home employment and businesses the Region was unable to contact.

**Figure 1**  
**York Region Total Employment Estimate 2001-2018 and**  
**2006 Growth Plan Employment Forecast**



Source: York Region figures based on employment survey results and estimates for home-based, farm-based, and no contact businesses and 2006 Growth Plan Employment Forecast Amendment 2.  
Note: Historical employment figures were revised from those released in previous Employment and Industry reports based on updated information.



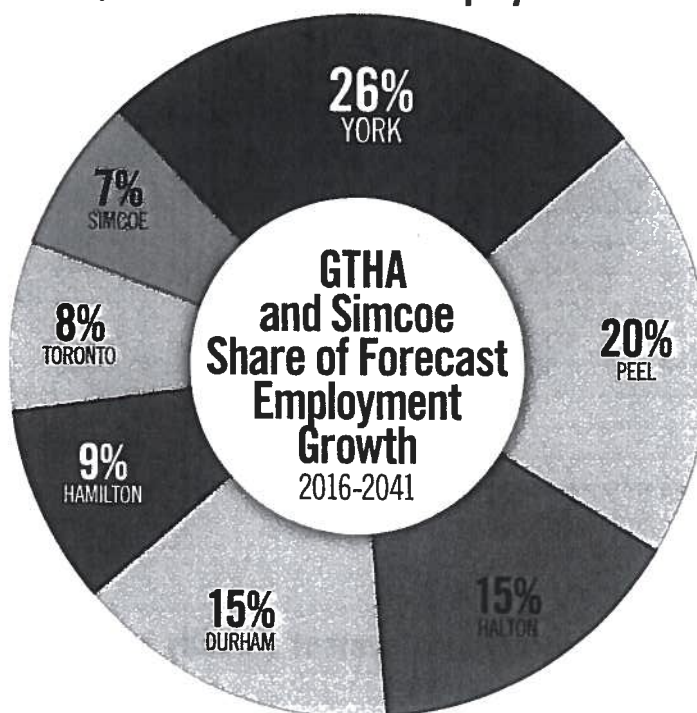
Since 2001, York Region's employment has grown by over 250,000 jobs (Figure 1), representing a strong average annual growth rate of 3%. This balanced rate of growth continues to align with the population growth rate for the same time period (3%) and provides job opportunities for existing and future York Region residents. Balanced growth assists in maintaining the Region's activity rate where the goal is to have a ratio of total employment to population of 1 job for every 2 residents. The Region's activity rate has been increasing since 2010 and is currently 51.9%.

### **York Region is on track to meet or exceed the Growth Plan's 2041 employment forecast**

According to the 2017 Provincial Growth Plan, York Region is expected to reach a total of 900,000 jobs by 2041. This represents a 26% share of the total employment growth within the Greater Toronto and Hamilton Area (GTHA) and Simcoe (Figure 2). At 636,630 estimated jobs in 2018, an additional 263,370 jobs or approximately 11,450 jobs annually are required to meet the 2041 employment target. Over the past five years, the Region has added on average 15,000 jobs annually.

**Figure 2**

#### **GTHA & Simcoe, Share of Forecasted Employment Growth to 2041**

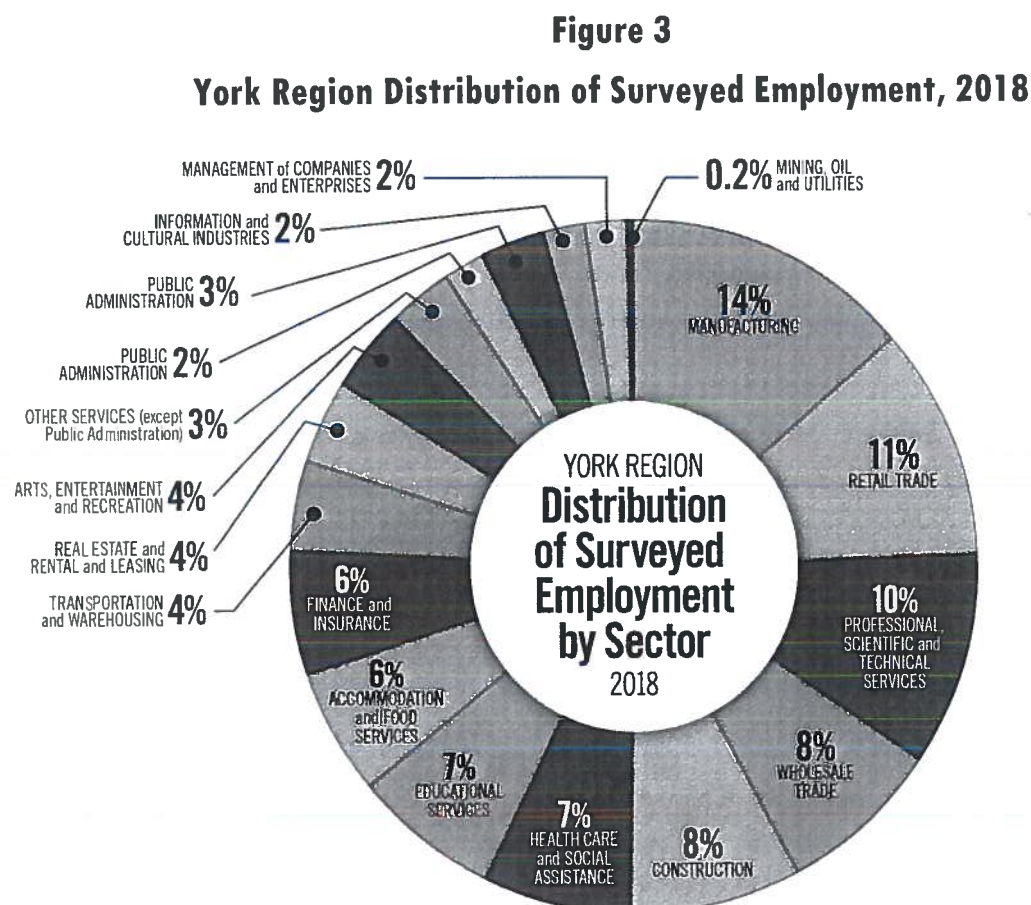


Source: Statistics Canada Census Data, 2016  
Growth Plan for the Greater Golden Horseshoe, 2017, Schedule 3

## York Region has a diverse and resilient economy

York Region has a diverse economic base with employment across a broad range of sectors. This is vital to maintaining the Region's resiliency to any future economic downturn.

According to the York Region employment survey, manufacturing, retail trade, and professional, scientific and technical services sectors accounted for the largest shares of surveyed employment in 2018. Figure 3 demonstrates the diversity of the Region's employment base.



Source: York Region Planning and Economic Development Branch, 2018 Employment Survey

## Contract/Seasonal/Temporary employment steadily increased over the last decade

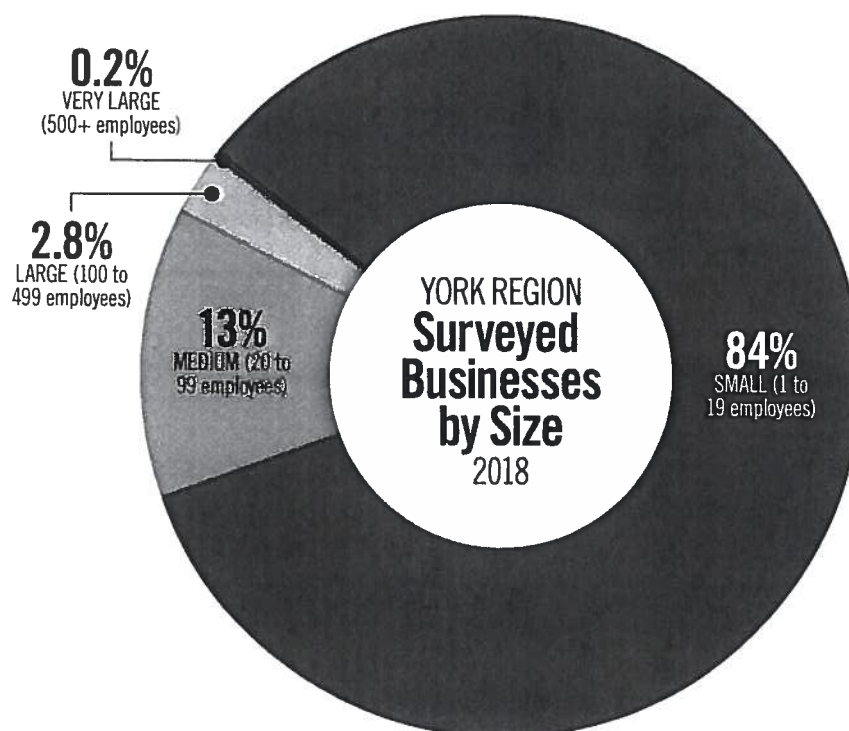
Contract/seasonal/temporary employment continues its trend of being the fastest growing type of work with an increase in share from 5% in 2008 to 15% in 2018, representing growth of 55,700 jobs during this time. Over the same decade the share of full-time employment decreased from 76% to 67% (+50,800 jobs). Part-time workers increased by 19,500 during the past decade; however its share of employment declined slightly from 19% to 18%. Although full time employment remains strong, the steady increase of

contract/seasonal/temporary employment is indicative of the shifting job market as trends in non-usual places of work and contract independent workers start to play a more prominent role in the economy.

### Over 80% of the Region's business community is made up of small businesses

According to the Statistics Canada Business Counts database, York Region is home to over 52,700 business establishments in industries such as information and communications technology, consumer goods and life sciences. York Region surveyed over 34,000 businesses with a physical location in 2018, an increase of 7,300 businesses from the 2008 survey. Small businesses (1-19 employees) account for the largest share of the Region's businesses at 84% or 28,540 businesses in 2018 (Figure 4). This total share is in line with the share of small businesses throughout the Province and across Canada and is indicative of the important role of small business and entrepreneurship in York Region's economy. While the share of very large businesses is relatively small at 0.2% of the Region's total number of establishments, the number of very large businesses has grown by almost 30% over the last 5 years (from 51 to 66 businesses).

**Figure 4**  
**York Region Surveyed Business by Size, 2018**



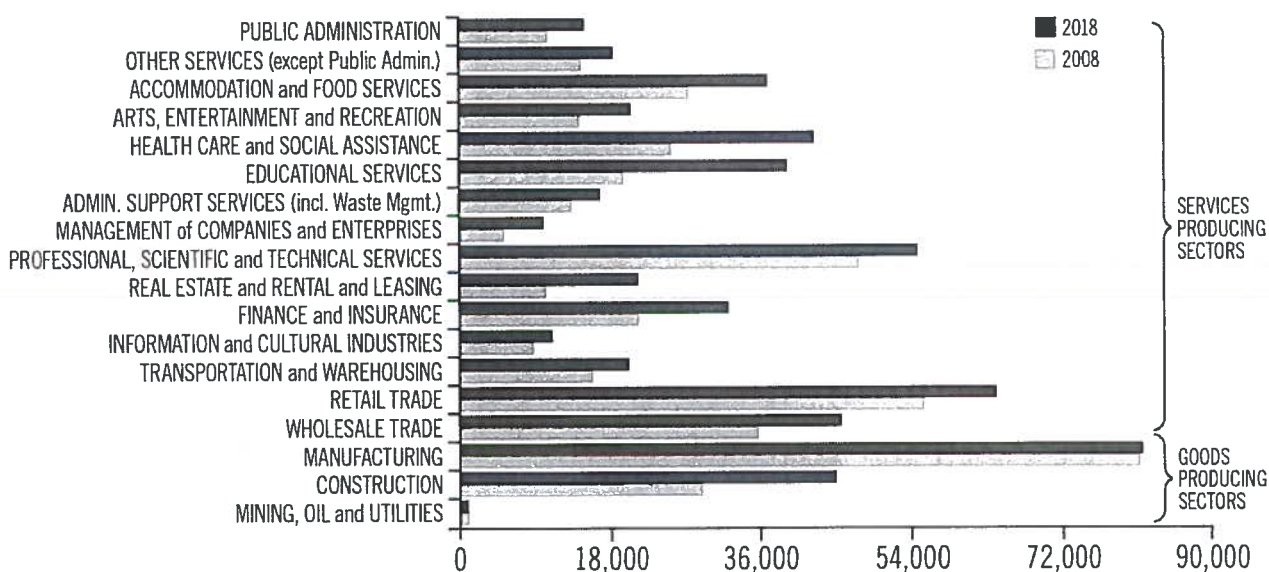
Source: York Region Planning and Economic Development Branch, 2018 Employment Survey

## YORK REGION SERVICES-PRODUCING SECTORS

### Strong job growth experienced by key knowledge-based sectors in York Region

Similar to national and provincial trends, the York Region economy continues to undergo a shift toward more knowledge-based, service-oriented jobs. Over the past ten years, employment in services-producing sectors increased by 3.2% on an average annual basis, adding 122,580 jobs to the Region's employment base (Figure 5). Comparatively, employment in the goods-producing sectors grew at a more moderate pace of 1.4% annually, adding 16,340 jobs.

**Figure 5**  
**York Region Surveyed Employment by Sector, 2008-2018**



Source: York Region Planning and Economic Development Branch, 2018 Employment Survey

In the last ten years employment growth has occurred broadly across all sectors, with the exception of mining, oil and utilities. There has been a long and steady decline in the rate of growth within the goods-producing sectors, particularly manufacturing. This has been offset by growth in the services-producing sectors, particularly within the educational services, health care, social assistance, finance, and insurance sectors.

Key trends observed in the services-producing sectors over the last 10 years include the following:

- The real estate sector was the fastest growing sector with an average annual increase of 7.4%, increasing by 10,850 jobs
- Educational services sector has doubled the number of jobs, adding over 19,700 jobs at an average annual increase of 7.3%

- The professional, scientific, and technical services sector has added over 7,000 jobs at an average annual increase of 1.4%
- Finance and insurance sector has increased at an average annual rate of 4.2% adding approximately 11,000 jobs
- Health care and social services sector has had an average annual growth rate of 5.4%, adding over 17,000 jobs

**Key trends observed in the goods-producing sectors over the last 10 years include the following:**

- Manufacturing continues to hold the largest share of employment in the Region at 14%. The 2008-09 recession significantly impacted the manufacturing sector, however manufacturing employment has since increased by 7,120 jobs
- The construction sector has demonstrated strong growth since 2008, adding over 16,000 jobs to the Region, growing at an average annual rate of 4.5%
- Food and beverage subsector accounts for 9% of the manufacturing sector and has increased by over 50%, adding 2,350 jobs

### **York Region is investing to support growth**

York Region's Economic Development Action Plan addresses key economic challenges and opportunities facing York Region and translates them into innovative economic growth areas. Additionally, the York Region Official Plan policies for complete communities, affordable housing and employment are to ensure the Region attracts growth and is a place where residents can work, live and play. Along with the initiatives identified in the Action Plan and policies in the YROP, the Region continues to make investments to support business growth and innovation. Some examples of these investments are:

- The York Link branding office marketing and communication plan supports business attraction in our centres and corridors and business parks
- The Vaughan Metropolitan Centre subway station in York Region is critical to support and create desirable business locations
- The construction of VIVA, and two-way all day Regional Express Rail to GO Transit stations to York Region will greatly improve the level of service and attract businesses and workers

Business and job growth in the Region is also supported by major transit investments, particularly in the Region's Centres and Corridors. The Regional Official Plan vision for Regional Centres and Corridors is to achieve the most intensive and greatest mix of development in the Region. The Centres and Corridors are supported by over \$3.6 billion in transit infrastructure investment. As the Region's urban structure continues to evolve and



Regional Centres and Corridors mature, York Region will continue to be competitive as a top business location in the Greater Toronto Area.

### **Many Factors Contribute to Economic Growth**

York Region continues to be a top destination in the Toronto area and Canada for business, talent and investment. York Region contains one of the largest business hubs in the GTA. The Region's location in the GTA is also strategic for goods movement, with close proximity to Toronto Pearson Airport and home to both the CP intermodal facility and CN MacMillan rail yard. York Region also has a strong network of 400-series highways connecting the Region to broader provincial and national markets and the United States border. Locally, the Spadina Subway extension (Line 1) to Vaughan provides a direct rapid transit connection to downtown Toronto.

The Region's economy is underlined by core attributes of strong population and employment growth, skilled labour force, high quality of life that attracts top global talent, established and diversified industry clusters, major infrastructure and transportation investments and locational and accessibility factors among others. Housing options and affordability may be a factor in attracting new businesses, retaining existing businesses and attracting a labour force looking for close proximity to work. The Region works with the local municipalities to ensure a wide variety of housing options at varying levels of affordability are available.

### **Data and analysis from the Employment and Industry Report 2018 is linked to the Regional Municipal Comprehensive Review**

The employment survey data provides information that will be used to prepare a series of reports relating to planning for employment. Reports will be brought forward to Council throughout 2019 and early 2020 commenting on the following:

- A detailed analysis on historical employment trends in York Region
- Future employment trends in York Region
- Updated employment policies and mapping in the Official Plan designating employment areas
- Consideration of requests for employment land conversions

### **The Employment Survey supports the 2015-2019 Strategic Plan, Vision 2051 and Regional Official Plan**

Annual reporting on detailed employment and sectoral analysis enables informed decisions and implementation of initiatives that enhance economic vitality and foster an innovative economy. Data collected is used to support monitoring of employment targets in the Regional Official Plan. Economic research and analysis is a program focus area within the Economic Development Action Plan. Data from the employment survey assists in measuring outcomes of action areas in the Plan including the Office Attraction Strategy which tracks office development and tenant activity in York Region and the Workforce/Labour Force



Development action area. These strategies have influenced job growth and attracted a number of businesses in the Centres and Corridors.

## **5. Financial**

Work related to generation and analysis of employment data is completed by internal resources and all costs are addressed in the approved Planning and Economic Development branch budget. The annual employment survey is conducted in partnership with the nine local municipalities, at a shared cost.

## **6. Local Impact**

Local municipalities use the information and analysis generated in the Employment and Industry report to identify and report economic trends, assist in developing business retention and expansion strategies, produce local business directories and inform employment land strategies. Information from the York Region employment survey was collected with the assistance and support of all nine local municipalities including financial assistance and survey promotion. The results, including a detailed database, are provided to each municipality for their use.

## **7. Conclusion**

The 2018 Employment and Industry report identifies key trends in Regional businesses and employment growth. York Region has a large, diverse economy with strong growth experienced in recent years primarily in the services-producing sectors as well as more moderate growth in the goods-producing sectors. According to York Region's employment survey, employment rose to an estimated 636,630 jobs in 2018 (by 2.4%). This sustained employment growth continues to diversify the Region's economy and promote economic resilience, vitality and liveability.

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For more information on this report, please contact Paul Bottomley, Manager, Policy, Research and Forecasting at 1-877-464-9675 ext. 71530. Accessible formats or communication supports are available upon request.

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February 22, 2019  
Attachment (1)  
eDOCS# 9116740

# 2018 EMPLOYMENT & **INDUSTRY** REPORT

A detailed overview of industry and employment trends in York Region

MARCH 2019





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# INTRODUCTION

## HIGHLIGHTS

- There were an estimated **636,630 jobs** in York Region as of mid-year 2018
- Between 2017 and 2018, York Region employment grew by **15,120 jobs** or **2.4 per cent**
- **66 per cent** of York Region's surveyed employment was full time
- **78 per cent** of surveyed employment in York Region is in services-producing sectors
- The manufacturing, retail trade, and professional, scientific and technical services sectors continue to hold the largest shares of surveyed employment in 2018
- The educational services sector recorded the largest employment gain in terms of absolute growth increasing by **6,870 jobs**
- York Region surveyed **34,100 businesses** in 2018
- The number of surveyed businesses that employ **500 or more employees** grew by **29 per cent** between 2013 and 2018

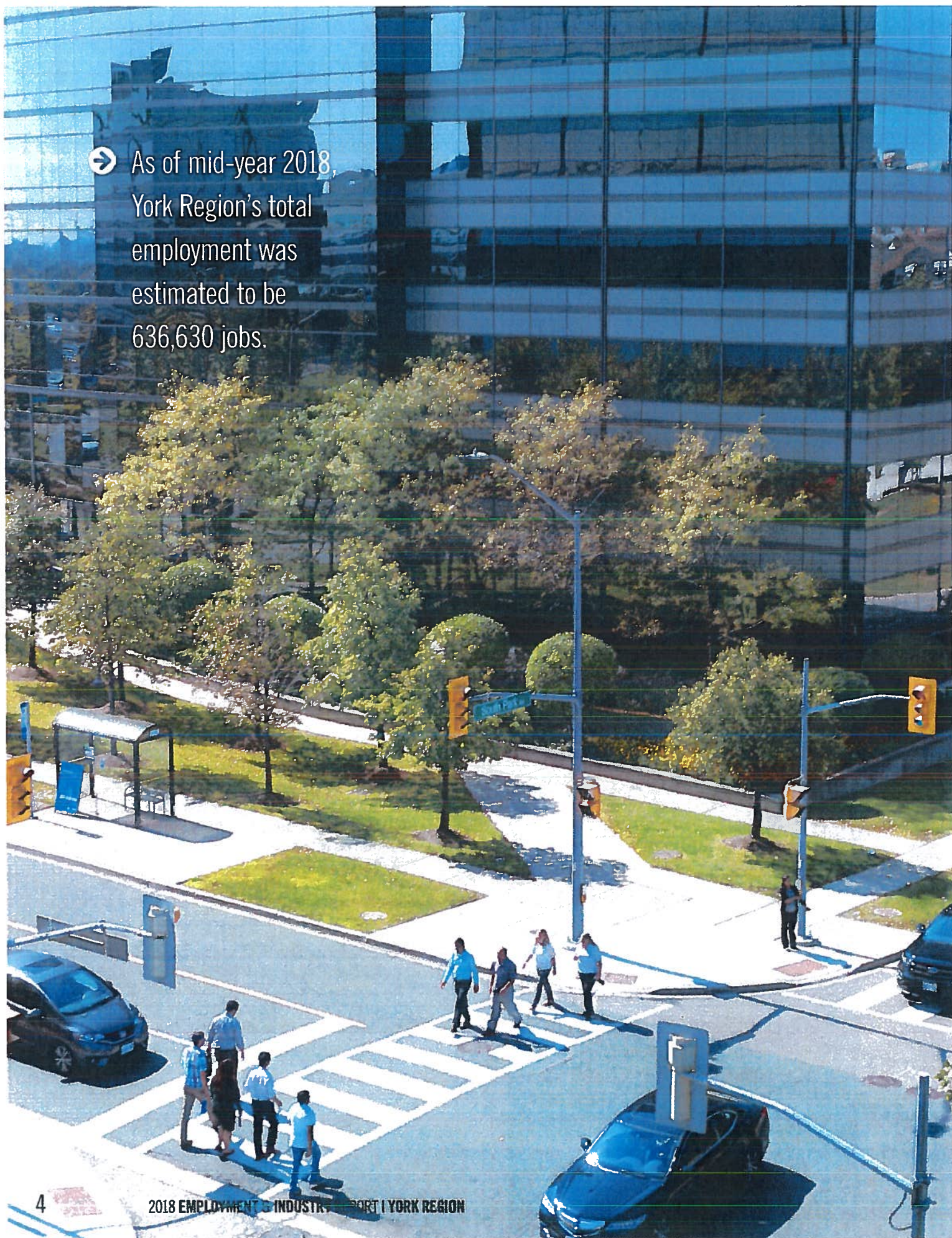
Each year the location, type and characteristics of businesses in the Region are tracked and analyzed primarily through the York Region Employment Survey program. Since 1998, the Region has conducted an industry wide survey of businesses across the nine municipalities annually. The data is collected from May-August and is aggregated for reporting and monitoring. The employment survey provides a snap shot of the Region's businesses that can be compared over time to identify trends. This type of information is important as it provides many market indicators and trend analysis that informs the development of Regional policies, programs, marketing initiatives and infrastructure investments.

Business and job growth are fundamental to York Region's economic vitality. Attracting and retaining high quality, good paying jobs across a broad range of sectors promotes economic resilience and helps ensure those living in York Region have the opportunity to work and thrive where they live. *The Employment and Industry Report 2018* provides an economic overview of the Region's business and job growth.

Other sources of information used within the report include Statistics Canada's Labour Force data, Canadian Business Counts data, Census of Agriculture and 2016 Census data. Further details regarding data sources and methodology are contained within appendices A and B.



➔ As of mid-year 2018, York Region's total employment was estimated to be 636,630 jobs.







# NATIONAL and PROVINCIAL OVERVIEW

*In 2018 York Region job growth outpaced national, and provincial labour force employment growth*

**TABLE 1 - Comparison of Annual Employment Growth Rates: Canada, Ontario, Greater Toronto Area (GTA) and York Region, 2018**

	Canada	Ontario	Greater Toronto Area <sup>1</sup>	York Region <sup>2</sup>
2013-2014	0.5%	0.5%	-1.5%	1.4%
2014-2015	1.0%	1.1%	4.3%	2.6%
2015-2016	0.4%	0.5%	0.9%	3.7%
2016-2017	2.1%	1.8%	1.4%	3.0%
2017-2018	1.1%	2.0%	2.8%	2.4%
5 year Average	1.0%	1.2%	1.6%	2.6%

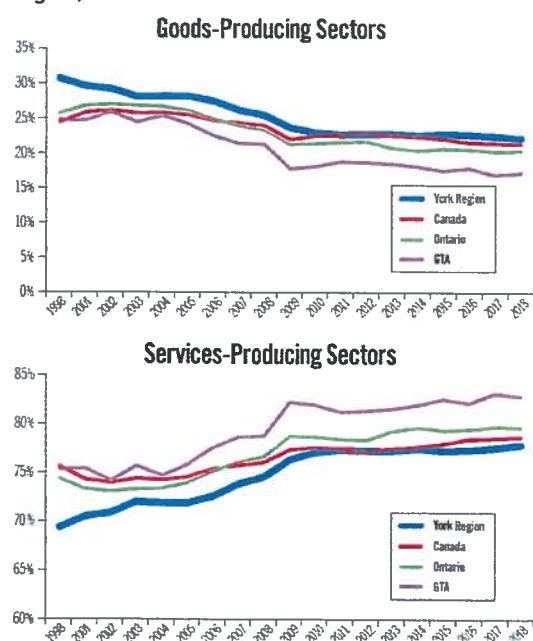
Source: York Region Planning and Economic Development Branch and Statistics Canada's Labour Force Survey, 3-month moving average, unadjusted for seasonality

Notes: <sup>1</sup> Greater Toronto Area labour force employment growth approximated by the Toronto Economic Region

<sup>2</sup> York Region figures based on 2018 employment survey results and estimates for home-based, farm-based, and no contact businesses.

The Statistics Canada's labour force data provides a broad overview of employment trends at the national, provincial and GTA levels. Direct comparisons should not be made when comparing the Statistics Canada's labour force data to York Region's employment survey data.

**FIGURE 1 - Distribution of Goods and Services Producing Employment, Canada, Ontario, GTA, York Region, 1998-2018**



Source: York Region figures based on 2018 employment survey results. Canada, Ontario and GTA figures based on Statistics Canada Labour Force Survey, 3-month moving average, unadjusted for seasonality, ending in August 2018

York Region employment growth outpaced national and provincial labour force employment growth between mid-year 2017 and mid-year 2018, posting a gain of 2.4 per cent, compared to a **3 per cent** growth rate in 2017 (Table 1).

According to the Statistics Canada Labour Force Survey, Ontario (2 per cent) and The Greater Toronto Area (GTA) (2.8 per cent) posted higher labour force employment growth between mid-year 2017 and mid-year 2018 compared to the same time period from 2016 to 2017 (1.4 per cent). Canada's labour force growth rate decreased from 2.1 per cent to **1.1 per cent**.

It is important to note that while Statistics Canada's labour force data is useful for trend analysis, there are high levels of variability in the data and the information is not directly comparable to York Region's employment estimate. The labour force survey represents GTA residents of working age who may or may not work in the GTA. The annual York Region employment survey data records the number of jobs in the Region and is comprised of working age individuals who work in York Region and who may or may not be residents of the Region.

## Services-producing industries continue to grow steadily in York Region, provincially, and nationally

Since 1998, the share of service-oriented jobs for Canada, Ontario, the GTA and York Region has shown steady growth (Figure 1). In comparison, the share of employment in the goods-producing sectors has shown a gradual decline over time. Yet, York Region has consistently held a larger share of goods-producing employment than Canada, Ontario and the GTA.



## NATIONAL and PROVINCIAL OVERVIEW

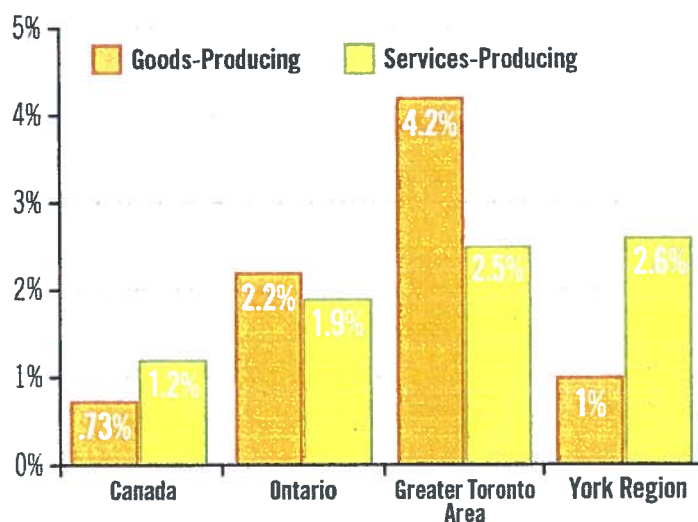
Between mid-year 2017 and mid-year 2018 York Region, the GTA, Canada and Ontario all experienced growth in the goods-producing sectors (Figure 2). The increase for the GTA occurred mainly in the forestry/fishing/mining, utilities and construction sectors. This is in contrast compared to the previous year's figures where the GTA posted a **4.1 per cent decrease** in goods-producing sectors. Canada's services-producing industries increased by almost **1 per cent** over the year with strong growth in the educational services subsector (**+58,700 jobs, 5.2 per cent growth**), transportation and warehousing subsector (**+42,200 jobs, 4.4 per cent growth**), and the other services subsector (**+26,700 jobs, 3.4 per cent growth**).

Overall, employment in Ontario increased by **142,300 jobs** or **2 per cent** from mid-year 2017 to mid-year 2018. An increase in employment was experienced in most of the good-producing sectors, with the exception of manufacturing that posted a modest decrease of **0.5 per cent**. Within the services-producing industries, Ontario's growth followed a similar pattern of overall Canadian trends with transportation and warehousing the leading growth sector at **11.7 per cent (+39,500 jobs)**. This was followed by other services with **8.4 per cent growth (+23,000 jobs)** and educational services growing by **7.8 per cent or (34,500 jobs)**.

Total GTA employment increased by **97,600 jobs** or **2.8 per cent**. The GTA's goods-producing sector increased sharply from the previous year, at **4.2 per cent**, a gain of **24,400 jobs**. The subsectors posting the largest growth in the GTA included construction (**+36,600 jobs, 17.3 per cent growth**), the educational services sector (**+27,900 jobs, 14.1 per cent growth**) and accommodation and food services (**+22,700 jobs, 10.5 per cent growth**).

There has been a long and steady decline in the goods-producing sectors, particularly manufacturing. The decline of these jobs has been offset by the growth in the services-producing sectors, particularly within the educational services, health care and social assistance and finance and insurance sectors. Overall growth rates in the National economy appear to have peaked and are widely expected to moderate through 2019-2020 according to TD Economics.

**FIGURE 2 - Employment Growth Rates for Goods and Services Producing Sectors, Canada, Ontario, GTA and York Region, 2017-2018**



Source: York Region figures based on 2017 employment survey results. Canada, Ontario and GTA figures based on Statistics Canada Labour Force Survey, 3-month moving average, unadjusted for seasonality.

# YORK REGION EMPLOYMENT ANALYSIS

*York Region employment was estimated at 636,630 jobs for 2018*

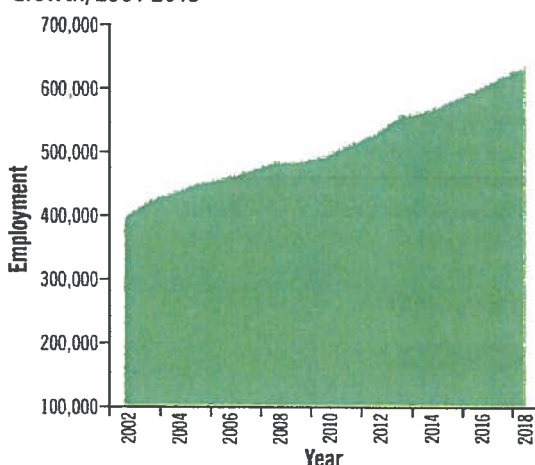


**TABLE 2 - York Region Total Employment Estimate 2018**

York Region Total Employment Estimate 2018	
Surveyed Employment	576,255
No Contact Estimate	5,975
Agriculture	3,255
Work at Home Estimate	51,145
<b>Total</b>	<b>636,630</b>

Source: York Region Planning and Economic Development Branch Employment Survey, 2018

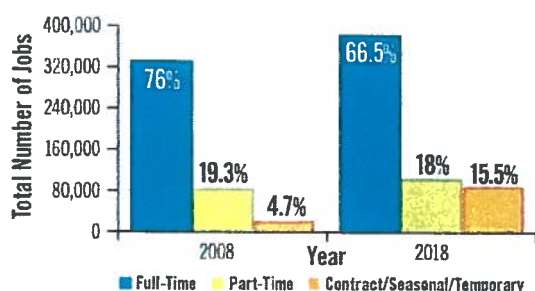
**FIGURE 3 - York Region Estimated Total Employment Growth, 2001-2018**



Source: Employment figures are based on York Region's estimated total employment 2001-2018.

Note: York Region figures based on employment survey results and estimates for home-based, farm-based, and no contact businesses. Historical employment figures were revised from those released in previous Employment and Industry reports based on updated information.

**FIGURE 4 - York Region Surveyed Employment by Type of Worker, 2008 and 2018**



Source: York Region Planning and Economic Development Branch Employment Survey, 2018

As of mid-year 2018, the Region's total employment was estimated to be **636,630 jobs**. This estimate includes job totals from contacted firms, census of agriculture jobs, estimates for work at home employment and for businesses that the Region was unable to contact.

Table 2 outlines how the 2018 total employment estimate was derived.

York Region continues to be one of Canada's fastest growing municipalities and over the last five years the average annual growth in employment and number of businesses has been approximately **5 per cent**. Since 2001, the Region's employment has grown by over **250,000 jobs** representing a strong average annual growth rate of **3 per cent** (Figure 3). This number aligns with the Region's annual population growth rate during the same time period (3 per cent). A balanced rate of growth in population and employment provides job opportunities for both existing and future York Region residents.

## YORK REGION EMPLOYMENT by TYPE OF WORKER

**Contract/Seasonal/Temporary workers continue to increase.**

Full-time workers continue to account for the largest share of employment type in York Region at **66 per cent**. Contract/seasonal/temporary employment continues its trend of the fastest growing type of worker with an increase in share from **4.5 per cent** in 2008 to **15.5 per cent** in 2018, representing growth of **55,700 jobs** during this time. Over 2008-2018, full-time employment decreased in share from **76 per cent** to **66 per cent**, yet grew by over **50,800 jobs**. Part-time workers declined from a **19 per cent** to **18 per cent** share of employment increased by **19,500 jobs** over the same time period (Figure 4).





# YORK REGION EMPLOYMENT ANALYSIS

Full-time employment is an important labour market indicator of economic performance and the Region continues to demonstrate strength in full-time employment opportunities for its residents, attracting a highly-skilled labour force. Providing opportunities for other types of employment such as part-time and contract/seasonal/temporary is also important for residents as attitudes on work-life balance and work preferences change. York Region has historically maintained a healthy proportion of full-time employment, it is still important to monitor trends in changes to employment type composition as it may have future implications on the Region's economic well-being.

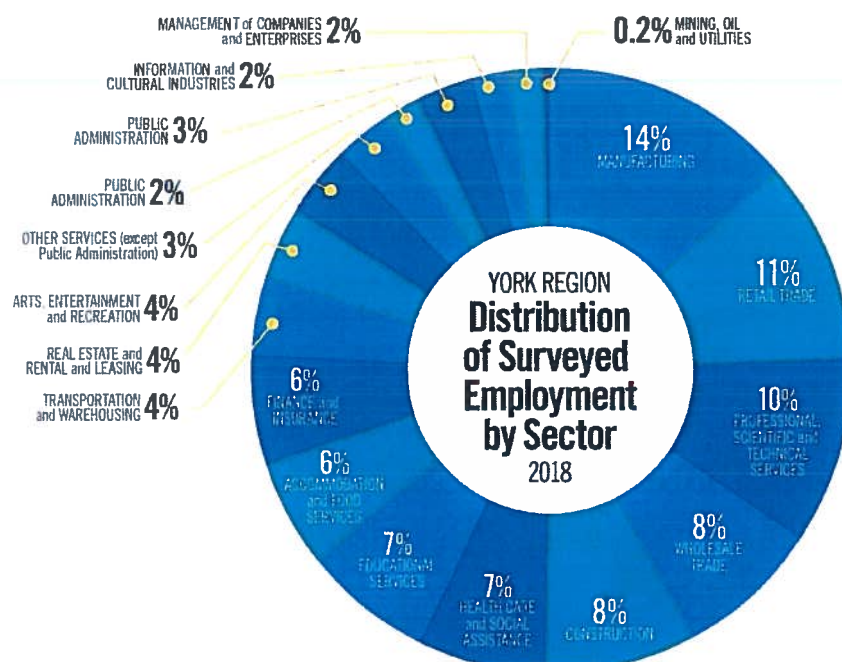
## EMPLOYMENT ANALYSIS by SECTOR

**The diversity of York Region's employment base provides a wide-variety of jobs and opportunities for residents**

The following section provides a detailed analysis of York Region's employment using Statistics Canada's North American Industrial Classification (NAIC) system. A comprehensive list of the NAIC sectors can be found in Appendix B.

York Region has a diverse economic base. For the past five years the manufacturing, retail trade and professional, scientific and technical services sectors have accounted for the largest shares of surveyed employment, as shown in Figure 5. These shares are gradually changing over time, as other sectors such as educational services, finance and insurance and health care and social assistance steadily increase. A diverse economy provides a wide variety of jobs and opportunities for residents. While shifts within employment sectors are expected in the future with emerging new technologies and corresponding changes to employment demands, maintaining diversity of employment across sectors is vital to ensuring a resilient economy.

**FIGURE 5 - York Region Distribution of Surveyed Employment by Sector, 2018**



Source: York Region Planning and Economic Development Branch, 2018 Employment Survey

# YORK REGION EMPLOYMENT ANALYSIS

*The York Region economy continues a shift to services-oriented sectors*



The share of the Region's workforce in the services-producing sectors continues to grow. In 2018, the majority of the Region's workforce was employed in services-producing sectors, accounting for **78 per cent** of the Region's surveyed employment base, compared to **75 per cent** in 2008 (Figure 6). Employment in the goods-producing sectors accounted for **22 per cent** of the Region's total surveyed employment in 2018 compared to **25 per cent** in 2008.

Employment in the services-producing sectors grew by **11,840 jobs** or **2.7 per cent** between mid-year 2017 and mid-year 2018. Over the past ten years, over **122,580 service-oriented jobs** were added to the Region's employment base representing an increase of **37.6 per cent** in these sectors.

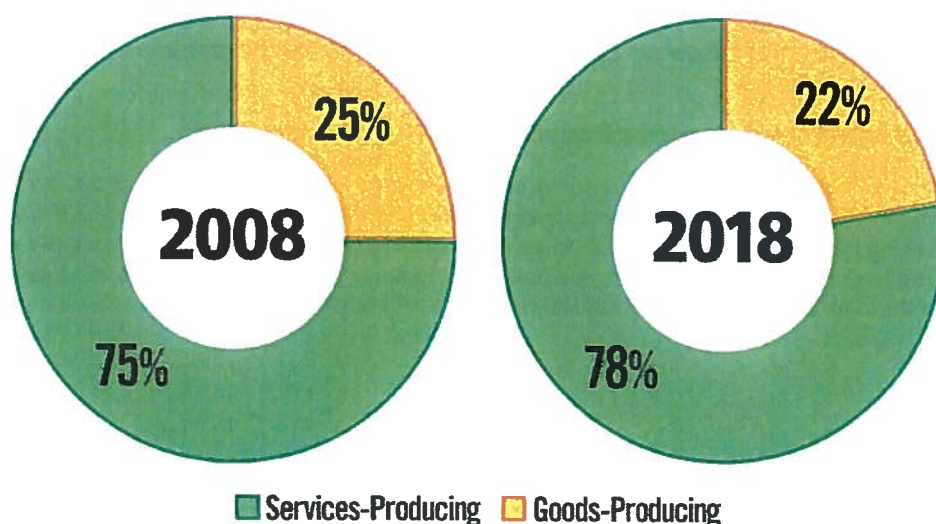
## KEY SERVICES-PRODUCING GROWTH SECTORS 2008 to 2018

**The Education services sector has seen increases nationally, provincially, GTA-wide and in York Region**

The **education services sector** has been one of the fastest growing sectors between 2008-2018, second only to the real estate sector. This sector has doubled the number of jobs since 2008, adding over **19,700 jobs** over this ten year period.

According to Statistics Canada Labour Force data, this growth trend has been experienced throughout Canada, Ontario and the GTA with all recording increasing job numbers in this sector over the last five years. The educational services sector includes post-secondary institutions, technical and trade schools, business schools and management training and educational support services. Growth within this sector is expected to continue in York Region, with the anticipated York University Markham Campus that will not only provide for highly-skilled job opportunities but also create highly-skilled workers to supply the demand for these types of jobs in the Region.

**FIGURE 6 - York Region surveyed employment by goods and services-producing sectors, 2008-2018**



Source: York Region Planning and Economic Development Branch, 2008 and 2018 Employment Surveys





### Finance and insurance sector

Since 2008 the **finance and insurance sector** has added over **10,900 jobs** in the Region, representing **9 per cent** of total job growth in the last ten years. Major employers such as TD Insurance and Aviva Insurance have their head offices located in the Region. While large firms such as these contribute to this growth, smaller firms and local companies continue to invest in the Region adding to the growth in this sector.

**Financial Technology (FinTech)** and automation is expected to have high rates of adoption in this sector, leading to demand for more higher skilled and specialized labour force. With over **50 companies** located in the Region including, XE.com, Real Matters, Everlink Payment Services and more, this segment within the finance and insurance sector is expected to see more growth in the future.

In addition to these firms, expansions and investments of local companies continues to add to the growth in the finance and insurance sector. York Region is home to corporate or divisional back-end operations (e.g. processing and call centers) of many financial and insurance institutions, alongside hundreds of branch-level places of employment.

### Health care and social services sector has added 17,260 jobs since 2008

Employment growth in the **health care and social services sector** has been strong over the last 10 years in the Region. This sector has grown at an average annual rate of **5.4 per cent** since 2008 adding **17,260 jobs**, making it one of the fastest-growing sectors during this time period. Growth within this sector is expected to continue with the aging population requiring access to healthcare, innovations in technology and the new Mackenzie Vaughan Hospital currently under construction.





### **Retail Trade represents the largest share of employment in the services-producing sector**

The **retail trade sector** is closely tied to population growth and has added **8,600 jobs** and grown **1.5 per cent** annually from 2008-2018. The retail trade sector represents the largest share of employment in the services-producing industry sectors with **11 per cent** or **64,100 jobs**.

Even with this growth, the retail sector's share of growth has been declining since 2008. The closure of large chain stores such as Sears Canada and other mall chain stores filing for bankruptcy. E-commerce continue to disrupt and transform the traditional retail sector model. Growth in online shopping experiences and with it in logistics and warehousing are expected to continue. Many of these facilities are automated and do not create enough new jobs to offset the decline in retail. The Region is currently undertaking a Future Employment Trends study to take a closer look at how sectors are expected to be impacted by emerging technologies and consumer behavioural changes and preferences.

### **The professional, scientific, and technical services sector added 820 jobs in 2018**

Over the past year, the **professional, scientific and technical services sector** recorded over **820 additional jobs** and accounts for almost **10 per cent** of total employment (**54,700 jobs**) in the Region. The average annual growth for this sector of **1.4 per cent** since 2008 has increased employment by over **7,000 jobs**. The share of employment has increased from **8 per cent** of total employment in 2008 to **10 per cent** in 2018.

This sector includes subsectors such as information technology, legal services, accounting, engineering and technical services, architectural and interior design services, management consulting and research and development. Some global companies within the Region in this sector include professional and scientific services companies such as the new GM Technical Centre, IBM, AMD, Deloitte, AECOM, Parsons, Worley Parsons, Oracle, Compugen, PwC and WSP Canada.





**The real estate and rental and leasing sector has grown by 7.5 per cent over the past year**

Even with a slower real-estate market in 2018, employment growth in the Real Estate and Rental and Leasing sector increased by **7.5 per cent** from 2017 to 2018, or **1,480 jobs**.

The real estate sector continues to see employment growth and increasing their share of total employment in the Region. Over the last ten years employment has increased annually by **7.4 per cent** adding over **10,800 jobs**. During that time period the largest amount of growth coincided with the real estate boom of 2016-2017, adding over **2,000 jobs**. Changes to mortgage rules in 2018 impacted the real-estate environment, particularly for those buying their first home. Further monitoring is needed to examine how declining sales, if the trend continues in 2019, will impact jobs within this sector over time.

# YORK REGION EMPLOYMENT ANALYSIS

*Pace of Annual Growth in Goods-Producing Sector has been steady*



## KEY GOODS-PRODUCING GROWTH SECTORS

Despite the continuing economic shift to a more service-based economy, employment in the Region's goods-producing sectors grew **1.0 per cent** or by **1,390 jobs** between 2017 and 2018. Since rebounding from the recession, the pace of this growth has been steady. The manufacturing and construction sectors were the greatest contributors to this growth. The manufacturing sector still holds the greatest share of employment in the Region at **14.2 per cent** or **81,700 jobs**.

### The construction sector added over 16,000 jobs since 2008

The **construction sector** has added over **16,000 jobs** to the Region's employment base since 2008. Between 2017 and 2018, the sector grew by **1.8 per cent**, or **780 jobs**. The total number of jobs by mid-year 2018 in this sector was **45,030**. Growth in the construction sector in the GTA is tied closely to local population and business growth. The growth in construction has also been driven by the booming real estate market over this time period, as housing is a major driver of economic growth in this sector. The Region plans for population and business growth by investing in critical infrastructure such as water and wastewater and transportation including the Viva Rapidways. It is not surprising that Canada, Ontario and the GTA posted increases in this sector over the last 5 years according to Statistics Canada Labour force data.

### The manufacturing sector has held steady over the past decade

Over the last 10 years the **manufacturing sector** has grown modestly, recording an annual growth rate of **0.7 per cent**. This is consistent with the significant economic downturn at the national, provincial and municipal levels. However, manufacturing remains the Region's largest sector in terms of surveyed employment and accounted for **14 per cent (81,700 jobs)** of total surveyed jobs in 2018. Manufacturing continues to increase in job growth, while steadily decreasing its share of overall employment, even with offshoring and technological advancements negatively impacting some subsectors.

In November 2018, Canada, the United States (US) and Mexico signed the new Canada-United States-Mexico Agreement (CUSMA), replacing the North America Free Trade Agreement (NAFTA). Elements of this trade agreement that could impact the manufacturing sector include the remaining steel tariffs on products entering the US as well as a requirement that vehicle manufacturers source a minimum of **70 per cent** of their steel and aluminum within the US, Canada and Mexico.

The announced closure of the Oshawa GM Plant is expected to be felt across other manufacturing sectors throughout Ontario. Approximately **16 per cent** of all manufacturing jobs in the Region can be found in the transportation equipment manufacturing subsector, representing over **13,000 jobs**. Additionally, there are other sectors outside of manufacturing that provide goods or services to the plant. Given the recently announced CUSMA as well as the Oshawa GM plant closure, this sector will need to be closely monitored in the future and assessed for potential impacts.

Advanced manufacturing in the Region accounts for **45 per cent** of the total share of employment within the manufacturing sector. Some of the subsectors under this umbrella include audio and video manufacturing, communications equipment medical equipment manufacturers that use advanced production methods or create innovative products. These subsectors within manufacturing have increased **4 per cent** since 2008.





## KEY GOODS-PRODUCING GROWTH SECTORS

### The agri-food sector includes 27 industries in York Region

While the Employment Survey does not survey farms, it uses the Census of Agriculture as one of its sources to report out on trends and includes this data in the total employment estimate (Table 2). The Region is home to **700 farms**, employing over **3,200 people**. However, jobs created by the agriculture sector go beyond the farm. There are a total of **27 industries** that are directly related to the agricultural sector including primary farming, retail, wholesale and food and beverage manufacturing.

The food and beverage manufacturing subsector accounts for **9 per cent** of the total share of the manufacturing sector in the Region. This subsector has increased by **over 50 per cent** since 2008, adding **2,350 jobs**. As reported in the 2017 Agriculture and Agri-Food strategy report, the impact of the agri-food industry in York Region is over six billion dollars. Food and beverage manufacturing remains an important subsector to the Region and for many other sectors in the Region, including the retail trade and food and accommodation services.



# YORK REGION EMPLOYMENT ANALYSIS



## NUMBER of EMPLOYER BUSINESS ESTABLISHMENTS

**York Region Employment Survey data and Statistics Canada Business Counts each provide a unique perspective on the makeup of York Region's business community**

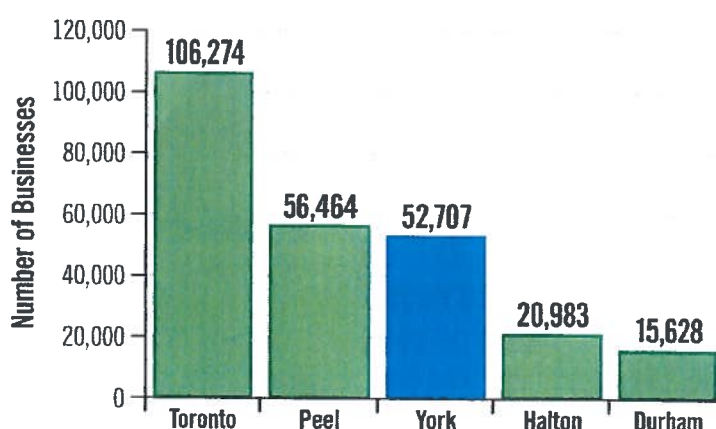
Analysis of business establishment data from both Statistics Canada Canadian Business Counts (CBC) and the York Region employment survey assists in understanding and identifying trends in the Region's business community. The York Region Employment Survey data is useful for year over year analysis of economic trends for businesses with a physical location but does not capture all registered businesses in the Region.

**York Region has the third highest number of employer business establishments in the Greater Toronto Area**

According to the Canadian Business Counts database, there were approximately 52,700 York Region business establishments as of June 2018. When compared to other census divisions on the GTA, York Region ranks as having the third highest number of business establishments, behind the City of Toronto and Peel Region (Figure 7).

Despite the difference in data collection methods used by Statistics Canada's Canadian Business Counts and York Region's Employment Survey, the datasets complement each other and further advance our knowledge on trends happening in the Region's business community.

**FIGURE 7 - Number of Business Establishments by GTA Municipality, 2018**



Source: Statistics Canada Canadian Business Counts, June 2018.



# YORK REGION EMPLOYMENT ANALYSIS

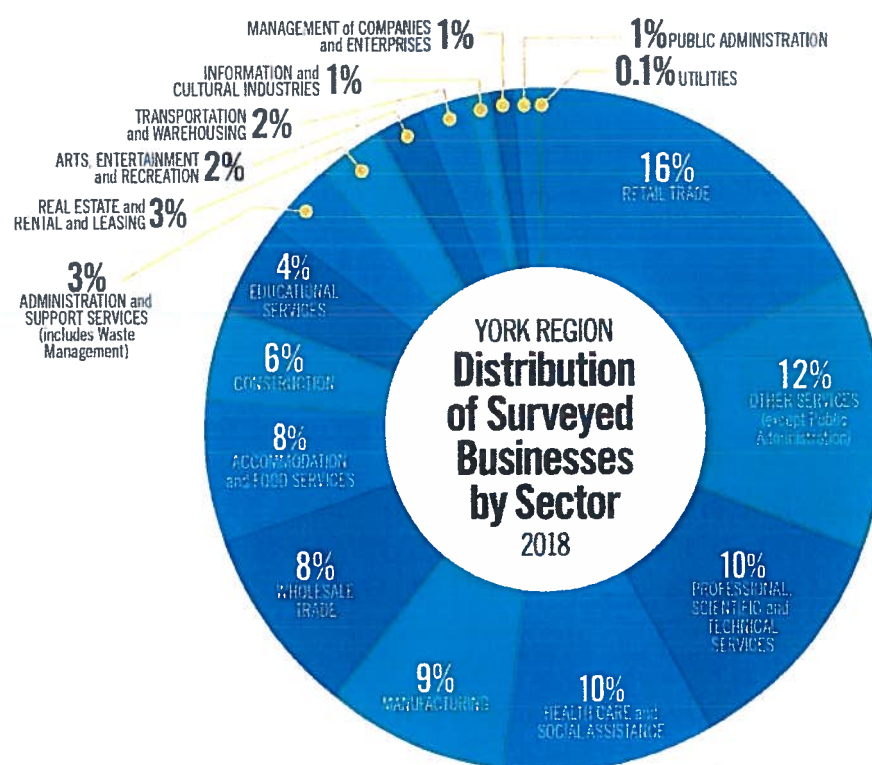
## York Region business community is predominantly services-oriented

Over the last five years the number of businesses has grown at **4.5 per cent**. The **services producing sectors** in the make up **85 per cent** of the Region's total number of business establishments with goods producing sectors representing a **15 per cent** share.

According to the Region's employment survey, the majority of the Region's business growth over the past five years was in the real-estate and leasing (**+5.4 per cent**), educational services (**+5.2 per cent**), finance and insurance (**+4.7 per cent**) and health care and social assistance sectors (**4.3 per cent**).

The distribution of business establishments in the Region is closely tied to the distribution of employment. The Retail trade holds the largest share of businesses with **5,500 (16 per cent)** and also the second largest share of employment (**11 per cent**).

FIGURE 8 - Distribution of York Region Surveyed Businesses by Sector, 2018



Source: York Region 2018 Employment Survey, Planning and Economic Development Branch

# YORK REGION EMPLOYMENT ANALYSIS

*Over 80 per cent of the Region's business community is made up of small businesses*

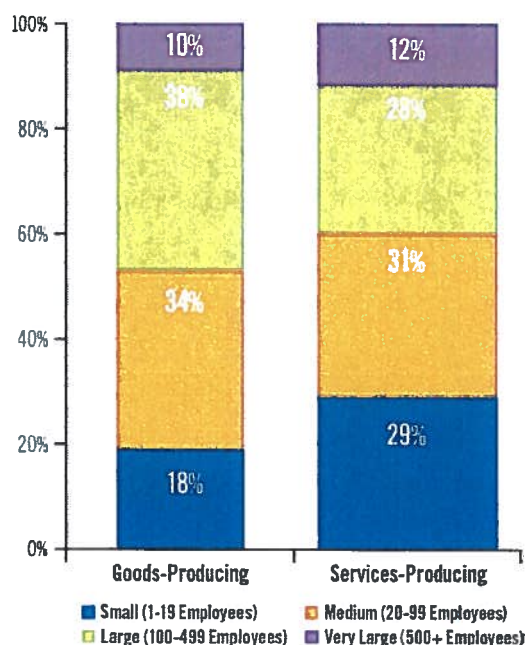
## EMPLOYMENT by BUSINESS SIZE

The majority of the Region's surveyed businesses (**78 per cent**) can be found in services producing industries. Medium-sized firms, employing 20-99, within the services-producing industries accounted for the largest share of surveyed employment with **142,500 jobs** or **31 per cent** of the share of employment (Figure 9). Large-sized firms, employing 100-499 employees, accounted for the largest share of business size with **49,300 jobs** or **38 per cent** of the total share. Typically, businesses within goods-producing sectors employ more people per business establishment, as seen in Figure 8, while manufacturing only accounts for **9 per cent** of total business establishments in the Region; it holds the largest share of employment (**14 per cent**).

### Over 80 per cent the Region's business community is made up of small businesses

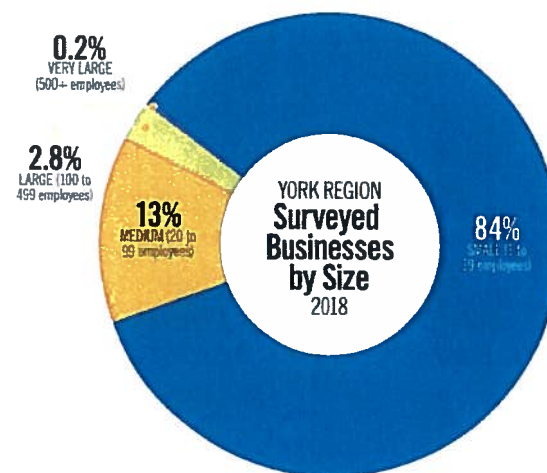
Between 2013-2018 both small-size and large-size businesses grew by **14 per cent** respectively. With small-size businesses increasing by **over 3,400** and large-size businesses increasing by **120 establishments**. While the share of Very Large businesses is relatively small at **0.2 per cent (66 businesses)** of the Region's total number of establishments, it has grown almost **30 per cent**, adding **15 businesses**, over the last 5 years. This indicates that the Region's investments in critical infrastructure and the Centres and Corridors program as well as the access to a highly-skilled and diverse workforce continues to attract major employers.

**FIGURE 9 - York Region Surveyed Employment by Business Size and Industry Sector, 2018**



Source: York Region 2018 Employment Survey, Planning and Economic Development Branch

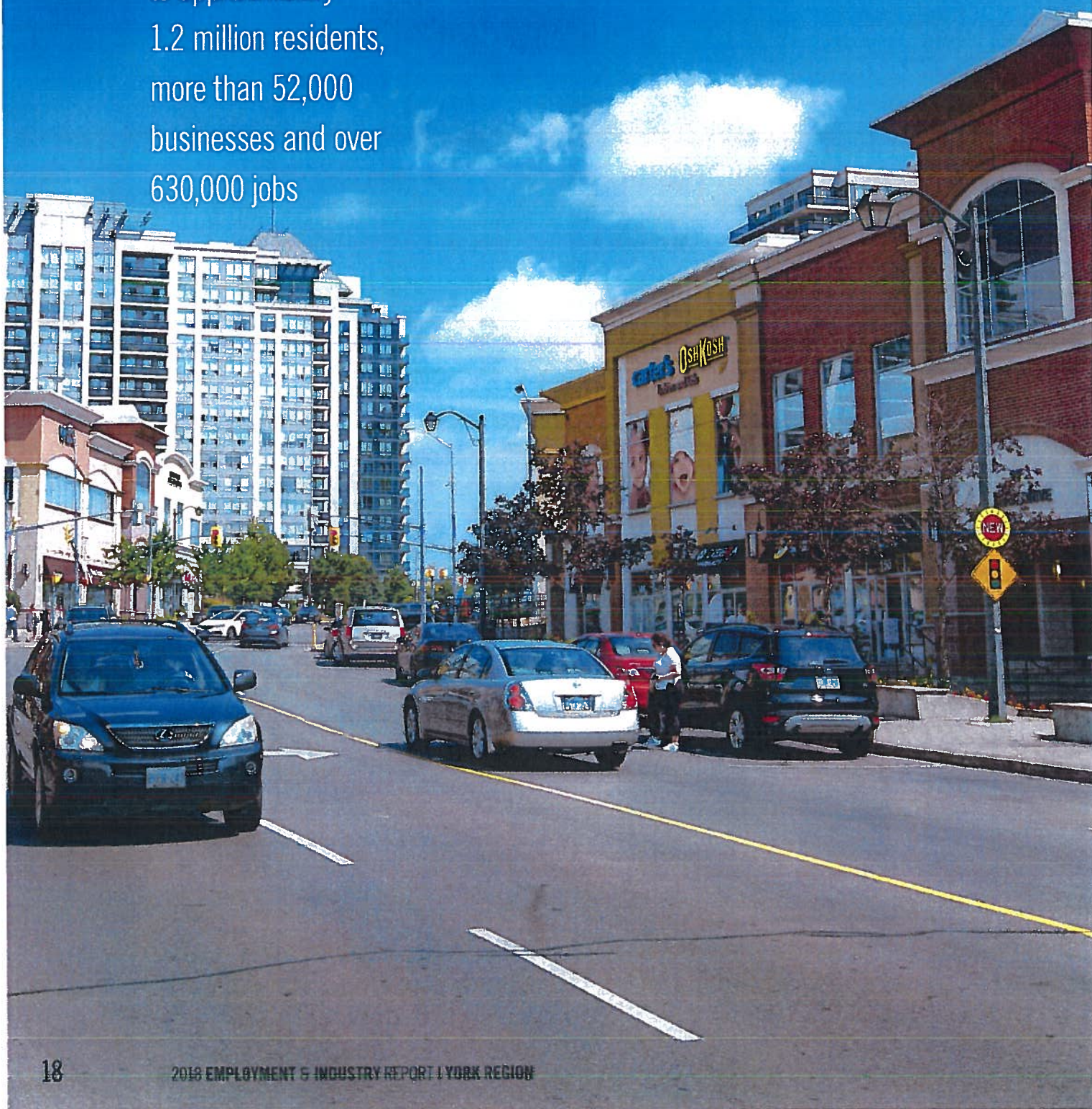
**FIGURE 10 - York Region Surveyed Businesses by Size, 2018**



Source: York Region 2018 Employment Survey, Planning and Economic Development Branch



➡ Strategically located in the heart of the GTA, York Region is home to approximately 1.2 million residents, more than 52,000 businesses and over 630,000 jobs





# FACTORS CONTRIBUTING to ECONOMIC GROWTH in YORK REGION

Strategically located in the heart of the Greater Toronto Area (GTA), York Region is home to approximately **1.2 million residents**, more than **52,000 businesses** and over **630,000 jobs** and also includes four provincially-designated urban growth centres. According to the Growth Plan, the Region is expected to grow to 1.79 million residents and 900,000 jobs by 2041. The Region is well positioned to plan for this growth through continued investments in infrastructure.

York Region continues to be a top destination in the Toronto area and Canada for business, talent and investment. The Region's location in the Greater Toronto and Hamilton Area (GTHA) is also strategic from a goods movement perspective. York Region is within a one day drive to over 140 million people in the United States and a one hour flight to global markets like New York, Philadelphia, Boston, Chicago and Detroit. It is located in close proximity to Toronto Pearson Airport, is home to both the CP intermodal facility and the CN MacMillan rail yard. Additionally, the Region has a strong network of 400-series highways which connect the Region to the broader provincial and national markets as well as the United States border and locally, the Spadina Subway extension (Line 1) into Vaughan that provides a direct connection to downtown Toronto.

Business and job growth is supported by transit investments in the Region, particularly in the Region's Centres and Corridors. The Regional Official Plan plans for the Regional Centres and Corridors to achieve the most intensive and greatest mix of development in the Region and are supported by over \$2.7 billion in transit infrastructure investment. As the Region's urban structure continues to evolve and the Regional Centres and Corridors mature, these core attributes help maintain and promote York Region's continued competitiveness as a top business location in the Greater Toronto Area.

The Region's economy is underlined by core attributes, such as: strong population and employment growth, a skilled labour force; a high quality of life that attracts top global talent; established and diversified industry clusters; major infrastructure and transportation investments; and locational and accessibility factors amongst others. As the Regional Centres and Corridors continue to evolve and mature, these core attributes combined with a competitive office real estate market, the new Vaughan Metropolitan Centre subway station, digital broadband infrastructure and innovation in a number of areas are key elements contributing to York Region being a leading economic centre in the GTA.



## FACTORS CONTRIBUTING to ECONOMIC GROWTH in YORK REGION

York Region, however, is not an isolated economy and local business and employment growth are closely tied with external economic conditions, trends and policies at different levels of government. Examples of these factors that have a direct impact on York Region's economic growth prospects include U.S. and global trade agreements (including CUSMA), exchange and interest rates, the cost of doing business (e.g. corporate taxes, labour force cost increases, etc.), the labour force pool (e.g. educational institutions, immigration etc.), capital markets and housing.

Housing affordability is a factor in attracting new businesses, retaining existing businesses and attracting a labour force that are looking for close proximity to work. The Region works with the local municipalities to ensure a wide variety of housing options at varying levels of affordability are available.

Emerging business practices and market trends also represent challenges and opportunities for York Region's economic growth in both a GTA and a global context. These include business globalization or national protectionism, digital and sharing-economy business models, the shift to contract-based employment, outsourcing, automation, talent attraction practices and many others.

York Region's Economic Development Action Plan addresses key economic challenges and opportunities facing York Region and translates them into innovative economic growth areas. Along with the initiatives identified in the Action Plan, the Region continues to make investments to support business growth and innovation.

## CONCLUSIONS



The Employment and Industry report analyzes the state of the Region's economy and identifies key findings and trends in Regional employment and businesses by industry group. In mid-year 2018, there were an estimated **636,630 jobs** and employment growth in the Region outpaced national and provincial averages.

York Region is one of Canada's fastest-growing large urban municipalities and is planned and expected to continue to grow in both population and employment for the foreseeable future. The Region is an attractive location to live and invest and is committed to attracting and retaining employers as well as making significant infrastructure investments to support employment and business growth.

While employment in goods-producing sectors continues to have a presence in York Region, knowledge-based, service-oriented jobs continue to drive the Region's employment growth. This sustained employment growth continues to diversify the Region's economy and promote economic resilience, vitality and liveability. Attracting and retaining a variety of high quality jobs across a broad range of sectors promotes economic resilience and helps ensure those living in York Region have an opportunity to work and thrive where they live.





➞ With an estimated 636,630 jobs, employment growth in York Region outpaced national and provincial averages



# APPENDIX A: DATA SOURCES

## *York Region Employment Survey Methodology*



### **Background**

The 2018 survey was a comprehensive Region-wide survey of all businesses across York Region (excluding farm and home-based businesses). Survey data is aggregated at the traffic zone level of detail, which divides the Region into 478 smaller geographic areas allowing for a detailed examination of local trends and information about local employment areas. York Region's first Region-wide employment survey occurred in 1998, when 21,000 businesses were recorded. Subsequently, the annual survey targeted key employment areas up to 2006, consisting of high-growth areas, designated employment areas and Regional centres. With the assistance of local municipalities, York Region has been able to complete Region-wide surveys of all businesses between 2007 and 2018. It is the Region's intention that all future employment surveys be comprehensive in nature.

### **Data Collection**

Data collection for the 2018 York Region Employment Survey included all traffic zone areas across York Region (excluding home and farm based businesses). Data was collected from York Region businesses in a variety of forms:

- Through door-to-door interviews with the business community (primary method);
- Via telephone interviews (for businesses unable to contact in person); and
- Electronically through e-mail messages, online entries via our corporate website and facsimile submissions.

Businesses were primarily contacted through door-to-door interviews between May and August of 2018 by York Region Employment Surveyors. Surveyors used a GIS-based application to collect the business information. Within each traffic zone, all businesses were directly contacted and details about business activity, changes in employment levels and contact information were updated for existing businesses, or initiated for businesses new to that area. Where records showed a business that was no longer at the address in 2018, efforts were made to contact the business by phone to establish either a new location, or to record the probable closure of the business.

For businesses unable or unwilling to conduct a door-to-door interview, the option was given to either have a surveyor call them at a mutually convenient time or to provide them with a blank survey form and have them complete and return it at their leisure. For businesses that declined to participate or could not be contacted either in person or by telephone during regular office hours, it was assumed that all information relating to that business remained unchanged from the date they were last surveyed.

In 2018, the Region was able to survey over 34,000 businesses with a physical location. Approximately 79 per cent of surveyed businesses were successfully contacted. The Region was unable to contact and update 19 per cent of businesses and 2 per cent chose not to participate in the survey.



## APPENDIX A: DATA SOURCES CONTINUED

York Region staff began collecting business and employment information from farm based businesses in 2012 to compliment the Statistics Canada Census of agriculture. Home-based businesses were encouraged to submit their business information through the Region's online business directory website. Since then the Region has collected information from just over 800 home-based businesses. It is important to note that the number of home-based businesses captured in the survey represents a small sample of home-based businesses in the Region. According to the 2016 Census there were approximately 48,300 home-based jobs in York Region in 2016.

- Home-based employment rose to an estimated 51,144 jobs in 2018, an increase of 1,430 since 2017
- York Region's home-based employment is increasing every year and has become important to the Region's economy
- Increasing home-employment trend is due to the increasing technological advancements in mobile technology along with progressive employer trends that promote teleworking

In collaboration with the York Region Agricultural Advisory Liaison group and the York Federation of Agriculture, the Region completed its second farm-based business survey in 2016. A letter describing the purpose of the survey and a survey form was distributed in February to just over 700 farm-based businesses. Of the contacted farms, only 8.9 per cent participated in the survey. Due to the small response-size, this procedure was not repeated after 2017. However, regional staff continue to work with the York Federation of Agriculture to increase awareness on the benefits of collecting this information.

### Data Uses

Data collected from the employment survey is a valuable resource for both the Region and local municipalities. The data is used by planning and economic development departments, other municipal departments, non-profit organizations and private sector groups. Some of the central uses of the data for the Region and local municipalities include: employment growth forecasts; monitoring targets in the Regional Official Plan and Provincial Growth Plan including employment and density targets for the urban growth centres and intensification areas; forecasting infrastructure requirements in master plans for transportation and water and wastewater; monitoring major office growth; and evidence in OMB cases. The data is also used for vacant employment land inventories; development charges studies; a tool for identifying economic trends and emerging sectors; and producing regional and local business directories.

### Data Accuracy

**A number of factors limit the accuracy of the data collected within this report, including:**

Data collected was based on responses received from businesses. In certain instances however, businesses refused to participate, had a language barrier, were potentially missed in previous survey years, moved to an unknown location or were temporarily closed. As a result, certain business sectors may be over-represented and others under-represented depending on the particular circumstances of businesses in that sector.

## APPENDIX A: DATA SOURCES CONTINUED



While this study analyzes employment patterns in the Region, it does not examine all possible factors that can influence employment rates in a particular location, such as land prices, property tax rates, development charges, and existing space inventories and vacancies. These factors can impact the level of overall economic health in a given area and can also promote or discourage employment growth in one area over another.

The data collected is time-sensitive, in that the information is only accurate as of the date collected. For certain industries undergoing rapid change, the analysis within this report may no longer reflect current circumstances. Caution should therefore be used before making any conclusions based on this information.

### **Statistics Canada Labour Force Survey**

The Statistics Canada Labour Force Survey measures the current state of the Canadian labour market and is used to estimate national, provincial and regional employment and unemployment rates. The survey divides each province into smaller geographic areas and then uses a rotating panel sample design to select dwellings to be surveyed. The monthly sample size has been approximately 56,000 households which results in the collection of labour market data from approximately 100,000 individuals. The data is collected on a monthly basis either by telephone or in person interviews and survey participation is mandatory under the Statistics Act. Information is collected from all household members aged 15 and over.





## APPENDIX B: SECTOR DEFINITIONS

Each business surveyed was assigned a numeric code based on their primary business activity. These codes are based on the North American Industrial Classification (NAIC) system, a hierarchical coding system used by statistical agencies in Canada, the U.S. and Mexico to classify businesses by type of economic activity. Much of the analysis in this report aggregates business information based on the NAIC coding at different levels of the hierarchy. The 20 NAIC sectoral categories used by Statistics Canada have been combined to 2 industry groupings. The combined industry groupings are summarized below:

### GOODS-PRODUCING SECTORS

**Mining, Oil and Utilities Sector (NAIC 21, 22)** This sector comprises establishments primarily engaged in mining, oil and gas extraction and related support activities and operating electric, gas and water utilities. These establishments generate, transmit, control and distribute electric power; distribute natural gas; treat and distribute water; operate sewer systems and sewage treatment facilities; and provide related services, generally through a permanent infrastructure of lines, pipes and treatment and processing facilities.

**Construction Sector (NAIC 23)** This sector comprises establishments primarily engaged in constructing, repairing and renovating buildings and engineering works, and in subdividing land. This sector includes land development, building and engineering construction and project management and all construction trades contracting (e.g., concrete pouring, roofing, drywall and painting, electrical, fencing).

**Manufacturing Sector (NAIC 31-33)** This sector comprises establishments primarily engaged in the chemical, mechanical or physical transformation of materials or substances into new products. This sector includes food and beverage manufacturing, textile and clothing production, wood and paper products manufacturing, printing, petrochemical manufacturing, plastics and rubber manufacturing, non-metallic mineral product manufacturing (e.g., bricks, glass, gypsum board), primary metal manufacturing (e.g., iron and steel mills, metal pipes and wire, foundries), fabricated metal product manufacturing (e.g., stamping, metal doors, boilers, hardware, machine shops, nuts and bolts), machinery manufacturing, computer and electronic equipment, electrical equipment and appliances, transportation equipment manufacturing (e.g., motor vehicles and parts, aerospace and boat building) and furniture manufacturing.



## APPENDIX B: SECTOR DEFINITIONS CONTINUED



### SERVICES-PRODUCING SECTORS

**Wholesale Trade Sector (NAIC 41)** This sector comprises establishments primarily engaged in wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. This sector includes all wholesale distributors, product agents and brokers.

**Retail Trade Sector (NAIC 44-45)** This sector comprises establishments primarily engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. Includes all retail stores, retail auto and building supply dealers, gas stations and non-store retailers (e.g., mail order houses, vending machine operators, direct sales).

**Transportation/Warehousing Sector (NAIC 48-49)** This sector comprises establishments primarily engaged in transporting passengers and goods, warehousing and storing goods, and providing services to these establishments. This sector includes passenger and freight transportation and related support activities (e.g., airports, bus stations, vehicle towing, postal and courier services and warehousing and storage establishments).

**Retail Trade Sector (NAIC 44-45)** This sector comprises establishments primarily engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. Includes all retail stores, retail auto and building supply dealers, gas stations and non-store retailers (e.g., mail order houses, vending machine operators, direct sales).

**Information and Cultural Studies Sector (NAIC 51)** This sector comprises establishments primarily engaged in producing and distributing (except by wholesale and retail methods) information and cultural products. Establishments providing the means to transmit or distribute these products or providing access to equipment and expertise for processing data are also included. The main components of this sector are the publishing industries (e.g. newspaper, book and software publishers), TV and radio broadcasting, telecommunications services, information services (e.g., news syndicates, libraries, and internet providers) and data processing services.

**Finance and Insurance Sector (NAIC 52)** This sector comprises establishments primarily engaged in financial transactions including monetary authorities, credit intermediation and related activities (e.g., personal and commercial banking, credit unions, credit card issuing, consumer lending, mortgage brokers, transaction processing), securities and commodities trading, portfolio management and investment advising, insurance carriers and brokers and pension funds.

**Real Estate and Rental and Leasing Sector (NAIC 53)** This sector comprises establishments primarily engaged in renting, leasing or otherwise allowing the use of tangible or intangible assets. Establishments are primarily engaged in managing real estate for others; selling, renting and/or buying of real estate for others; and appraising real estate.



## APPENDIX B: SECTOR DEFINITIONS CONTINUED

### SERVICES-PRODUCING SECTORS CONTINUED

**Professional, Scientific and Technical Services Sector (NAIC 54)** This sector comprises establishments primarily engaged in activities in which human capital is the major input. These establishments make available the knowledge and skills of their employees, often on an assignment basis. The individual industries of this sector are defined on the basis of the particular expertise and training of the service provider. The main components of this sector are legal services; accounting, tax preparation, bookkeeping and payroll services; architectural, engineering and related services; specialized design services; computer systems design and related services; management, scientific and technical consulting services; scientific research and development services; and advertising, public relations, and related services.

**Management of Companies and Enterprises Sector (NAIC 55)** This sector comprises establishments primarily engaged in managing companies and enterprises and/or holding the securities or financial assets of companies and enterprises, for the purpose of owning a controlling interest in them and/or influencing their management decisions (e.g. holding companies, centralized administrative offices, corporate offices, head offices).

**Administrative and Support, Waste Management and Remediation Services Sector (NAIC 56)** This sector comprises establishments of two different types: those primarily engaged in activities that support the day-to-day operations of other organizations; and those primarily engaged in waste management activities. The first type of establishment is engaged in activities such as administration, hiring and placing personnel, preparing documents, taking orders from clients, collecting payments for claims, arranging travel, providing security and surveillance, cleaning buildings, and packaging and labeling products. Waste management establishments are engaged in the collection, treatment and disposal of waste material, the operation of material recovery facilities, the remediation of polluted sites and the cleaning of septic tanks.

**Education Sector (NAIC 61)** This sector comprises establishments primarily engaged in providing instruction and training in a wide variety of subjects. This instruction and training is provided by specialized establishments, such as schools, colleges, universities and training centers. These establishments may be privately owned and operated, either for profit or not, or they may be publicly owned and operated.

**Health and Social Services Sector (NAIC 62)** This sector comprises establishments primarily engaged in providing health care by diagnosis and treatment, providing residential care for medical and social reasons, and providing social assistance, such as counseling, welfare, child protection, community housing and food services, vocational rehabilitation and child care, to those requiring such assistance.

## APPENDIX B: SECTOR DEFINITIONS CONTINUED



### SERVICES-PRODUCING SECTORS CONTINUED

**Arts, Entertainment and Recreation Sector (NAIC 71)** This sector comprises establishments primarily engaged in operating facilities or providing services to meet the cultural, entertainment and recreational interests of their patrons. The main components of this sector are performing arts, spectator sports industries, heritage institutions (e.g., art galleries, museums, zoos, conservation areas), amusement parks, gambling industry, golf courses and country clubs, skiing facilities, marinas, fitness and recreation centres, restaurants and bars and caterers.

**Accommodation and Food Services Sector (NAIC 72)** This sector comprises establishments primarily engaged in providing short-term lodging and complementary services to travelers, vacationers and others, in facilities such as hotels, motor hotels, resorts, motels, casino hotels, bed and breakfast accommodations, housekeeping cottages and cabins, recreational vehicle parks and campgrounds, hunting and fishing camps, and various types of recreational and adventure camps. This sector also comprises establishments primarily engaged in preparing meals, snacks and beverages, to customer orders, for immediate consumption on and off the premises.

**Other Services Sector (except public administration) (NAIC 81)** This sector comprises establishments primarily engaged in repairing, or performing general or routine maintenance (e.g. Automotive repair, machinery repair, reupholstery); providing personal care services (e.g. hair care, funeral homes, laundry services, pet care services, photofinishing); religious organizations and other civic and professional organizations.

**Public Administration Sector (NAIC 91)** This sector comprises establishments primarily engaged in activities of a governmental nature (e.g. federal, provincial, regional and municipal protective services such as fire, police, courts and correctional facilities, regulatory and administrative service.







For more information on businesses  
in York Region please contact:

**Planning and Economic Development**

**1-877-464-9675** Extension 71508

**[york.ca/employmentsurvey](http://york.ca/employmentsurvey)**

# 2018 EMPLOYMENT & **INDUSTRY** REPORT

For more information on businesses  
in York Region please contact:

Planning and Economic Development  
1-877-464-9675 Extension 71508  
[york.ca/employmentsurvey](http://york.ca/employmentsurvey)



March 22, 2019

Ms. Kimberley Kitteringham  
City Clerk  
City of Markham  
101 Town Centre Boulevard  
Markham, ON L3R 9W3

Dear Ms. Kitteringham:

**Re: 2018 Drinking Water Systems Report**

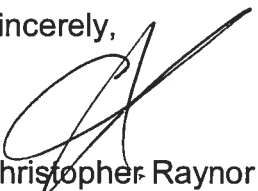
Regional Council, at its meeting held on March 21, 2019 adopted the following recommendations of Committee of the Whole regarding "2018 Drinking Water Systems Report":

1. The Regional Clerk circulate this report to the Clerks of the local municipalities, City of Toronto, Regional Municipality of Peel, and the Ontario Chief Drinking Water Inspector (Ministry of the Environment, Conservation, and Parks).

The original staff report is enclosed for your information.

Please contact David Szeptycki, Director of Strategy and Innovation at 1-877-464-9675 ext. 75723 or Roy Huetl, Director of Operations, Maintenance and Monitoring at ext. 75323 if you have any questions with respect to this matter.

Sincerely,



Christopher Raynor  
Regional Clerk

Attachments

# The Regional Municipality of York

Committee of the Whole  
Environmental Services  
March 7, 2019

Report of the Commissioner of Environmental Services

## 2018 Drinking Water Systems Report

### 1. Recommendation

1. The Regional Clerk circulate this report to the Clerks of the local municipalities, City of Toronto, Regional Municipality of Peel, and the Ontario Chief Drinking Water Inspector (Ministry of the Environment, Conservation, and Parks).

### 2. Summary

This report and attachments satisfy reporting requirements in Ontario Regulation 170/03 – Drinking Water Systems, and supports Council in meeting statutory standard of care requirements under the *Safe Drinking Water Act, 2002*.

Key Points:

- In 2018, 99.99 per cent of 16,923 laboratory analyzed samples and 37.6 million continuous monitoring analyzer readings were within regulated standards and confirm York Region's high quality drinking water. All adverse results were addressed and reported.
- In 2018, 12 of 16 inspections scored 100 per cent. The remaining four inspections scored between 86 and 96 per cent. Additional information on all 2018 calendar year inspections is found in Attachment 2.
- York Region is the top scoring GTA municipality in the Chief Drinking Water Inspector's Annual Report Card with an overall inspection and sample score for the Ministry of Environment, Conservation and Parks' 2017-2018 fiscal year of 99.17 per cent.
- With one exception, drinking water systems operated within volume and capacity limits. On June 17, 2018 the Nobleton system exceeded permitted production limits by seven cubic meters. Additional information is found in the Water Volume and Capacity section of this report.
- Advanced systems monitoring, controls, and a multi-barrier approach protect drinking water and public health.



### 3. Background

#### **Drinking water system owners report annually to comply with the *Safe Drinking Water Act, 2002***

The Ministry of the Environment, Conservation, and Parks (MECP) regulates municipal drinking water systems in Ontario. The *Safe Drinking Water Act, 2002*, (the Act) requires municipal drinking water system owners to report annually on the quality and quantity of drinking water produced and distributed to the public. This regulatory requirement is satisfied through:

- This report, presentation and attachments to Council
- Water quality reports available at [york.ca/drinkingwater](http://york.ca/drinkingwater)

Within York Region, water is delivered through a two-tiered water system. The Region operates and maintains 15 drinking water supply systems, which provide water to the nine local municipalities. Our local municipal partners collectively maintain 15 drinking water distribution systems to distribute high quality water to residents and businesses.

#### **Annual Reporting helps Council exercise due diligence and meet standard of care under the *Safe Drinking Water Act***

In 2000, seven people died and thousands became ill from municipal drinking water severely contaminated with E. coli bacteria in Walkerton, Ontario. A range of contributing factors was identified. As a result of this tragedy, the Province developed the Act to address some of these factors and reduce the risk of drinking water related illness.

The Act imposes a standard of care upon individuals with decision-making authority over municipal drinking water systems, which in York Region's case is Regional Council. Council has a responsibility to protect the people in their communities by demonstrating diligence over the sourcing, delivery, and services of safe, high quality drinking water.

Council members fulfil this duty through their decisions and commitments made at Regional Council. Council direction ensures financial sustainability, asset management, and continual improvement of the Region's water systems to proactively manage risks and increase efficiency. This report summarizes 2018 calendar year information that supports Council in their standard of care including:

- Process improvements to enhance operational diligence and continually improve drinking water operations
- Water quality and water quantity performance
- Reported adverse water quality events and corrective actions (Attachment 1)

- Summary of 2018 MECP inspection findings and corrective actions (Attachment 2)
- Summary of 2018 performance data for each drinking water system (Attachment 3)
- Summary of 2018 system monetary expenses (Attachment 4)

### **York Region's Medical Officer of Health is a key partner in mitigating and monitoring potential public health risks related to drinking water**

The Region's Medical Officer of Health plays a key role in protecting public health through safe drinking water by assessing any potential health impact from an adverse water quality test result. The Medical Officer of Health may direct the owner of a drinking water system to take corrective actions beyond what is prescribed by regulations. There were no additional corrective actions required in 2018, and no water use restrictions due to water quality concerns have been ordered by the MECP or by the Medical Officer of Health in over a decade for any reported event.

Environmental Services and Public Health maintain a 24/7 response system to address potential water quality issues. In the event of a water emergency or adverse water quality incident, procedures are in place to ensure close cooperation between the Medical Officer of Health, the Region, the local municipalities, and the MECP, to ensure effective communication and protect public health.

### **Multi-barrier approach to risk management protects drinking water systems and public health**

A key recommendation resulting from the Walkerton tragedy is a multi-barrier approach to drinking water quality and safety. Elements of this approach include source water protection, training of operators, a Drinking Water Quality Management Standard, and a strict Provincial inspection and enforcement program. The multi-barrier approach ensures both preventive and corrective actions are taken to protect drinking water quality.

### **Source Water Protection prevents contamination of Ontario's drinking water**

Staff continue to identify and mitigate current and future threats to drinking water sources as required by the *Clean Water Act, 2006*. York Region's Source Water Protection program identifies and manages potential threats to drinking water. Some focus areas include:

- Requiring that proposed developments in vulnerable areas plan carefully to ensure the safety of our immediate and long term drinking water supply
- The Source Water Protection Incentive Program encourages and supports businesses to make changes to protect drinking water sources

- Collaborating with the Province, local and neighbouring municipalities, and Conservation Authorities, to align our programs and plans to ensure consistent, effective, and successful protection of all sources of drinking water

In 2019, York Region's Source Water Protection Program will continue to review development proposals in vulnerable areas, establish new risk management plans, complete inspections, and provide education to owners of sites within vulnerable areas. Implementation efforts are documented and reported to the Province as required by the *Clean Water Act, 2006*.

### **Provincially mandated training provides staff with required knowledge to sustain high performing water and wastewater systems**

York Region continues to develop and participate in top quality Operator training. The training program is tailored to ensure Operators receive required provincially standardized education, and on-the-job training that translates regulatory requirements to operational needs. The program mandate ensures staff are equipped to competently and efficiently manage drinking water systems in compliance with applicable rules and best practices.

### **Drinking Water Quality Management Standard is a tool for driving continual improvement**

The Region implements a statutory management standard that protects public health through consistent practices for managing and operating water systems, and by identifying and mitigating risks. It is also a tool for identifying and resolving inefficiencies through process and procedure updates that help to address potential compliance risks. The 2018 Integrated Management System Update Report, also on today's agenda, provides more information on the Region's continual improvement efforts to proactively manage risks to drinking water systems and ensures the Region maintains compliance.

### **Provincial inspections and enforcement assess compliance**

York Region facilities are regularly inspected by the MECP, and staff maintain a positive working relationship with regulators to identify and mitigate risks identified in our watersheds. Results of all 2018 MECP inspections and corrective actions are detailed in Attachment 2.

## **York Region's drinking water sampling program and automated monitoring tools protect public health and safety**

York Region uses a variety of monitoring methods to address the unique needs of each water system. Online analyzers and a comprehensive sampling program allow staff to understand the performance of Regional facilities. These tools provide valuable information that supports our industry-leading drinking water operations. Some examples include:

- Online analyzers continuously monitor many water quality parameters, and automatically stop the flow of drinking water when these parameters approach regulatory or operational limits
- A comprehensive sampling program includes both regulatory and research samples, and is frequently updated in response to operational needs and regulatory changes
- Analyzers and dosing equipment are calibrated on a regular schedule by trained operators and technologists to ensure accurate readings
- Using data and technology to analyze the information helps staff to better understand system performance and quality issues

## **Environmental Services is focused on improving reporting transparency and efficiency**

To simplify reporting of York Region's drinking water quality in 2018, staff implemented interactive Water Quality Report Highlights on York Region's Drinking Water Quality webpage. These reports show key details from the Region's Open Data portal in a user-friendly, self-serve interface. The software used to create these highlights was also used to generate Attachments 1, 3, and 4 of this year's report. These reporting efficiencies have saved staff time and effort on managing documents and allow staff to spend more time on operating and performing deeper analysis to optimize delivery of our services. This initiative also supports the Region's commitment to accessibility, customer service, and being a leader in public services. Access the interactive Water Quality Reports highlights at [york.ca/drinkingwater](http://york.ca/drinkingwater)

## **4. Analysis**

### **WATER QUALITY**

### **99.99 per cent of laboratory samples were within Regulatory limits in 2018 and results confirm York Region's high quality drinking water continues to be safe**

In 2018, the York-Durham Environmental Laboratory performed 16,923 water quality tests for York Region's drinking water systems, resulting in only two reported adverse test results.



This means 99.99 per cent of all samples collected and analyzed by the laboratory in 2018 were within regulated standards. The laboratory initiates a notification process when analysis indicates a parameter is outside regulatory limits. Staff responded to each adverse test result and performed corrective actions accordingly.

Table 1 summarizes the laboratory analyzed water quality test results reported as adverse water quality events in 2018. Laboratory analyzed sample results are factored into the Chief Drinking Water Inspector's annual report.

**Table 1**  
**Adverse Water Quality Events Reported from**  
**Laboratory Analyzed Test Results in 2018**

Parameter and Number of Occurrences	Summary of Reported Results
Sodium (2 occurrences)	<ul style="list-style-type: none"> <li>Two storage facilities in Newmarket, the Southeast Elevated Tank and the West Reservoir, reported adverse sodium levels between 29.7 mg/L and 33.4 mg/L</li> <li>Although the reporting standard is 20 mg/L, Health Canada's aesthetic taste objective maximum for sodium in drinking water is 200 mg/L</li> </ul>

### **Continuous analyzers safeguard drinking water delivered to residents**

In addition to sampling conducted by operators, 358 online analyzers continuously monitor system performance, creating approximately 37.6 million records in 2018. Analyzers monitor several system performance parameters, including chlorine residual, which is also known as the "disinfection level". Analyzers record point-in-time measurements, and the online equipment is highly sensitive to flow changes. Occasional high or low readings on an analyzer are not representative of overall disinfection level in the distribution system, even when reported as adverse at a facility.

When analyzers detect an issue, a facility alarm is triggered and flow shuts down to prevent potential adverse water from entering the distribution system. Control panel operators monitor the system and dispatch operators to respond to alarms or unusual trends. Facilities can only return to operation after an operator attends the site to inspect the equipment, manually test the water, and complete any other required corrective actions to confirm water quality.

Staff reported 52 adverse water quality events observed through continuous monitoring analyzer readings in 2018. In every occurrence, the flow of water was stopped by the system's automatic safeguards.

- The majority of these events occurred at storage and re-treatment facilities. Several facilities have been recently upgraded, and/or are adjusting to the change in demand in growing areas, therefore ongoing process optimization is anticipated for fine tuning performance
- More than half of the events self-corrected or required minor equipment adjustment, and required no operator intervention aside from confirming compliant readings and restarting the facility operation
- Sixteen events were reported as due diligence. Most of these are considered due diligence reports because there was no water flow leaving the facility at the time of the adverse reading

Table 2 summarizes the continuously monitored analyzer readings reported as adverse water quality events in 2018. Continuous monitoring analyzer results are not factored into the Chief Drinking Water Inspector's annual report.

**Table 2**  
**Adverse Water Quality Events Reported from**  
**Continuous Monitoring Analyzer Readings in 2018**

Parameter and Number of Occurrences	Summary of Reported Results
High Disinfection Level (combined chlorine) (26 occurrences)	<ul style="list-style-type: none"> <li>• Many high residual events occurred at facilities operating near the upper regulatory limit. This practice helps to optimize water quality in areas of the distribution system that are furthest from the treatment source. The local Medical Officer of Health, the MECP, and local municipalities were consulted when planning to operate near the upper disinfection dosing limit.</li> </ul>

**Table 2 (continued)**

Parameter and Number of Occurrences	Summary of Reported Results
Low Disinfection Level (combined/ free chlorine, contact time) (21 occurrences)	<ul style="list-style-type: none"> <li>• Most low disinfection events are caused by equipment error or maintenance at the time of the alarm.</li> <li>• Corrective actions for low disinfection level include collecting grab samples and recalibrating analyzers. When analyzers are found to be reading a low disinfection level correctly, staff perform system flushing in cooperation with local municipalities and monitor chlorine residuals until it reaches optimal levels.</li> </ul>
High Fluoride Level (4 occurrences)	<ul style="list-style-type: none"> <li>• Fluoride is continuously monitored at the Georgina and Keswick Water Treatment Plants, where it is applied within the optimal range recommended by the MECP and the Medical Officer of Health.</li> <li>• If a fluoride analyzer exceeds operational limits, the facility immediately stops directing water to the distribution system. If there is no flow at the time of the alarm, staff recalibrate equipment to ensure accurate readings.</li> <li>• If required, an operator may backflush the system to prevent water from leaving the facility and restore correct fluoride dose.</li> </ul>
Low System Pressure (1 occurrence)	<ul style="list-style-type: none"> <li>• During routine infrastructure maintenance, a flooded chamber required isolation and pump out. Precautionary disinfection of all exposed infrastructure and testing of water upstream, downstream and at the location was undertaken in coordination with Public Health and the Town of Aurora.</li> <li>• All sample results demonstrated disinfection residuals remained constant and protective.</li> </ul>

Attachment 1 summarizes all reported adverse events detected through continuous monitoring and laboratory results, as well as the actions taken to correct them.

## MINISTRY INSPECTIONS

### In 2018, 12 of 16 inspections scored 100 per cent

In 2018, 12 of 16 inspections scored 100 per cent. In this timeframe, the Georgina Drinking Water System was inspected twice. Four inspections scored between 86 and 96 per cent and resulted in 10 non-compliances, which are summarized in Table 3.

**Table 3**  
**Summary of 2018 Ministry Inspection Findings**

Location	Summary of Non-Compliant Findings and Corrective Actions
Mount Albert, Ballantrae-Musselman's Lake and Stouffville Drinking Water Systems (6 non-compliances)	<ul style="list-style-type: none"> <li>Samples were taken but not delivered to the laboratory within the required timeframe. Operational procedures were updated and training was provided to staff.</li> </ul>
Keswick Drinking Water System (3 non-compliances)	<ul style="list-style-type: none"> <li>Coagulant feed was interrupted and not immediately reported. Monitoring equipment was installed to prevent reoccurrence and additional training was provided to staff.</li> <li>Temporary inadequate turbidity monitoring. Operational procedures were updated and monitoring equipment was upgraded.</li> </ul>
King City Drinking Water System (1 non-compliance)	<ul style="list-style-type: none"> <li>Inadequate documentation of site work. Operational procedures were reviewed and additional training was provided to staff.</li> </ul>

## CHIEF DRINKING WATER INSPECTOR 2017-2018 RATINGS

### York Region receives top scores in the Greater Toronto Area for the Ontario Chief Water Inspector's 2017-2018 Annual Report

Ontario's Chief Drinking Water Inspector releases an annual report rating for drinking water systems. Reporting timelines are based on the MECP's previous fiscal year from April 1, 2017 to March 31, 2018. York Region achieved top compliance scores for MECP inspections and for samples meeting provincial water quality standards. York Region's combined average score for inspections and samples meeting provincial water quality standards was



99.17 for all 15 drinking water systems combined in the 2017-2018 Chief Drinking Water Inspector's Report. The City of Toronto and Peel Region, who supply the majority of York Region's drinking water, also received high scores. Table 4 outlines the scores for GTA municipalities.

**Table 4**  
**Ministry of the Environment, Conservation and Parks**  
**2016-2018 Chief Drinking Water Inspector's Annual Report Scores**

Municipality	Inspection Rating (%)		Water Quality Tests Meeting Standards (%)		Overall Score	
	2016-2017	2017-2018	2016-2017	2017-2018	2016-2017	2017-2018
York Region*	99.60	98.45	99.93	99.89	99.77	99.17
Durham Region*	99.36	98.14	99.95	99.81	99.65	98.98
Peel Region*	97.76	98.08	99.92	99.93	98.84	99.00
City of Toronto*	95.57	95.00	99.72	99.55	97.65	97.27
Provincial Average	98.47	98.64	99.89	99.78	99.18	99.21

\*Average of scores for all drinking water systems within municipality

York Region achieved an overall inspection rating of 98.45 per cent in the Chief Drinking Water Inspector's Report. This is based on 15 inspections conducted from April 1, 2017 to March 31, 2018. 12 of 15 inspections in the Chief Drinking Water Inspector's Report scored 100 per cent. Non-compliances found in three inspections were promptly identified and addressed. Details on all 2017 inspections are found in [last year's report to Council](#). Details of 2018 non-compliance findings are summarized in Table 3 and all 2018 inspection results are listed in Attachment 2.

York Region achieved an overall sample compliance rating of 99.89 per cent in the Chief Drinking Water Inspector's Report for laboratory analyzed samples meeting the requirements of the *O.Reg.169/03: Ontario Drinking Water Quality Standards*. This is based on laboratory sampling conducted from April 1, 2017 to March 31, 2018. 12 of 15 drinking water systems scored 100 per cent for samples meeting provincial water quality standards. All incidents occurred in 2017, were promptly reported and corrective actions completed. Details on all 2017 adverse water quality incidents are found in [last year's report to Council](#).

Inspectors evaluate facilities against regulations, licenses, permits and MECP procedures. There were no risks to public health relating to the inspection findings identified by the

MECP. As demonstrated in Table 4, York Region continues to receive top marks on MECP inspections and sampling results, consistently leading the Province along with our Greater Toronto Area municipal partners and neighbours.

## **WATER VOLUME AND CAPACITY**

### **All drinking water systems operated within permitted water volume and capacity limits except for one system on one day**

In 2018, York Region's drinking water systems operated within the monthly average flow, maximum daily withdrawal and allowable daily withdrawal limits, with a single exception. On June 17, 2018, the combined total flow from the three wells in Nobleton exceeded the permitted limit of 4,460 cubic metres per day by seven cubic metres. Automatic shutdowns were programmed on each well, but there was no alarm for the combined total volume of all three wells running at allowable flowrates. 48 hours after the exceedance, technicians updated the system programming to shut down the wells if the combined daily total flow reaches the permit limit to ensure flow stays within permitted limits. Based on this experience, programming for all systems with combined flow limits was reviewed and updated as necessary.

York Region continues to maintain compliance with:

- The *Safe Drinking Water Act, 2002* and its regulations
- Terms and conditions of the Region's Permits to Take Water and supply agreements with the City of Toronto and Peel Region
- The permitted Intra-Basin Transfer volumes for water taken from (and returned to Lake Ontario) for communities in the Lake Huron watershed

York Region continues to ensure sufficient drinking water capacity for the Region's growing population. Included in Attachment 3 are the number of days where water supply facilities operated at 80 per cent or higher of the permitted daily withdrawal, and the bar graph at the bottom shows the single highest daily volume taken in the entire year. This data informs decision making regarding long term water sourcing, and helps ensure there is adequate water available for fire protection. Maximum permitted volumes support forecasted population growth to 2031. Long term water demands will be refined in the Water and Wastewater Master Plan Update, currently planned for completion in 2021.

## 5. Financial

### **Effective and comprehensive asset management is critical to delivering reliable and sustainable water services**

York Region delivers high quality drinking water in a safe and cost effective manner. The estimated replacement cost for York Region's water facilities and underground infrastructure is approximately \$2.1 billion, accounting for approximately 16 per cent of all the Region's assets. These assets are wholly owned by the Region and do not include shared assets with the City of Toronto and with Peel Region. For more information about Peel and Toronto cost-shared projects, refer to the [Water and Wastewater Capital Infrastructure Status Update](#) presented to Committee of the Whole on January 10, 2019. These investments support long-term drinking water safety and supply reliability. Effective asset and infrastructure management is critical to the Region's ability to deliver services that are safe, reliable and efficient while sustaining our growing communities. Operational excellence is supported by collaboratively planned and prioritized upgrades, repairs and expansions.

In [October 2015](#), Council approved 2016 – 2021 water and wastewater rates supported by a detailed analysis described in the Financial Sustainability Plan. The plan was implemented commencing in April 2016, and focuses on achieving full cost recovery pricing in 2021 and eliminating shortfalls in asset management funding.

### **York Region spent approximately \$26.7 million in 2018 to maintain and improve drinking water systems**

Section 11 of the Drinking Water Systems regulation requires water utility owners to "describe any major expenses incurred during the period covered by the report to install, repair or replace required equipment."

In 2018, York Region spent approximately \$26.7 million installing, repairing or replacing equipment used to treat, store and deliver safe drinking water. Costs are funded through the rate-supported Environmental Services water budget, as approved annually by Council. These expenses do not include operational costs or salaries, and are summarized in Attachment 4.

## 6. Local Impact

### **York Region and its nine local municipalities work together to distribute high quality drinking water**

Water quality standards are maintained through collaboration between York Region and the nine local municipalities. Although ownership and operation of the water systems is two-tiered, the Region and the local municipalities coordinate operation of highly efficient systems to provide safe and uninterrupted water supply to our collective customers.

## 7. Conclusion

This report and all attachments, along with drinking water data posted on [york.ca/opedata](http://york.ca/opedata) and summaries posted on [york.ca/drinkingwater](http://york.ca/drinkingwater), satisfies reporting requirements under the Act. It demonstrates the Region's commitment to operational excellence through continual improvement, while also fulfilling our obligation to communicate performance to Council, stakeholders and the public. Council is able to demonstrate due diligence required for decision making under their statutory standard of care by reviewing and considering the information contained in this report when exercising decision making authority.

York Region's drinking water systems are subject to strict regulations implemented by the Province to keep public drinking water safe. Results from the 2018 reporting year continue to demonstrate the excellent performance of York Region's drinking water systems.

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For more information on this report, please contact David Szeptycki, Director of Strategy and Innovation, at 1-877-464-9675 ext. 75723, or Roy Huetl, Director of Operations, Maintenance and Monitoring, at 1-877-464-9675 ext. 75323. Accessible formats or communication supports are available upon request.

Recommended by:

**Erin Mahoney, M. Eng.**  
Commissioner of Environmental Services

Approved for Submission:

**Bruce Macgregor**  
Chief Administrative Officer

February 26, 2019  
Attachments (4)  
8967704



## ATTACHMENT 1

## 2018 SUMMARY OF REPORTED ADVERSE WATER QUALITY INCIDENTS AND CORRECTIVE ACTIONS

The Ministry of Environment, Conservation and Parks (MECP) and the Medical Officer of Health were satisfied with the corrective actions taken for all reported events in the summary below and had no further direction. For all remotely monitored system performance incidents, facility flow is paused until operator restores normal operation.

### Ballantrae-Musselman's Lake Drinking Water System

Incident Description	Incident Date	Adverse Test	
		Result	Corrective Action
Free Chlorine Residual < 0.05 mg/L	Jan 12	0.00 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.
	May 04	0.00 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Nov 18	0.00 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.

### Georgina Drinking Water System

Incident Description	Incident Date	Adverse Test	
		Result	Corrective Action
Fluoride > 1.5 mg/L	Feb 17	1.69 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Jul 26	1.69 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
Free Chlorine Residual < 0.05 mg/L	Jun 23	0.01 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.
	Oct 24	0.00 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.

### Georgina Drinking Water System, Keswick Sub-System

Incident Description	Incident Date	Adverse Test Result	Corrective Action
Fluoride > 1.5 mg/L	Mar 06	1.65 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Aug 04	1.51 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
Free Chlorine Residual < 0.05 mg/L	May 04	0.00 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.

### Mt Albert Drinking Water System

Incident Description	Incident Date	Adverse Test Result	Corrective Action
Free Chlorine Residual < 0.05 mg/L	Dec 04	0.00 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.

### Sharon/Queensville Drinking Water System

Incident Description	Incident Date	Adverse Test Result	Corrective Action
Contact Time (CT) Not Met	Jul 03	< 0.18 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.

### York Drinking Water System, Aurora Sub-System Continued

Incident Description	Incident Date	Adverse Test Result	Corrective Action
Combined Chlorine Residual <0.25 mg/L	May 04	0.00 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Jun 09	0.00 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.
	Nov 25	0.00 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.
Combined Chlorine Residual > 4.0 mg/L (Regulatory Relief Sites)	Jan 03	4.11 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Mar 10	4.55 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	May 01	4.86 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	May 04	4.89 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	May 04	5.00 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	May 04	4.26 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.
	May 22	4.01 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Dec 23	4.10 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
System Pressure < 20 psi	Nov 23	Possible Contamination Unitless	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.

### York Drinking Water System, Kleinburg Sub-System

Incident Description	Incident Date	Adverse Test Result	Corrective Action
Combined Chlorine Residual > 3.0 mg/L	Aug 11	5.48 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.

## York Drinking Water System, Newmarket Sub-System

Incident Description	Incident Date	Adverse Test Result	Corrective Action
Combined Chlorine Residual <0.25 mg/L	Apr 15	0.22 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.
	Aug 12	0.00 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.
Combined Chlorine Residual > 4.0 mg/L (Regulatory Relief Sites)	Jul 17	4.04 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Aug 19	4.00 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Aug 20	4.10 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Nov 17	4.00 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.
	Dec 11	4.15 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Dec 21	4.25 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Dec 22	4.30 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.
Contact Time (CT) Not Met	Dec 29	4.12 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Jan 30	0.04 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.
	Apr 17	0.03 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
Sodium > 20.0 mg/L	Apr 26	29.7 mg/L	Operator attended site. Resample taken.
		33.4 mg/L	Operator attended site. Resample taken.



### York Drinking Water System, Stouffville Sub-System

Incident Description	Incident Date	Adverse Test Result	Corrective Action
Contact Time (CT) Not Met	Aug 12	0.00 mg/L	Operator attended site, restored facility to normal operation
Free Chlorine Residual < 0.05 mg/L	May 12	0.00 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.
	Jun 22	0.00 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Aug 12	0.00 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Sep 14	0.00 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.

### York Drinking Water System: Markham, Richmond Hill

Incident Description	Incident Date	Adverse Test Result	Corrective Action
Combined Chlorine Residual < 0.25 mg/L	Jul 29	0.00 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
Combined Chlorine Residual > 3.0 mg/L	Oct 26	3.40 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.

**York Drinking Water System: Vaughan**

<b>Incident Description</b>	<b>Incident Date</b>	<b>Adverse Test Result</b>	<b>Corrective Action</b>
Combined Chlorine Residual > 3.0 mg/L	Jan 01	9.94 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Jan 14	3.07 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Jan 18	5.82 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.
	Jan 29	5.44 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	May 05	3.43 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Jun 23	4.92 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Dec 11	3.03 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.
	Dec 21	3.06 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.

## SUMMARY OF 2018 INSPECTION FINDINGS AND CORRECTIVE ACTIONS

### ATTACHMENT 2

System Name and Inspection Date	Inspection Score (%)	Summary of Findings and Corrective Actions
<b>Municipality: Aurora</b>		
<b>Aurora DWS</b> (York DWS sub-system) August 23, 2018	100	There were no non-compliance findings or best management practice recommendations from this inspection.
<b>Municipality: East Gwillimbury</b>		
<b>Holland Landing DWS</b> (York DWS sub-system) August 29, 2018	100	There were no non-compliance findings or best management practice recommendations from this inspection.
<b>Mount Albert DWS</b> May 17, 2018	94.60	Two non-compliances were identified relating to a single incident where a set of raw water and treated water samples were taken, but not delivered to the laboratory for analysis. This single delivery error is reflected in two other 2018 Inspections. Operational procedures have been reviewed and revised to prevent re-occurrence and training was provided to staff. Subsequent weekly samples were analyzed with no water quality issues identified.  There was one best management practice recommendation to update the work management system to correctly reflect the frequency of asset inspections. Staff updated the work order frequency for the relevant asset inspections.
<b>Sharon/Queensville DWS</b> (York DWS sub-system) February 13, 2018	100	There were no non-compliance findings from this inspection.  There was one best management practice recommendation to investigate how to cross reference maintenance activities during the data review process to ensure data points that do not belong in the annual report are not included. A data point was included in annual reporting that was considered erroneous because it was collected during maintenance, however it appeared to exceed the compliance limit for treated water turbidity and caused confusion. Staff continue to enhance the automated data validation process and investigate tools for streamlining review by staff.
<b>Municipality: King</b>		
<b>Ansnoerveldt DWS</b> July 11, 2018	100	There were no non-compliance findings or best management practice recommendations from this inspection.
<b>King City DWS</b> (York DWS sub-system) May 25, 2018	100	One non-compliance identified relating to an incident where staff responded appropriately to a process issue but failed to adequately document the work completed as required by regulation. Operational procedures were reviewed by Region staff and found to be satisfactory. Additional training on operational procedures related to documentation practices was provided to staff. This non-compliance did not impact the Inspection Score.  There were no best management practice recommendations from this Inspection.
<b>Nobleton DWS</b> April 11, 2018	100	There were no non-compliance findings or best management practice recommendations from this inspection.
<b>Schomberg DWS</b> June 15, 2018	100	There were no non-compliance findings or best management practice recommendations from this inspection.
<b>Municipality: Newmarket</b>		
<b>Newmarket DWS</b> (York DWS sub-system) October 5, 2018	100	There were no non-compliance findings or best management practice recommendations from this inspection.

System Name and Inspection Date	Inspection Score (%)	Summary of Findings and Corrective Actions
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**Municipality: Georgina**


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<b>Keswick DWS</b> (Georgina DWS sub-system) January 9, 2018	86.03	Three non-compliances and no best management practice recommendations were identified. Two related to a single incident where the treatment chemical necessary for removing particles from the water was not applied for less than one day, and was not immediately reported to the Ministry. This incident was self-identified by Region staff, corrected and reported to the Ministry. Laboratory results from samples taken during this period of time did not indicate any water quality issues. Upgraded monitoring equipment was installed to prevent reoccurrence.  A third non-compliance related to an incident where required turbidity monitoring was not performed due to an error in restoring monitoring equipment after completing routine maintenance. Other monitoring equipment and laboratory sample results during this period of time indicated no water quality issues. Operational procedures were reviewed and revised, and monitoring systems were upgraded to prevent reoccurrence.
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<b>Georgina DWS and Georgina Water Treatment Plant</b> January 9, 2018	100	There were no non-compliance findings from this inspection.  There was one best management practice recommendation to investigate how to cross reference maintenance activities during the data review process to ensure data points that do not belong in the annual report are not included. A data point was included in annual reporting that was considered erroneous because it was collected during maintenance, however it appeared to exceed the discharge limit for water returned to the lake and caused confusion. Staff continue to enhance the automated data validation process and investigate tools for streamlining review by staff.
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<b>Georgina DWS and Georgina Water Treatment Plant</b> October 18, 2018	100	There were no non-compliance findings or best management practice recommendations from this inspection.
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**Municipality: Vaughan**


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<b>Kleinburg DWS</b> (York DWS sub-system) April 11, 2018	100	There were no non-compliance findings or best management practice recommendations from this inspection.
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**Municipality: Vaughan, Richmond Hill, Markham**


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<b>York Distribution System</b> (part of the York DWS) February 5, 2018	100	There were no non-compliance findings or best management practice recommendations from this inspection.
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System Name and Inspection Date	Inspection Score (%)	Summary of Findings and Corrective Actions
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**Municipality: Whitchurch-Stouffville**

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<b>Ballantrae- Musselman's Lake DWS</b> April 24, 2018	96.02	<p>Two non-compliances were identified relating to a single incident where a set of raw water and treated water samples were taken, but not delivered to the laboratory for analysis. This single delivery error is reflected in two other 2018 Inspections. Operational procedures have been reviewed and revised to prevent re-occurrence and training was provided to staff. Subsequent weekly samples were analyzed with no water quality issues identified.</p> <p>There was one best management practice recommendation to update the work management system to correctly reflect the frequency of asset inspections. Staff updated the work order frequency for the relevant asset inspections.</p>
<b>Stouffville DWS</b> (York DWS sub-system) November 27, 2018	95.77	<p>Two non-compliances were identified relating to a single incident where a set of raw water and treated water samples were taken, but not delivered to the laboratory for analysis. This single delivery error is reflected in two other 2018 Inspections. Operational procedures have been reviewed and revised to prevent re-occurrence and training was provided to staff. Subsequent weekly samples were analyzed with no water quality issues identified.</p> <p>There was one best management practice recommendation to install protective signs for a monitoring well adjacent to the driveway to prevent accidental impact. Staff installed protective signs as recommended.</p>

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ATTACHMENT 3

**2018 PERFORMANCE DATA SUMMARIES FOR YORK REGION'S  
DRINKING WATER SYSTEMS (DWS)**

## 2018 Water Quality & Capacity Summary | Ansnorveldt DWS

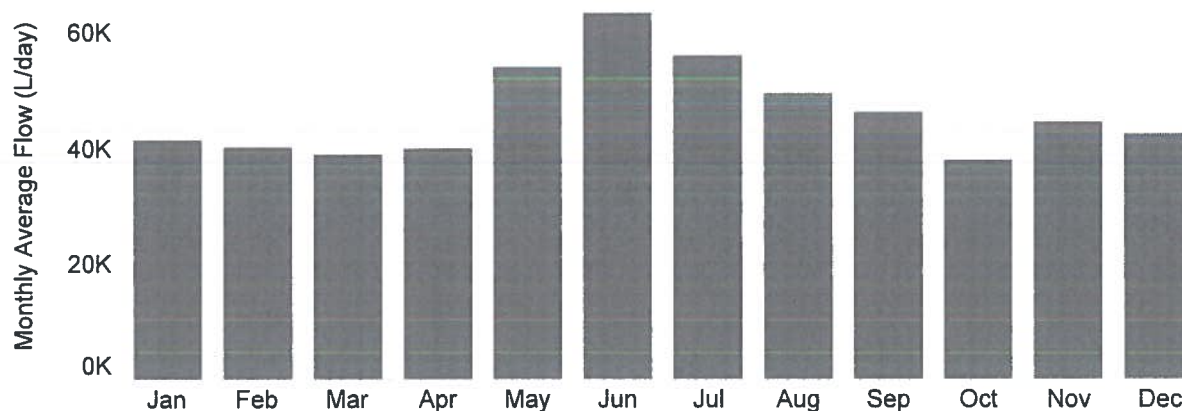
### Top Requested Water Quality Parameters

Drinking water is monitored for a wide range of chemical parameters through a combination of continuous monitoring by online analyzers and routine grab samples by operators. The following annual average concentrations in milligrams per litre (mg/L) were reported from treatment and distribution facilities in the Ansnorveldt DWS.

Chlorine	Fluoride	Sodium	Lead
1.62 mg/L	0.25 mg/L	43 mg/L	Not Detected (<0.0005 mg/L)

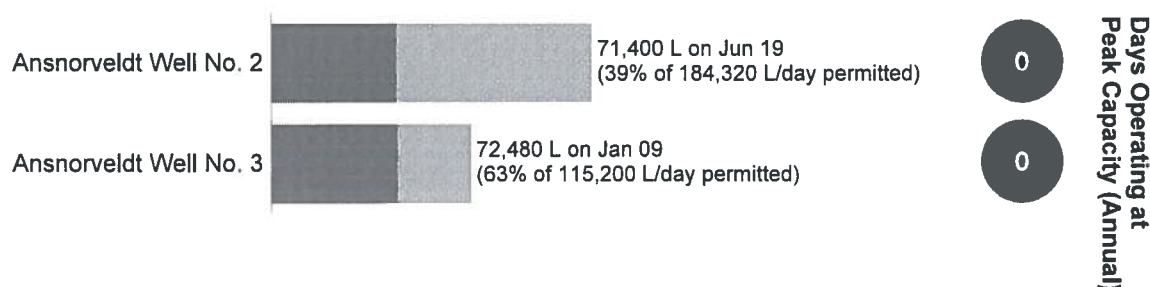
### System Monthly Average Flow

The following chart shows the average flow of water produced (treated) in litres per day (L/day) each month in the Ansnorveldt DWS.



### Permitted and Actual Maximum Daily Withdrawal

The following chart shows the maximum volume of water produced in a single day from each water supply facility (blue bar) compared to the maximum withdrawal permitted by the Ministry of the Environment, Conservation and Parks (grey bar). Also shown to the right is the number of days where the water supply facilities were operating at peak capacity (80% or more of the permitted withdrawal).



## 2018 Water Quality & Capacity Summary | Aurora DWS

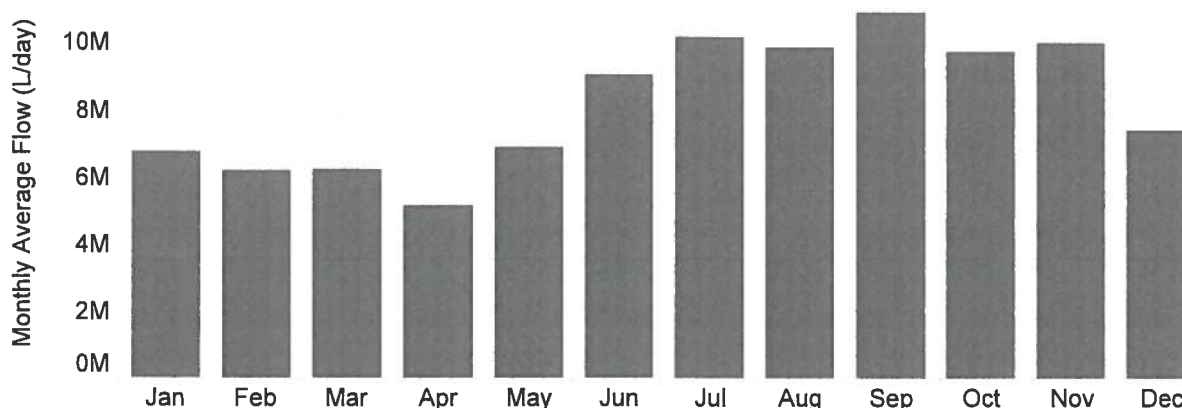
### Top Requested Water Quality Parameters

Drinking water is monitored for a wide range of chemical parameters through a combination of continuous monitoring by online analyzers and routine grab samples by operators. The following annual average concentrations in milligrams per litre (mg/L) were reported from treatment and distribution facilities in the Aurora DWS.

Chlorine	Fluoride	Sodium	Lead
2.62 mg/L	0.36 mg/L	17 mg/L	Not Detected (<0.001 mg/L)

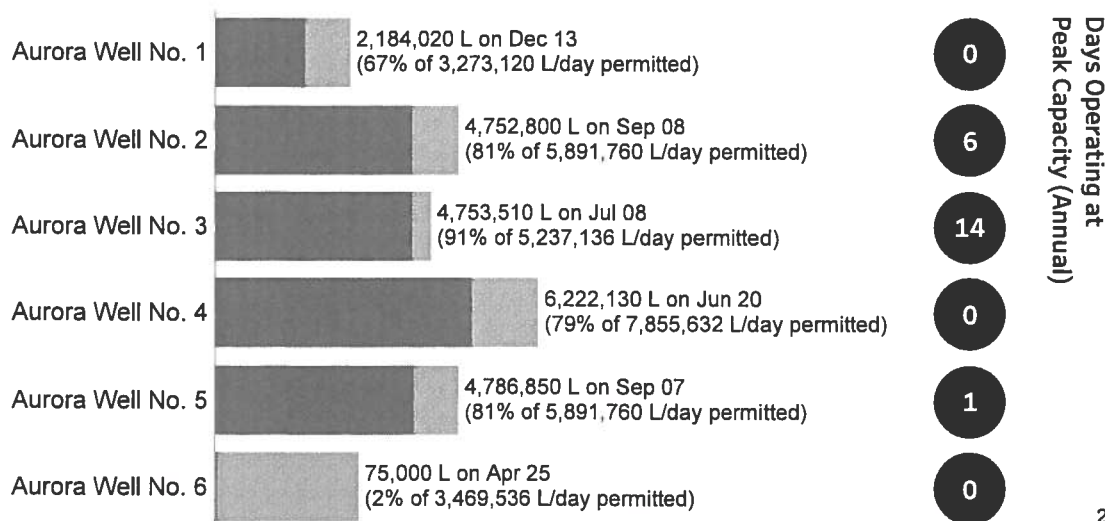
### System Monthly Average Flow

The following chart shows the average flow of water produced (treated) in litres per day (L/day) each month in the Aurora DWS.



### Permitted and Actual Maximum Daily Withdrawal

The following chart shows the maximum volume of water produced in a single day from each water supply facility (blue bar) compared to the maximum withdrawal permitted by the Ministry of the Environment, Conservation and Parks (grey bar). Also shown to the right is the number of days where the water supply facilities were operating at peak capacity (80% or more of the permitted withdrawal).





## 2018 Water Quality & Capacity Summary | Ballantrae/Musselman's Lake DWS

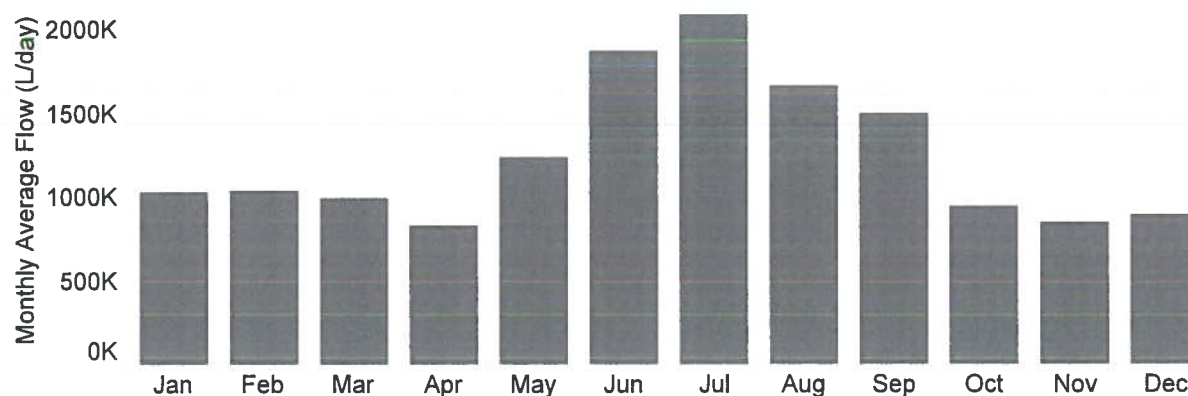
### Top Requested Water Quality Parameters

Drinking water is monitored for a wide range of chemical parameters through a combination of continuous monitoring by online analyzers and routine grab samples by operators. The following annual average concentrations in milligrams per litre (mg/L) were reported from treatment and distribution facilities in the Ballantrae/Musselman's Lake DWS.

Chlorine	Fluoride	Sodium	Lead
1.32 mg/L	0.08 mg/L	11 mg/L	Not Detected (<0.0005 mg/L)

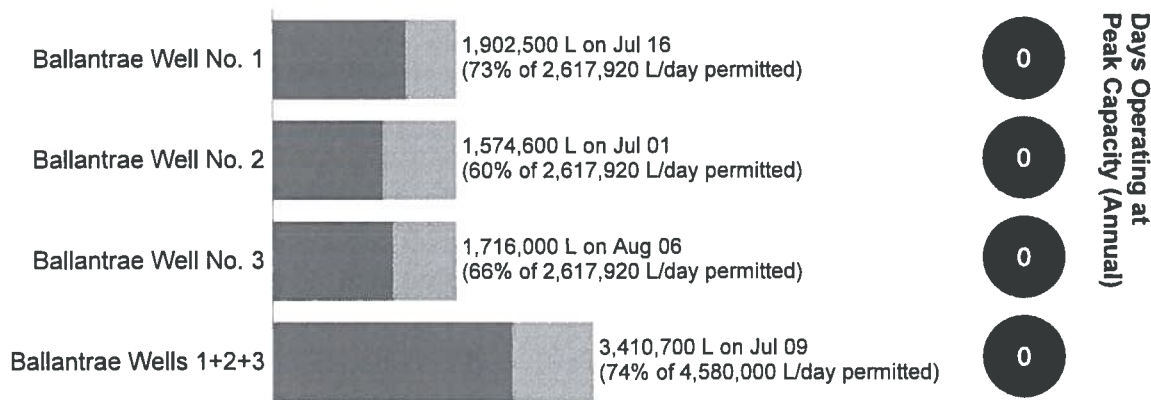
### System Monthly Average Flow

The following chart shows the average flow of water produced (treated) in litres per day (L/day) each month in the Ballantrae/Musselman's Lake DWS.



### Permitted and Actual Maximum Daily Withdrawal

The following chart shows the maximum volume of water produced in a single day from each water supply facility (blue bar) compared to the maximum withdrawal permitted by the Ministry of the Environment, Conservation and Parks (grey bar). Also shown to the right is the number of days where the water supply facilities were operating at peak capacity (80% or more of the permitted withdrawal).



## 2018 Water Quality & Capacity Summary | Georgina DWS

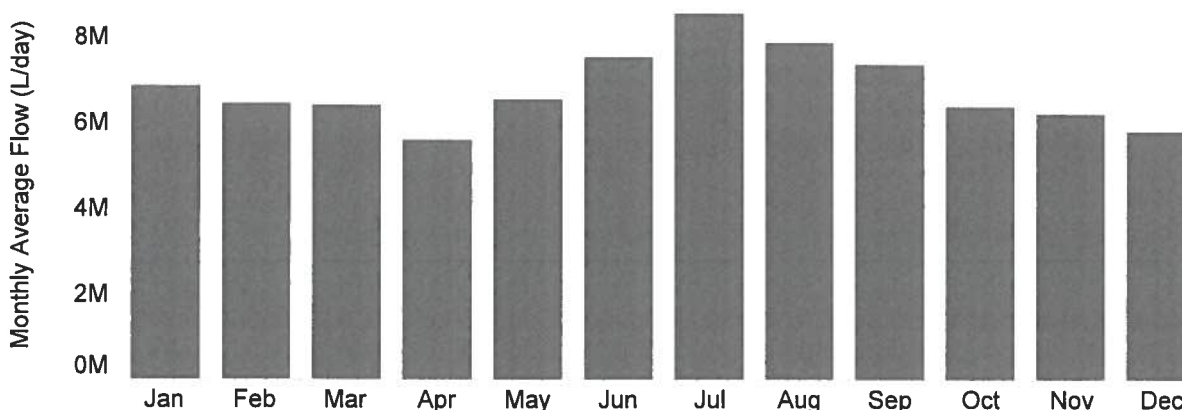
### Top Requested Water Quality Parameters

Drinking water is monitored for a wide range of chemical parameters through a combination of continuous monitoring by online analyzers and routine grab samples by operators. The following annual average concentrations in milligrams per litre (mg/L) were reported from treatment and distribution facilities in the Georgina DWS.

Chlorine	Fluoride	Sodium	Lead
1.62 mg/L	0.63 mg/L	32 mg/L	Not Detected ( $<0.0005$ mg/L)

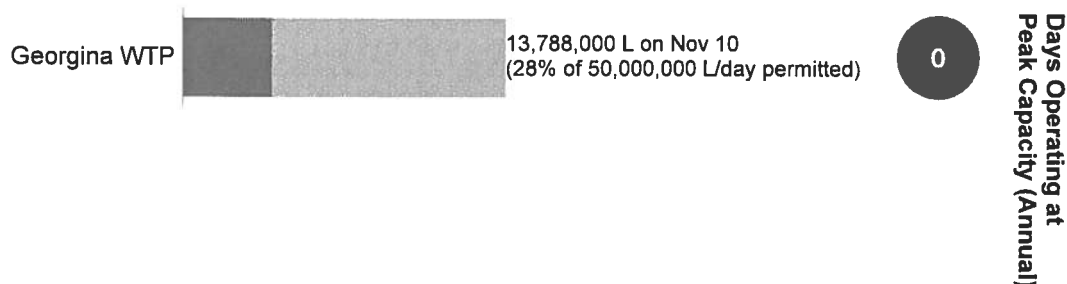
### System Monthly Average Flow

The following chart shows the average flow of water produced (treated) in litres per day (L/day) each month in the Georgina DWS.



### Permitted and Actual Maximum Daily Withdrawal

The following chart shows the maximum volume of water produced in a single day from each water supply facility (blue bar) compared to the maximum withdrawal permitted by the Ministry of the Environment, Conservation and Parks (grey bar). Also shown to the right is the number of days where the water supply facilities were operating at peak capacity (80% or more of the permitted withdrawal).



## 2018 Water Quality & Capacity Summary | Holland Landing DWS

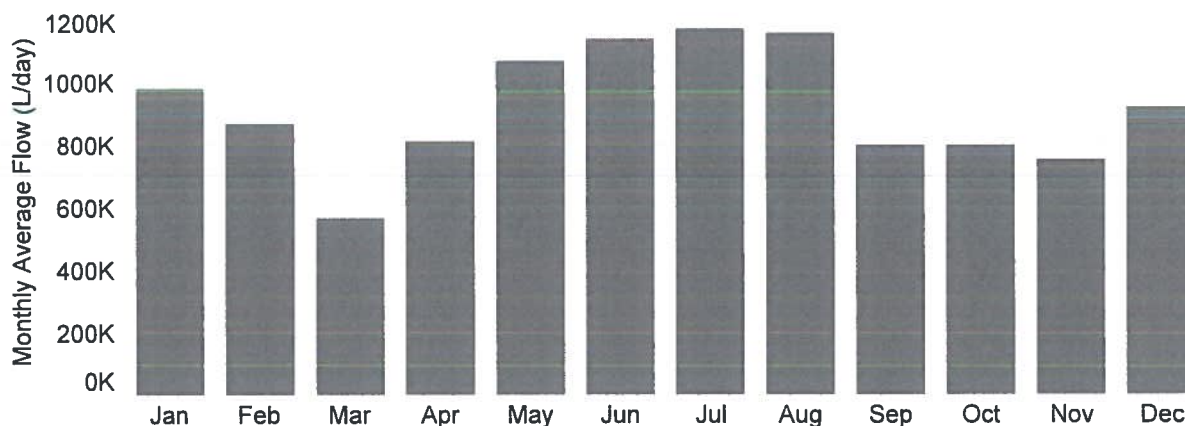
### Top Requested Water Quality Parameters

Drinking water is monitored for a wide range of chemical parameters through a combination of continuous monitoring by online analyzers and routine grab samples by operators. The following annual average concentrations in milligrams per litre (mg/L) were reported from treatment and distribution facilities in the Holland Landing DWS.

Chlorine	Fluoride	Sodium	Lead
2.25 mg/L	0.21 mg/L	19 mg/L	Not Detected (<0.0005 mg/L)

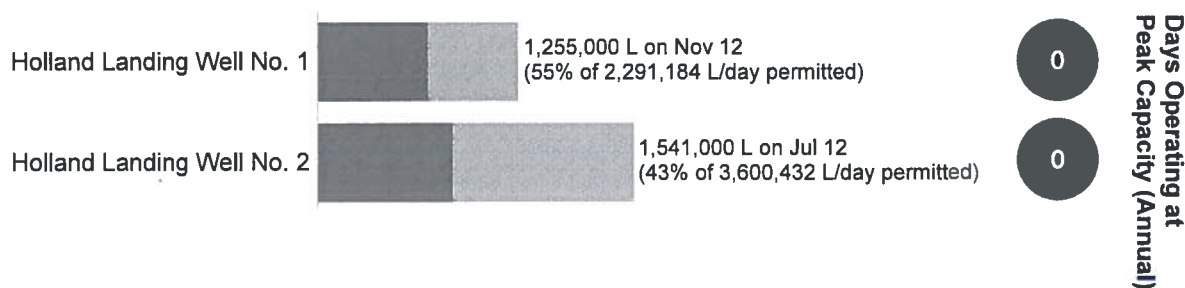
### System Monthly Average Flow

The following chart shows the average flow of water produced (treated) in litres per day (L/day) each month in the Holland Landing DWS.



### Permitted and Actual Maximum Daily Withdrawal

The following chart shows the maximum volume of water produced in a single day from each water supply facility (blue bar) compared to the maximum withdrawal permitted by the Ministry of the Environment, Conservation and Parks (grey bar). Also shown to the right is the number of days where the water supply facilities were operating at peak capacity (80% or more of the permitted withdrawal).



## 2018 Water Quality & Capacity Summary | Keswick DWS

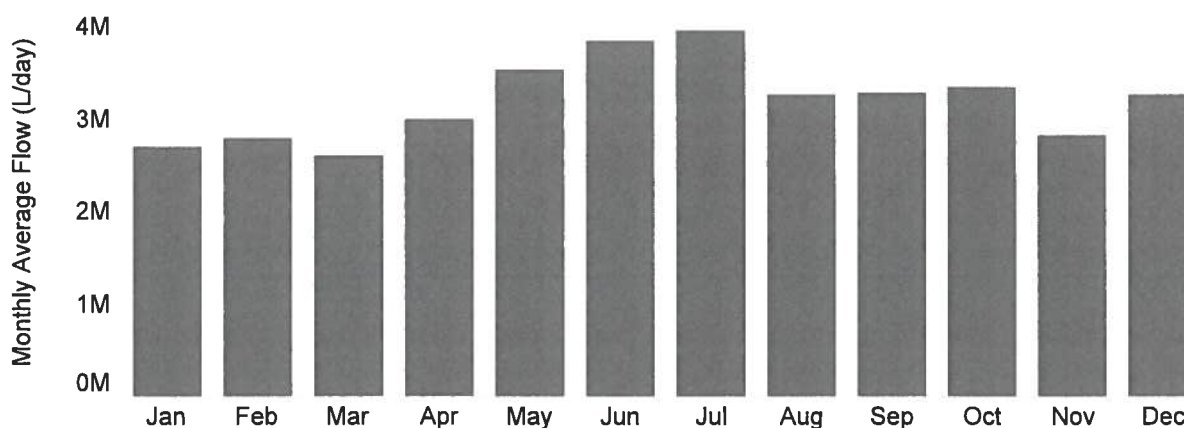
### Top Requested Water Quality Parameters

Drinking water is monitored for a wide range of chemical parameters through a combination of continuous monitoring by online analyzers and routine grab samples by operators. The following annual average concentrations in milligrams per litre (mg/L) were reported from treatment and distribution facilities in the Keswick DWS.

Chlorine	Fluoride	Sodium	Lead
1.24 mg/L	0.64 mg/L	32 mg/L	Not Detected ( $<0.0005$ mg/L)

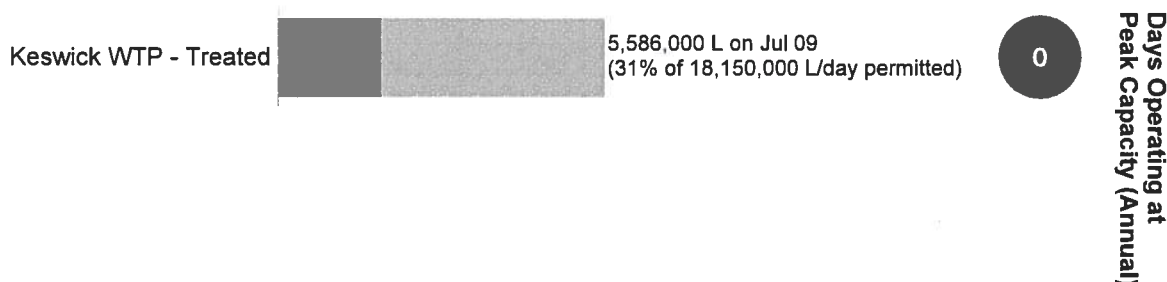
### System Monthly Average Flow

The following chart shows the average flow of water produced (treated) in litres per day (L/day) each month in the Keswick DWS.



### Permitted and Actual Maximum Daily Withdrawal

The following chart shows the maximum volume of water produced in a single day from each water supply facility (blue bar) compared to the maximum withdrawal permitted by the Ministry of the Environment, Conservation and Parks (grey bar). Also shown to the right is the number of days where the water supply facilities were operating at peak capacity (80% or more of the permitted withdrawal).





## 2018 Water Quality & Capacity Summary | King City DWS

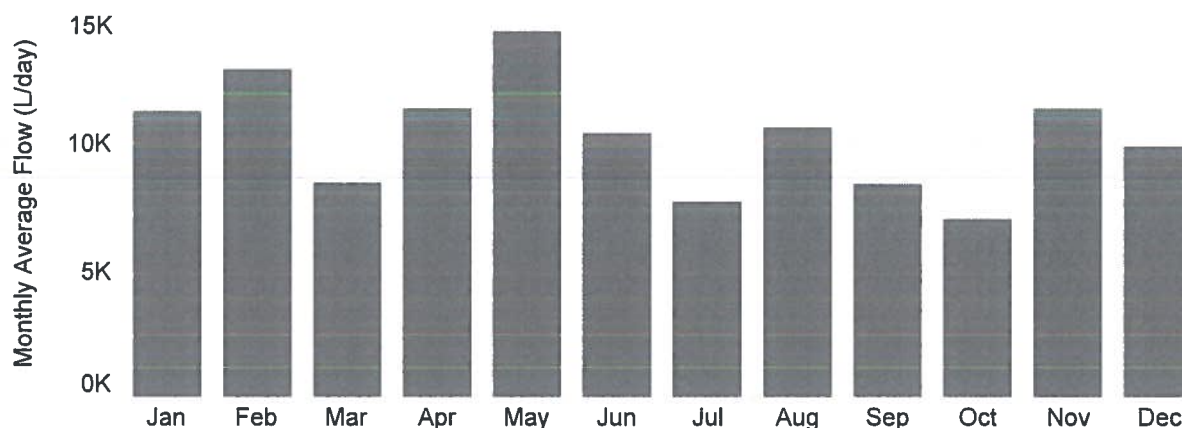
### Top Requested Water Quality Parameters

Drinking water is monitored for a wide range of chemical parameters through a combination of continuous monitoring by online analyzers and routine grab samples by operators. The following annual average concentrations in milligrams per litre (mg/L) were reported from treatment and distribution facilities in the King City DWS.

Chlorine	Fluoride	Sodium	Lead
1.71 mg/L	0.56 mg/L	20 mg/L	Not Detected (<0.0005 mg/L)

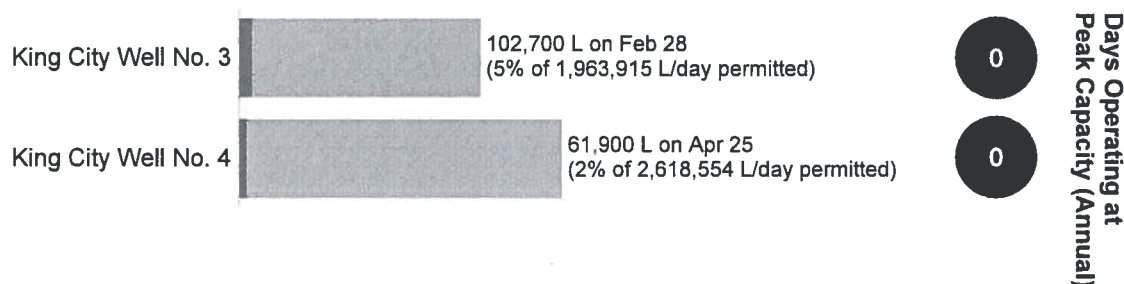
### System Monthly Average Flow

The following chart shows the average flow of water produced (treated) in litres per day (L/day) each month in the King City DWS.



### Permitted and Actual Maximum Daily Withdrawal

The following chart shows the maximum volume of water produced in a single day from each water supply facility (blue bar) compared to the maximum withdrawal permitted by the Ministry of the Environment, Conservation and Parks (grey bar). Also shown to the right is the number of days where the water supply facilities were operating at peak capacity (80% or more of the permitted withdrawal).



## 2018 Water Quality & Capacity Summary | Kleinburg DWS

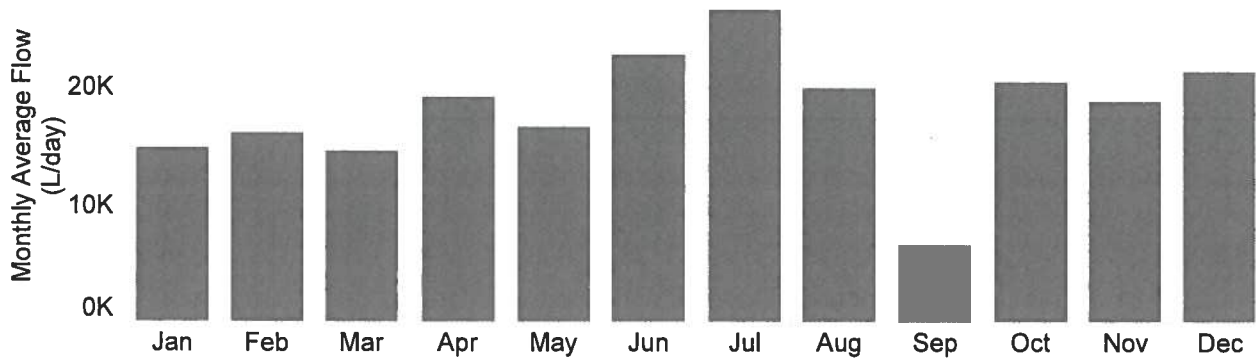
### Top Requested Water Quality Parameters

Drinking water is monitored for a wide range of chemical parameters through a combination of continuous monitoring by online analyzers and routine grab samples by operators. The following annual average concentrations in milligrams per litre (mg/L) were reported from treatment and distribution facilities in the Kleinburg DWS..

Chlorine	Fluoride	Sodium	Lead
1.70 mg/L	0.37 mg/L	N/A	
*See York DWS for approximate results			

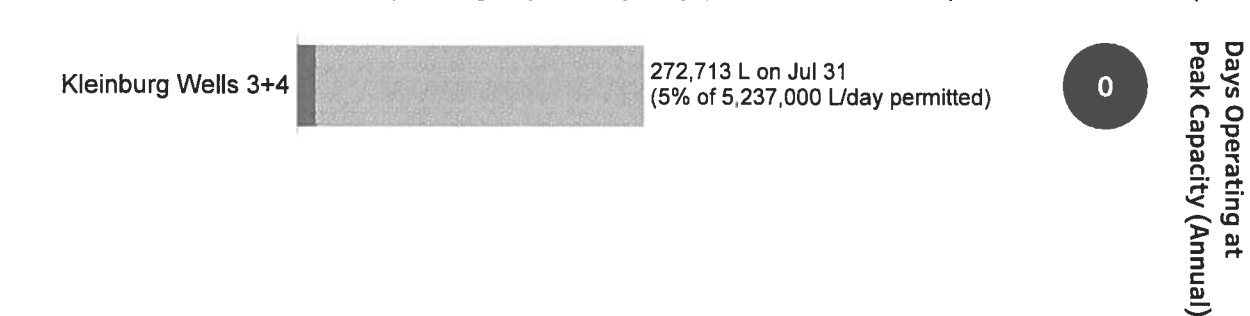
### System Monthly Average Flow

The following chart shows the average flow of water produced (treated) in litres per day (L/day) each month in the Kleinburg DWS.



### Permitted and Actual Maximum Daily Withdrawal

The following chart shows the maximum volume of water produced in a single day from each water supply facility (blue bar) compared to the maximum withdrawal permitted by the Ministry of the Environment, Conservation and parks (grey bar). Also shown to the right is the number of days where the water supply facilities were operating at peak capacity (80% or more of the permitted withdrawal).



## 2018 Water Quality & Capacity Summary | Mount Albert DWS

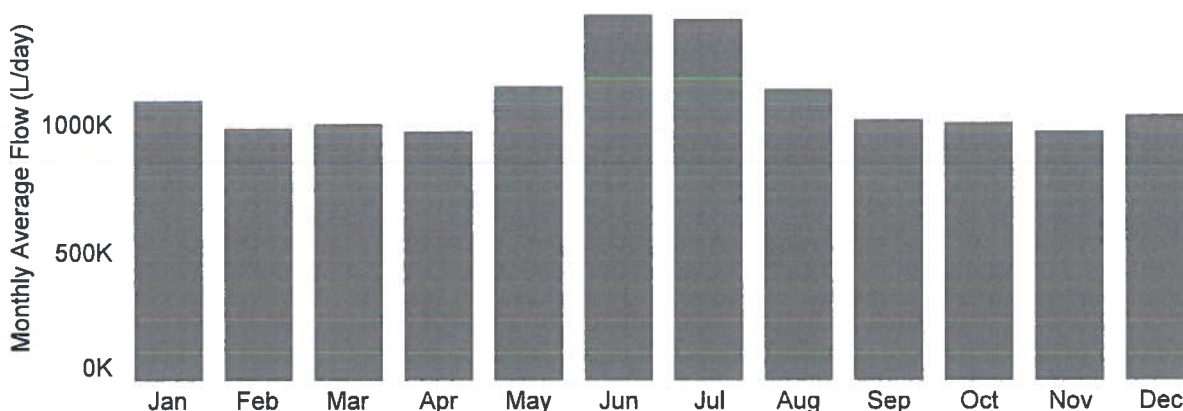
### Top Requested Water Quality Parameters

Drinking water is monitored for a wide range of chemical parameters through a combination of continuous monitoring by online analyzers and routine grab samples by operators. The following annual average concentrations in milligrams per litre (mg/L) were reported from treatment and distribution facilities in the Mount Albert DWS.

Chlorine	Fluoride	Sodium	Lead
1.41 mg/L	0.06 mg/L	10 mg/L	Not Detected ( $<0.0005$ mg/L)

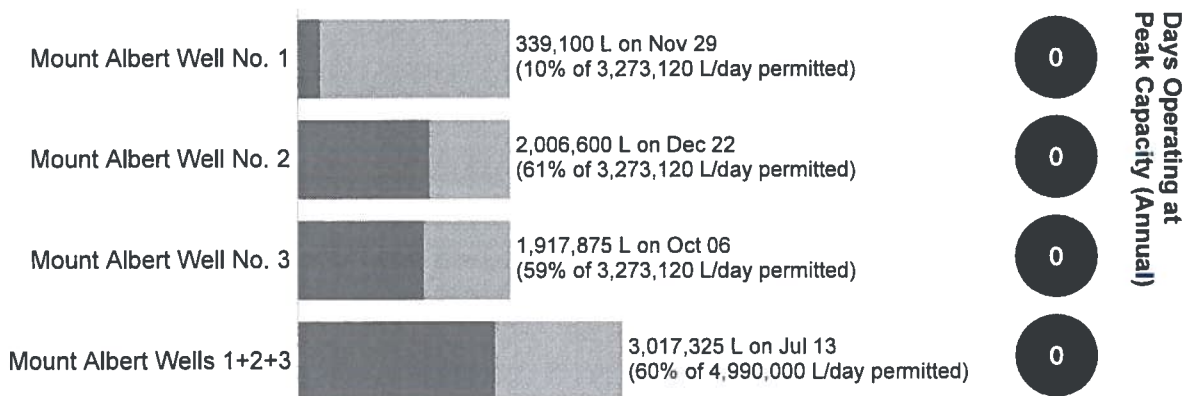
### System Monthly Average Flow

The following chart shows the average flow of water produced (treated) in litres per day (L/day) each month in the Mount Albert DWS.



### Permitted and Actual Maximum Daily Withdrawal

The following chart shows the maximum volume of water produced in a single day from each water supply facility (blue bar) compared to the maximum withdrawal permitted by the Ministry of the Environment, Conservation and Parks (grey bar). Also shown to the right is the number of days where the water supply facilities were operating at peak capacity (80% or more of the permitted withdrawal).



## 2018 Water Quality & Capacity Summary | Newmarket DWS

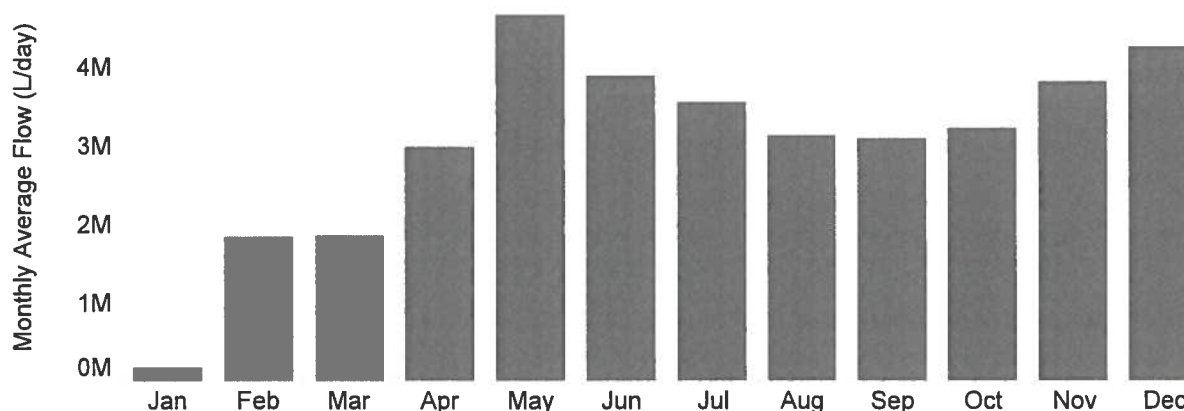
### Top Requested Water Quality Parameters

Drinking water is monitored for a wide range of chemical parameters through a combination of continuous monitoring by online analyzers and routine grab samples by operators. The following annual average concentrations in milligrams per litre (mg/L) were reported from treatment and distribution facilities in the Newmarket DWS.

Chlorine	Fluoride	Sodium	Lead
2.23 mg/L	0.27 mg/L	21 mg/L	Not Detected ( $<0.0005$ mg/L)

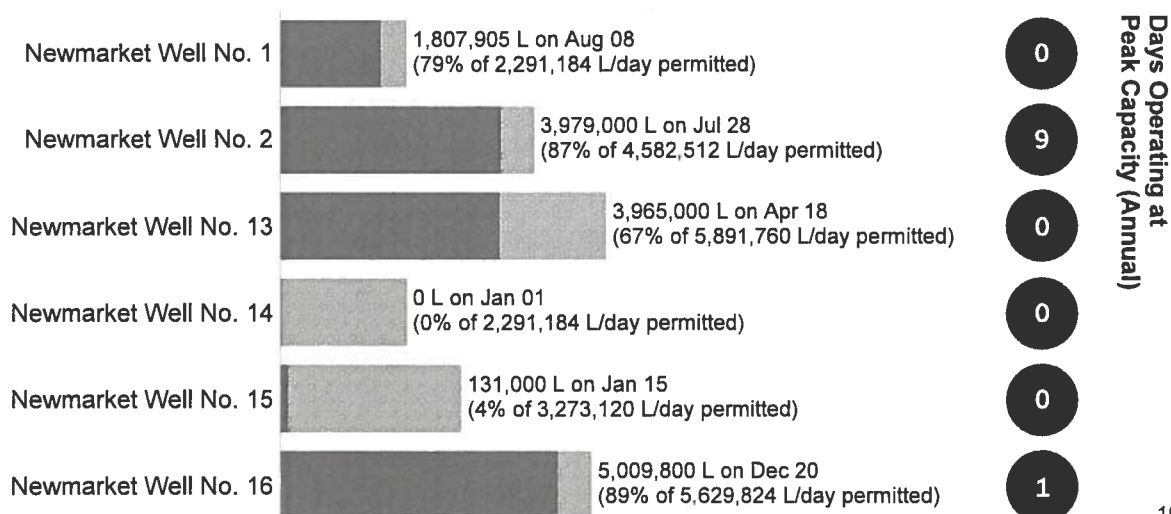
### System Monthly Average Flow

The following chart shows the average flow of water produced (treated) in litres per day (L/day) each month in the Newmarket DWS.



### Permitted and Actual Maximum Daily Withdrawal

The following chart shows the maximum volume of water produced in a single day from each water supply facility (blue bar) compared to the maximum withdrawal permitted by the Ministry of the Environment, Conservation and Parks (grey bar). Also shown to the right is the number of days where the water supply facilities were operating at peak capacity (80% or more of the permitted withdrawal).





## 2018 Water Quality & Capacity Summary | Nobleton DWS

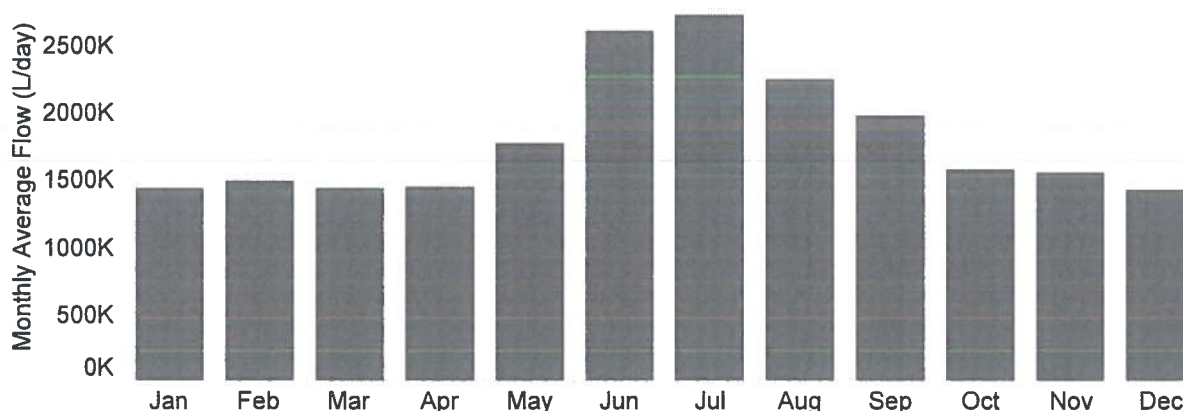
### Top Requested Water Quality Parameters

Drinking water is monitored for a wide range of chemical parameters through a combination of continuous monitoring by online analyzers and routine grab samples by operators. The following annual average concentrations in milligrams per litre (mg/L) were reported from treatment and distribution facilities in the Nobleton DWS.

Chlorine	Fluoride	Sodium	Lead
1.54 mg/L	0.12 mg/L	17 mg/L	Not Detected ( $<0.0005$ mg/L)

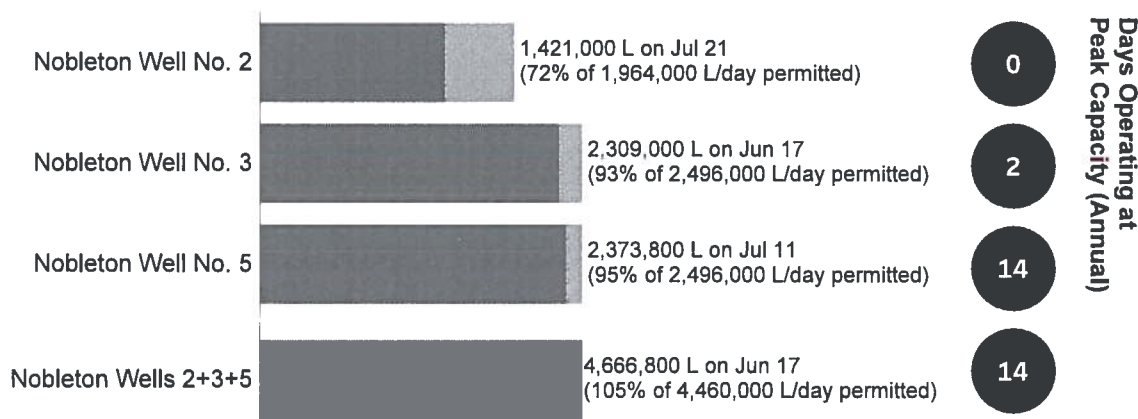
### System Monthly Average Flow

The following chart shows the average flow of water produced (treated) in litres per day (L/day) each month in the Nobleton DWS.



### Permitted and Actual Maximum Daily Withdrawal

The following chart shows the maximum volume of water produced in a single day from each water supply facility (blue bar) compared to the maximum withdrawal permitted by the Ministry of the Environment, Conservation and Parks (grey bar). Also shown to the right is the number of days where the water supply facilities were operating at peak capacity (80% or more of the permitted withdrawal).



## 2018 Water Quality & Capacity Summary | Schomberg DWS

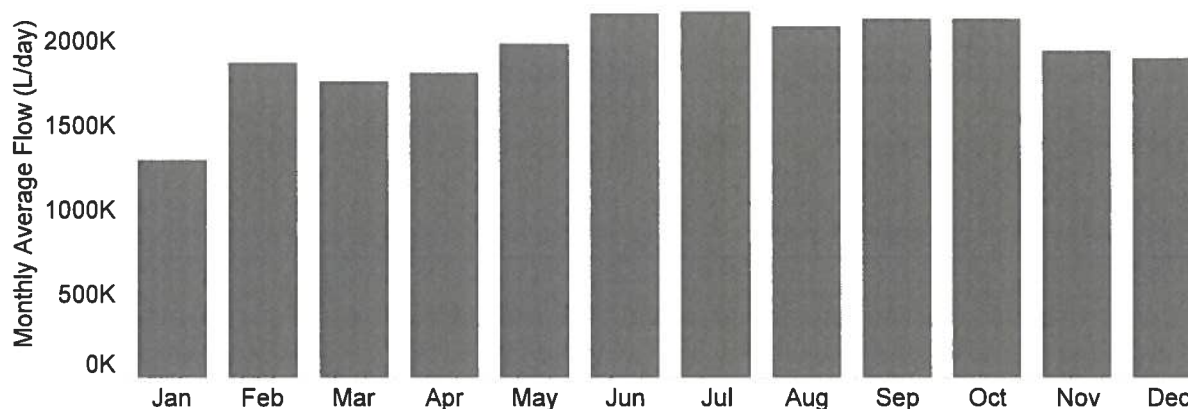
### Top Requested Water Quality Parameters

Drinking water is monitored for a wide range of chemical parameters through a combination of continuous monitoring by online analyzers and routine grab samples by operators. The following annual average concentrations in milligrams per litre (mg/L) were reported from treatment and distribution facilities in the Schomberg DWS.

Chlorine	Fluoride	Sodium	Lead
2.59 mg/L	0.15 mg/L	20 mg/L	Not Detected ( $<0.0005$ mg/L)

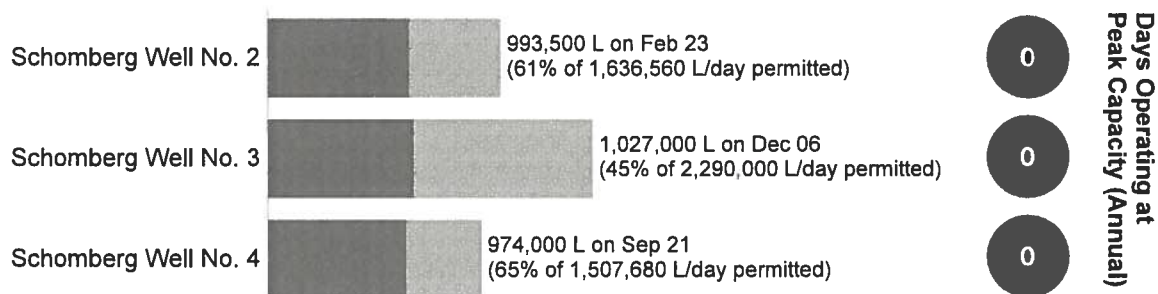
### System Monthly Average Flow

The following chart shows the average flow of water produced (treated) in litres per day (L/day) each month in the Schomberg DWS.



### Permitted and Actual Maximum Daily Withdrawal

The following chart shows the maximum volume of water produced in a single day from each water supply facility (blue bar) compared to the maximum withdrawal permitted by the Ministry of the Environment, Conservation and Parks (grey bar). Also shown to the right is the number of days where the water supply facilities were operating at peak capacity (80% or more of the permitted withdrawal).



## 2018 Water Quality & Capacity Summary | Sharon/Queensville DWS

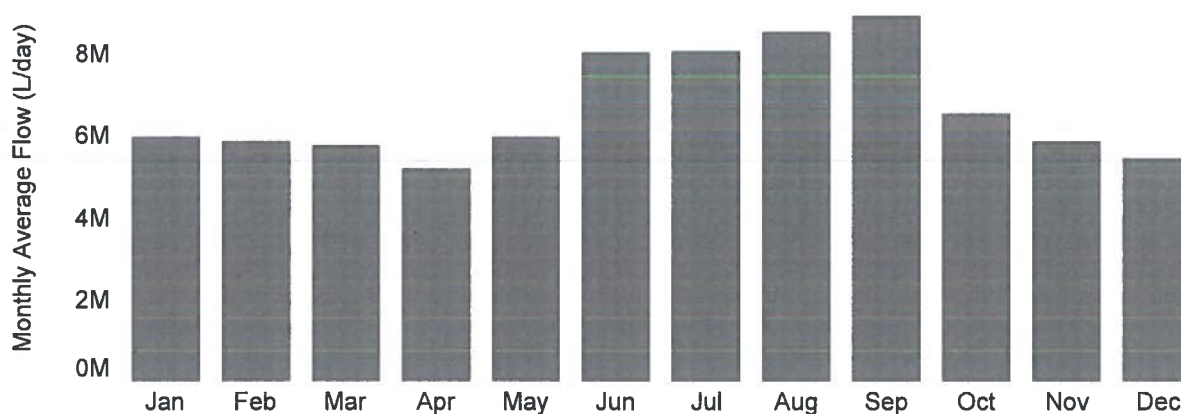
### Top Requested Water Quality Parameters

Drinking water is monitored for a wide range of chemical parameters through a combination of continuous monitoring by online analyzers and routine grab samples by operators. The following annual average concentrations in milligrams per litre (mg/L) were reported from treatment and distribution facilities in the Sharon/Queensville DWS.

Chlorine	Fluoride	Sodium	Lead
2.41 mg/L	0.20 mg/L	20 mg/L	Not Detected ( $<0.0005$ mg/L)

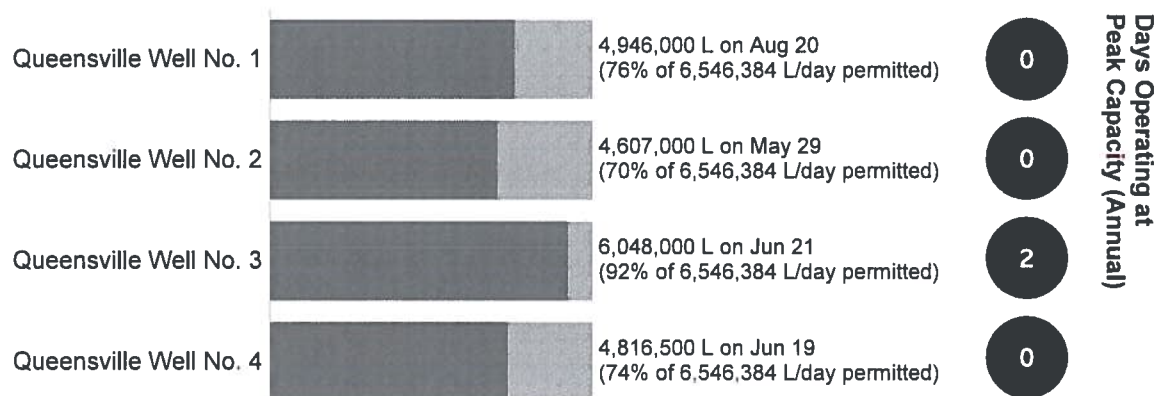
### System Monthly Average Flow

The following chart shows the average flow of water produced (treated) in litres per day (L/day) each month in the Sharon/Queensville DWS.



### Permitted and Actual Maximum Daily Withdrawal

The following chart shows the maximum volume of water produced in a single day from each water supply facility (blue bar) compared to the maximum withdrawal permitted by the Ministry of the Environment, Conservation and Parks (grey bar). Also shown to the right is the number of days where the water supply facilities were operating at peak capacity (80% or more of the permitted withdrawal).



## 2018 Water Quality & Capacity Summary | Stouffville DWS

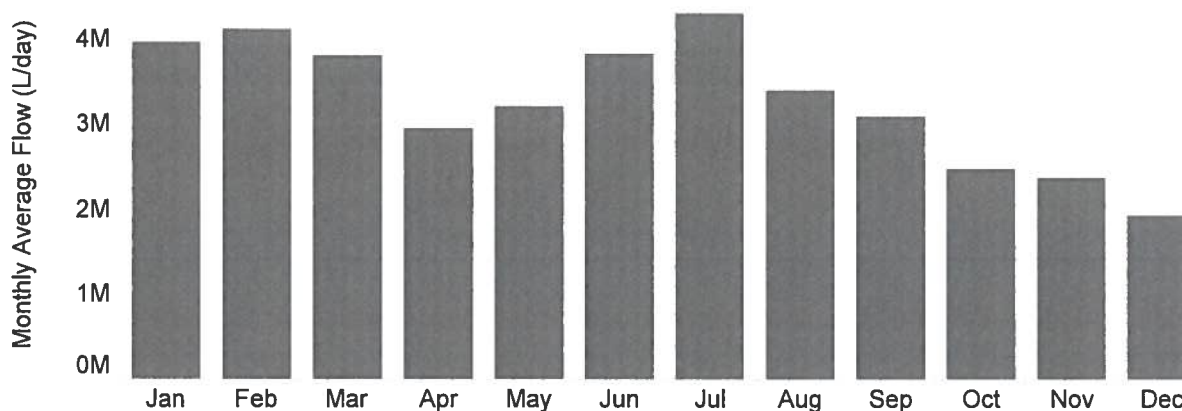
### Top Requested Water Quality Parameters

Drinking water is monitored for a wide range of chemical parameters through a combination of continuous monitoring by online analyzers and routine grab samples by operators. The following annual average concentrations in milligrams per litre (mg/L) were reported from treatment and distribution facilities in the Stouffville DWS.

Chlorine	Fluoride	Sodium	Lead
1.43 mg/L	0.10 mg/L	41 mg/L	Not Detected (<0.001 mg/L)

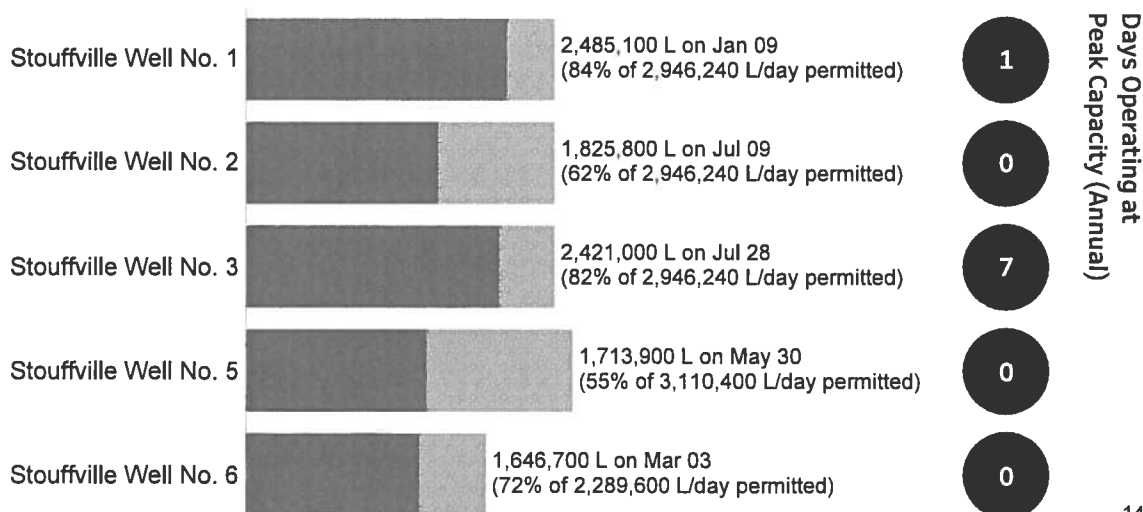
### System Monthly Average Flow

The following chart shows the average flow of water produced (treated) in litres per day (L/day) each month in the Stouffville DWS.



### Permitted and Actual Maximum Daily Withdrawal

The following chart shows the maximum volume of water produced in a single day from each water supply facility (blue bar) compared to the maximum withdrawal permitted by the Ministry of the Environment, Conservation and Parks (grey bar). Also shown to the right is the number of days where the water supply facilities were operating at peak capacity (80% or more of the permitted withdrawal).





## 2018 Water Quality & Capacity Summary | York DWS

Vaughan | Richmond Hill | Markham

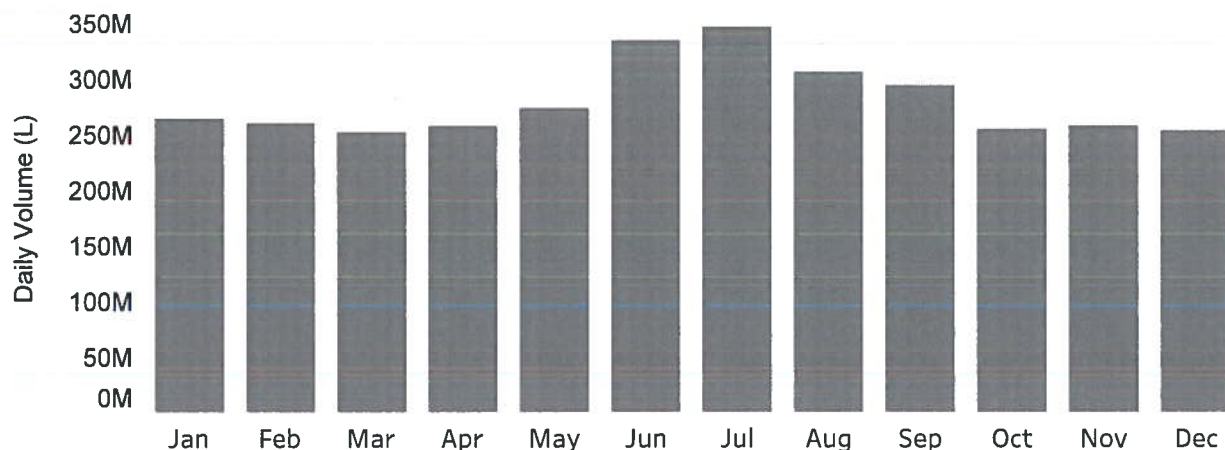
### Top Requested Water Quality Parameters

Drinking water is monitored for a wide range of chemical parameters through a combination of continuous monitoring by online analyzers and routine grab samples by operators. The following annual average concentrations in milligrams per litre (mg/L) were reported from distribution facilities in the York DWS.

Chlorine	Fluoride	Sodium	Lead
1.69 mg/L	0.61 mg/L	18 mg/L	Not Detected ( $<0.0005$ mg/L)

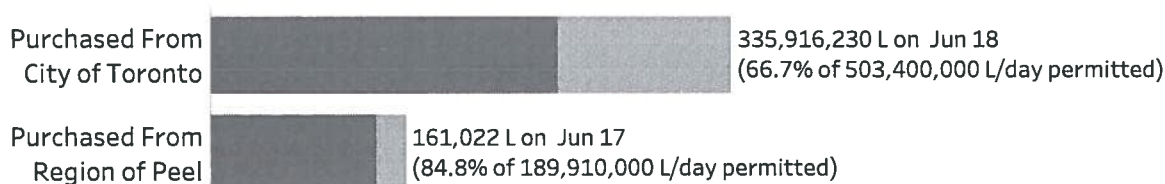
### System Monthly Average Flow

The following chart shows the monthly average consumption in million litres per day of purchased Lake Ontario water.



### Permitted and Actual Maximum Daily Flow

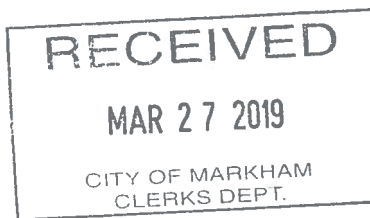
The City of Toronto and Peel Region supply water to York Region under water supply agreements. The following chart shows the maximum volume of water purchased from each municipality in a single day (blue bar) compared to the maximum flow permitted under the applicable water supply agreement (grey bar).



## ATTACHMENT 4

**SUMMARY OF 2018 EXPENSES TO INSTALL, REPAIR OR REPLACE REQUIRED EQUIPMENT**

<b>System Name</b>	<b>System Monetary Expenses Description</b>	<b>Expenses (\$)</b>
Ansnoerveldt DWS	General maintenance and repair. Operational costs are not reflected in this total.	\$12,404
Aurora DWS	General maintenance and repair, groundwater treatment, pumping station and reservoir upgrade and distribution system maintenance. Operational costs are not reflected in this total.	\$2,187,288
Ballantrae/Musselman's Lake DWS	General maintenance and repair. Operational costs are not reflected in this total.	\$47,341
Georgina DWS	General maintenance and repair and watermain replacement. Operational costs are not reflected in this total.	\$153,506
Georgina DWS (Keswick DW Sub-System)	General maintenance and repair and treatment plant upgrades. Operational costs are not reflected in this total.	\$147,339
Holland Landing DWS	General maintenance and repair and pumping station upgrades. Operational costs are not reflected in this total.	\$72,461
King City DWS	General maintenance and repair, new booster pumping station and elevated tank maintenance. Operational costs are not reflected in this total.	\$268,339
Kleinburg DWS	General maintenance and repair, one elevated tank re-coating and well upgrades. Operational costs are not reflected in this total.	\$35,133
Mount Albert DWS	General maintenance and repair and new standby power generator. Operational costs are not reflected in this total.	\$147,358
Newmarket DWS	General maintenance and repair, elevated tank re-coating and distribution system maintenance. Operational costs are not reflected in this total.	\$2,690,460
Nobleton DWS	General maintenance and repair. Operational costs are not reflected in this total.	\$373,942
Schomberg DWS	General maintenance and repair and treatment plant upgrades. Operational costs are not reflected in this total.	\$231,281
Sharon/Queensville DWS	General maintenance and repair. Operational costs are not reflected in this total.	\$276,471
Stouffville DWS	General maintenance and repair, distribution system maintenance and elevated tank re-coating. Operational costs are not reflected in this total.	\$2,432,369
York DWS	General maintenance and repair, watermain replacement, pumping station upgrades, distribution system maintenance and emergency maintenance. Operational costs are not reflected in this total.	\$17,645,771
<b>Total</b>		<b>\$26,721,463</b>



Corporate Services  
Regional Clerk's Office

March 22, 2019

Ms. Kimberley Kitteringham  
City Clerk  
City of Markham  
101 Town Centre Boulevard  
Markham, ON L3R 9W3

Dear Ms. Kitteringham:

**Re: Proposed Employment Area Conversion Criteria**

On March 21, 2019 Regional Council adopted the following recommendations:

1. Council endorse the proposed employment area conversion criteria in Attachment 4 to be applied by staff when assessing requests for employment area conversions during the Regional Municipal Comprehensive Review (MCR) to inform recommendations to Council.
2. Staff apply the criteria in consultation with local municipal staff and landowners to inform a draft land budget to be considered by Council later this year.
3. The report be circulated by the Regional Clerk to local municipalities and the Ministry of Municipal Affairs and Housing.

The original staff report is enclosed for your information.

Please contact Paul Bottomley, Manager, Policy, Research, and Forecasting at 1-877-464-9675 ext. 71530 if you have any questions with respect to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Raynor", written over the word "Sincerely,".

Christopher Raynor  
Regional Clerk

Attachments

# **The Regional Municipality of York**

Committee of the Whole  
Planning and Economic Development  
March 7, 2019

Report of the Commissioner of Corporate Services and Chief Planner

## **Proposed Employment Area Conversion Criteria**

### **1. Recommendations**

1. Council endorse the proposed employment area conversion criteria in Attachment 4 to be applied by staff when assessing requests for employment area conversions during the Regional Municipal Comprehensive Review (MCR) to inform recommendations to Council.
2. Staff apply the criteria in consultation with local municipal staff and landowners to inform a draft land budget to be considered by Council later this year.
3. The report be circulated by the Regional Clerk to local municipalities and the Ministry of Municipal Affairs and Housing.

### **2. Summary**

This report provides employment area conversion criteria to be applied by staff when considering requests for employment area conversions during the Regional MCR.

Key Points:

- Employment areas contain 53% of the Region's 2018 employment base and are key to maintaining a competitive, diverse, and thriving economy
- To date, the Region has received 30 requests to convert sites within employment areas to non-employment uses (equating to 6% of the employment area land base) through the MCR
- The Growth Plan provides minimum criteria for assessing requests for employment area conversions
- Staff have developed additional Regional criteria that provide for a comprehensive, transparent, and equitable review process
- Proposed criteria were informed by existing official plan policies in York Region and other Ontario jurisdictions and refined through consultation with local municipal staff
- Land owners and the development industry will be consulted on staff's application of the criteria to evaluate requests for conversion



### 3. Background

#### **Employment Area needs will be assessed through the Municipal Comprehensive Review**

Through the MCR, York Region will be updating employment policies and the employment forecast in the Regional Official Plan (ROP). The Region is forecast to grow to 900,000 jobs to 2041, growth of approximately 264,000 jobs from 2018. To plan for this employment growth, staff will be bringing forward the following reports to Council in 2019 and early 2020:

- Historical and future employment trends in the Region and beyond
- Updated policies and mapping of employment areas in the York Region Official Plan
- Employment forecast (by employment type) and land needs assessment to 2041, incorporating recommendations on requests for conversions

Planning for employment through the MCR will also be coordinated with the update of York Region's Economic Development Action Plan which sets out a strategic course of action for economic growth and business attraction in the Region.

For forecasting and land needs assessment purposes, employment is categorized into four types:

1. Employment area: employment within designated employment areas
2. Major office: employment in free standing office buildings of 20,000 square feet or greater
3. Population-related: employment serving the local population such as retail and community services
4. Rural: jobs dispersed throughout rural areas

Criteria presented in this report apply to the employment area category. Employment areas are defined in the Provincial Policy Statement 2014 (PPS) as "areas designated in an official plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices and associated retail and ancillary facilities". Residential and major retail uses are prohibited in employment areas. A more detailed description of the other three employment categories can be found in Attachment 1 and existing employment area boundaries are identified in Attachment 2.

Employment area conversions occur when sites within employment areas are re-designated to accommodate non-employment uses such as residential or major retail. Conversions have a direct impact on the land needs assessment which will determine if additional employment area land is required to accommodate the 2041 employment forecast.

#### **Long term protection of employment areas is important to the Regional economy and integral to the Greater Golden Horseshoe economic market**

Employment areas are strategic to the Region and play a vital role in the broader Greater Golden Horseshoe (GGH) economy. York Region is centrally located within a one day drive

to global markets in the United States, close to Toronto Pearson Airport, and home to the CP intermodal, CN MacMillan rail yard, and a strong network of 400-series highways.

Significant portions of two regionally, provincially, and nationally significant employment zones identified by the Neptis Foundation (shown in Attachment 1) are also located in southern York Region. These clusters provide a significant number of jobs in rapidly growing industries such as Information and Communications Technology (ICT), distribution, and logistics outside of Toronto's downtown core for workers across the GGH.

York Region has approximately 2,590 hectares of vacant employment land, representing approximately one third of the total York Region inventory of designated employment areas. Maintaining a long term supply of employment land is important for live/work opportunities for residents within York Region. Ensuring that these areas remain successful in attracting employment growth is vital for economic growth in the GGH and has the added benefit of reducing commute times and transit trips to downtown Toronto.

### **The success of the Region's employment areas are fundamental to economic vitality and resiliency**

The Region's employment areas are very successful and provide the following economic benefits:

- accommodate 53% of the Region's 2018 total employment base of 636,630 jobs
- have recently attracting major employers like TD, Desjardins and Honda
- support economic vitality and resiliency through a diverse range of industry sectors
- contribute to a healthy tax base and generate revenue through new construction
- support export-based businesses with land extensive or location-specific requirements at lower land costs

### **Provincial and regional policies provide direction to protect employment areas and assess conversion requests**

Provincial Plans and policies highlight the need to protect and preserve employment areas for the long term, including beyond the 20 year horizon. Provincial policies also identify the importance of protecting employment areas along major transportation corridors to support the movement of goods.

Policies in the Growth Plan for the Greater Golden Horseshoe (Growth Plan) have been strengthened and now require upper-tier municipalities to designate and map employment areas in the Regional Official Plan. Conversion of employment areas to non-employment uses may only be considered through a Regional MCR based on a minimum set of criteria. Provincial policies also prevent appeals of employment conversions and conversion policies in upper- tier official plans, once approved by the Province.

Similar to the Growth Plan, policies in the Regional Official Plan emphasize the long term protection of employment areas. The Regional Official Plan prohibits non-employment uses such as residential, major retail, and other retail and commercial non ancillary uses in employment areas. Ancillary retail uses (uses directly supporting the needs of the business park) are limited to 15% of an employment area.

### **The Province is proposing Amendment 1 to the Growth Plan**

On January 15<sup>th</sup> 2019, the Province released proposed Amendment 1 to the Growth Plan and a Proposed Framework for Provincially Significant Employment Zones. Changes related to employment area conversion policies include:

1. Provincially Significant Employment Zones – 29 areas across the GGH that are important to the provincial economy and should not be converted outside of an MCR. Five of these areas have lands in York Region.
2. A policy that would allow consideration of employment area conversions in advance of the next MCR outside of Provincially Significant Employment Zones.

Staff's position on proposed Amendment 1 is that all requests for employment area conversions be considered comprehensively through the MCR process.

## **4. Analysis**

### **York Region has received 30 requests for employment area conversions as part of the MCR to date**

Between 2012 and 2016, approximately 240 hectares of land in employment areas were converted through local Official Plan Amendments. Since the MCR began in 2014, the Region has received an additional 30 requests for employment area conversions. Together, these requests cover approximately 500 hectares of employment land and account for an estimated 6% of the Region's total employment area land base. Details on these requests are provided in Attachment 3. Each request will be assessed against the proposed criteria.

### **Criteria provide a tool to assess conversion requests comprehensively and inform recommendations to Council**

Provincial and regional planning policies direct municipalities to build compact, mixed-use, complete communities. This includes planning for employment in the right locations. In some circumstances, a conversion to a non-employment use may be appropriate if it supports other planning objectives and/or enhances the urban structure. For instance, a conversion request may be in a location suitable for an intensified land use or an area where the original employment area context has changed.

Allowing conversion of designated employment areas to non-employment uses, however, can have short and long term implications on the supply and viability of employment areas.

The introduction of residential or major retail uses in an employment area reduces available land supply and has potential to disrupt the viability of the employment area by conflicting with existing uses or growth of future businesses. Employment areas are the only viable home for businesses with location-specific needs that require land extensive sites in proximity to goods-movement corridors and away from other sensitive land uses. Additionally, introducing non-employment uses into an employment area can increase land costs for adjacent sites.

The proposed conversion criteria will be utilized by staff to inform recommendations on whether a conversion request is appropriate and enhances policy objectives in the Regional Official Plan, or if it will negatively impact the long term supply and/or viability of employment areas.

### **Proposed criteria build on Growth Plan policies to account for the regional context and increase transparency and consistency**

The Growth Plan contains minimum high level conversion policies that must be considered when assessing requests for employment area conversions. Through a MCR, conversion of lands within employment areas to non-employment uses may only be considered where it can be demonstrated that:

- a) there is a need for the conversion
- b) the lands are not required over the horizon of this Plan for the employment purposes for which they are designated
- c) the municipality will maintain sufficient employment lands to accommodate forecasted employment growth
- d) the proposed uses would not adversely affect the viability of the employment area or the achievement of minimum intensification and density targets
- e) there are existing or planned infrastructure and public service facilities to accommodate the proposed uses

Regional staff identified a need for additional criteria that would assist with assessing the context of the Region's employment areas. In many cases, Growth Plan criteria are too general and do not address key provincial and Regional Official Plan objectives, including:

- protection of employment areas adjacent to 400-series highways and other goods-movement infrastructure
- provision of choice through a range of site sizes, particularly a healthy supply of large-scale parcels

Criteria that expand on Growth Plan criteria provide staff with a more comprehensive, equitable and transparent process for assessing the 30 requests for employment area conversions received to date.



## **The proposed conversion criteria were developed with local municipal staff and through a review of Official Plan policies in York Region and other jurisdictions in Ontario**

In developing the proposed conversion criteria, Regional staff undertook a review of Regional and local Official Plan policies and employment area conversion criteria in other Ontario municipalities. The Cities of Ottawa, Toronto, Mississauga, Burlington, Hamilton and Milton have developed employment area conversion criteria that complement the criteria in the PPS and the Growth Plan (where applicable). It was evident that each criterion had been developed to ensure the specific needs of the municipality's economy and local context were being met when assessing requests for conversions.

In developing additional criteria, staff hosted a number of workshops with regional and local municipal staff.

## **York Region employment area conversion criteria will help assess requests for conversions using five core principles**

The proposed employment area conversion criteria have been organized into five theme areas which align with conversion policies in the Growth Plan and Regional Official Plan in working together to support the Region's long term vision. The theme areas highlight the five core principles staff will be considering when assessing each request for employment area conversion. The following provides an explanation of each theme area. The proposed employment area conversion criteria are in Attachment 4.

### **1. Supply**

Preserving an adequate and diverse supply of employment land is vital to meeting overall regional and local long-term employment needs. The Region's proposed criteria expand on the Growth Plan by prohibiting employment area conversions in recently designated and largely vacant employment areas and by preserving large-size employment parcels to meet the future needs of businesses with specific locational requirements. This includes protection of lands that are planned beyond the 2041 planning horizon.

### **2. Viability**

Viability is the ability for an employment area to operate successfully and sustain success over the long-term. While Growth Plan conversion policies speak to preserving the viability of employment areas, more specifically this includes factors such as impacts to existing businesses operations, opportunities for future business investment, linkages between businesses and compatibility of land uses. Regional criteria prohibit consideration of requests if the entire perimeter of the site is surrounded by lands designated and intended to remain designated for employment purposes.

### 3. Access

Both the Growth Plan and Regional Official Plan encourage protection of sites in the vicinity of major highways, rail yards and airports. There are however, no specific conversion policies in the Growth Plan that consider the importance of these areas. In addition to these sites being valuable for goods-movement purposes, access to major transportation infrastructure is desirable from an economic development perspective. Proposed Regional criteria would consider the location of a site when assessing requests for employment area conversions.

### 4. Infrastructure

Growth Plan criteria recognize the importance of ensuring availability of existing or planned infrastructure such as sewage, water, energy and transportation as well as public service facilities prior to converting employment areas. The York Region Official Plan also emphasizes the importance of providing residents and employers with high quality public services and infrastructure systems.

### 5. Region-wide Interests

Under the Growth Plan, the Region is now responsible for planning employment areas and assessing employment conversions. Together with local municipal partners, it is the Region's responsibility to ensure that Regional and local planning objectives are considered and met. While Growth Plan conversion policies require proponents to identify a need for a conversion, additional Regional criteria under this theme ensure a proposed conversion would not compromise any other regional or local municipal planning objectives and considers potential issues that cross regional boundaries.

## **Proposed conversion criteria protect employment areas beyond the planning horizon and prohibit conversions in employment areas that have yet to develop**

As stated in the PPS, employment areas may be planned beyond the planning horizon. To that end, even if the Regional land needs assessment determines a surplus of employment land, the attached criteria will be used to assess the merits of conversion requests up to and beyond the 2041 planning horizon.

Staff are proposing that employment area conversion requests not be considered in the following recently planned employment areas, highlighted in Attachment 2: Keswick Business Park, Queensville, Highway 404 (ROPA 1), ROPA 3, and Highway 400 North (ROPA 52). To date, the Region has received conversion requests in Highway 400 North. Conversion of lands in these areas would be premature as they have not had the opportunity to develop and the nature and character of these areas has yet to be established. In many cases, this is due to pending servicing or the area may have recently been brought into the urban boundary to accommodate future employment area employment growth to 2031. As a result, preserving these areas for future employment uses is integral to meeting Regional and local municipal long term employment needs. These areas are more appropriately evaluated through a subsequent MCR.

## **Proposed Amendment 1 does not impact the proposed criteria to assess requests for employment area conversions**

Proposed changes in Amendment 1 to the Growth Plan do not impact the way in which staff recommend assessing requests for conversions in employment areas. Staff's position on proposed Amendment 1 is that all requests for employment area conversions be considered comprehensively through the MCR, not in advance of the next MCR. Since the Region's MCR is well underway, it is appropriate to consider all requests for conversion comprehensively through that process.

## **Land owners will be consulted on the Region's preliminary evaluations of requests for conversions**

Over the coming months, staff will be applying the criteria to evaluate requests for employment area conversions and generate preliminary recommendations. Results of preliminary assessments will be shared and discussed with land owners, local municipal staff, and other stakeholders as appropriate. Adjacent land owners for sites that staff recommend be considered for conversion will also be notified.

## **Preliminary assessments on requests for conversion will be presented to Council in conjunction with the draft forecast in fall 2019**

Assessments on requests for employment area conversions are one of many inputs to the Region's employment forecast and policy update. The draft forecast is scheduled to be presented to Council in the fall of 2019 and will be informed by a detailed review of existing official plan policies, recommendations on requests for conversions, and analysis on historical and future trends. This work will also be an important input to the Economic Development Action Plan update.

Land owner conversion requests received by the Region by May 1<sup>st</sup> 2019 will be considered in the Region's draft forecast and land needs assessment tentatively scheduled for fall 2019. Through consultation with local municipal staff, land owners, and other stakeholders, recommendations on each request will be presented to Council with the draft forecast.

## **Planning and protecting employment areas supports goals of Vision 2051 and the Strategic Plan**

Protecting employment areas has a strong policy framework in the ROP and links to Vision 2051's goal area of An Innovation Economy. Vision 2051 has links to economic growth in all eight goal areas.

A number of indicators under the Economic Vitality strategic priority area of the Strategic Plan focus on preservation of the Region's finite supply of employment areas, one of which is protection and securement of employment areas along 400 series highways.

## **5. Financial**

Employment areas play a central role in the Region's economy. Availability of a wide range of employment land is integral to fiscal health of a community and can directly affect economic development and diversification of the assessment base. Employment growth also has potential to generate spinoff economic benefits.

## **6. Local Impact**

York Region staff have met with local municipal planning staff to discuss protecting employment areas. Local municipal staff helped develop the proposed criteria and will be an integral part of the evaluation process. Extensive consultation with local municipal staff will occur when developing recommendations on each request for conversion. Local municipalities are key partners in the ongoing preservation, enhancement and planning of employment areas.

## **7. Conclusion**

Employment areas are strategic and vital to the Regional economy. Employment areas accommodate over 53% of the Region's 2018 employment base and have a number of economic benefits. These include providing York Region residents with access to high-quality jobs, supporting a healthy tax base and accommodating export-based businesses with land extensive or specific location requirements at lower land costs.

To date, the Region has received 30 requests for employment area conversion. Staff have developed a set of proposed employment area conversion criteria (Attachment 4) to evaluate these requests. The Region's criteria build on Growth Plan policies and provide a comprehensive and equitable basis for evaluating requests for employment area conversions. Recommended treatment of lands subject to requests for conversion will be evaluated with local municipalities, land owners and other stakeholders as required before being presented to Council with the Region's recommended growth scenario in the fall of 2019.



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For more information on this report, please contact Paul Bottomley, Manager, Policy, Research, and Forecasting at 1-877-464-9675 ext. 71530. Accessible formats or communication supports are available upon request.

Recommended by:

**Paul Freeman, MCIP, RPP**  
Chief Planner

**Dino Basso**  
Commissioner of Corporate Services

Approved for Submission:

**Bruce Macgregor**  
Chief Administrative Officer

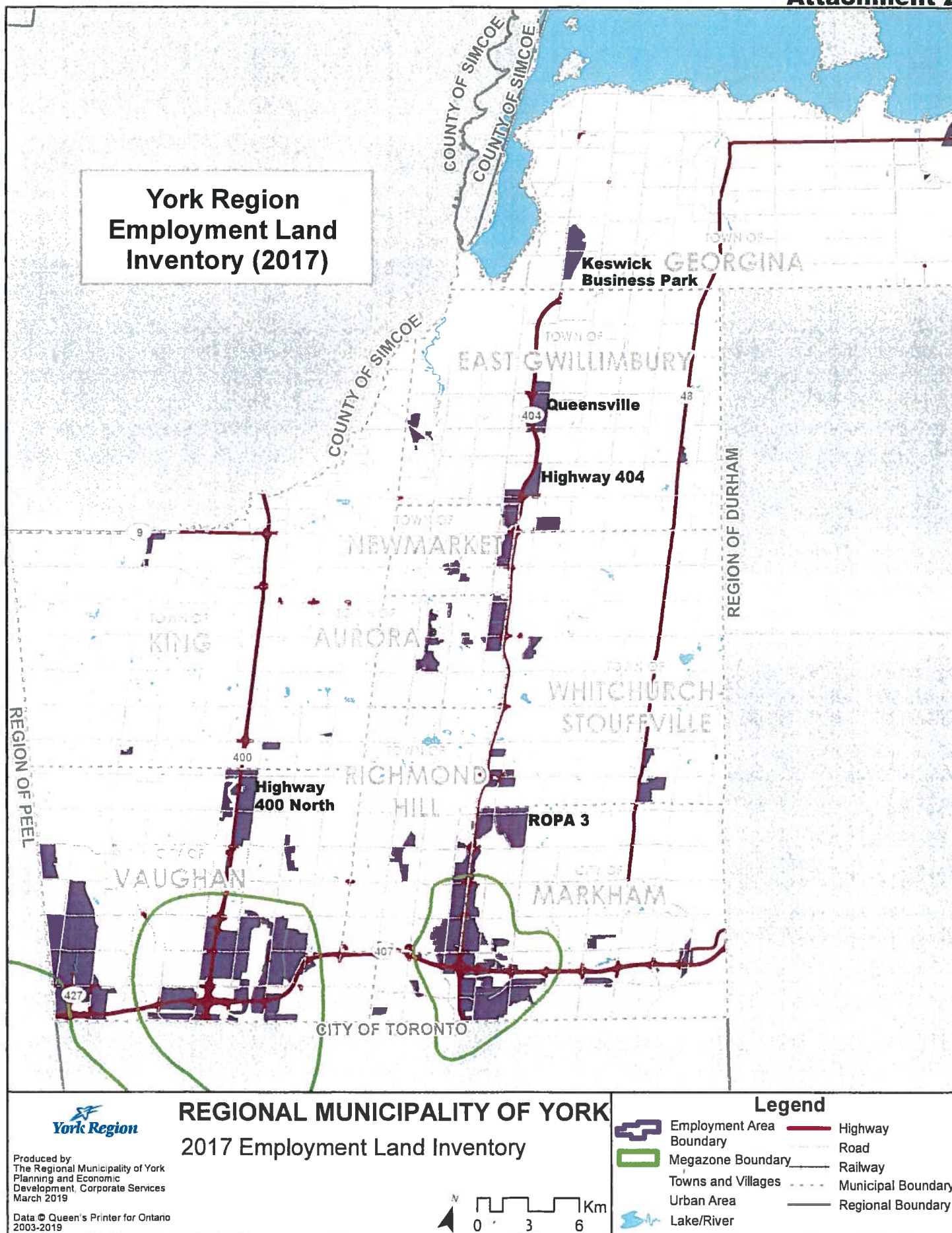
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February 22, 2019  
Attachments (4)  
eDOCS #9111458

### **Employment Type Definitions**

For forecasting and land needs assessment purposes, the Region categorizes employment into four types:

1. **Employment area:** Employment within designated employment areas, excluding major office. This type of employment typically includes business activities such as manufacturing, research and development, warehousing and ancillary retail and service uses.
2. **Major office:** Employment occurring in free standing office buildings of 20,000 square feet or more. Finance, insurance and real estate businesses typically occupy major office space. City or town halls, police stations, hospitals and school board offices are not included in this category and are classified as population-related employment.
3. **Population related:** Employment serving the local population such as retail, education, government, social and community services and medical services. This type of employment tends to grow directly in response to population growth. Home based businesses are also captured in this category.
4. **Rural:** includes jobs dispersed throughout rural areas (i.e. agriculture, primary industries)

**Attachment 2**

**Attachment 3****Proposed Employment Area Conversion Requests by Municipality**

The following is a list of land owner submissions requesting re-designation of lands to a non-employment use. Employment area conversion requests received as of February 5<sup>th</sup> 2019 have been included in this table.

	<b>Address</b>	<b>Location</b>	<b>Employment Area</b>	<b>Total Area (ha)*</b>	<b>Municipality</b>	<b>Nature of Request</b>
1	180 and 182 Centre Cres	The subject property is located west of Industrial Parkway and north of Centre Street, in the Industrial Parkway North Employment Area.	Industrial Parkway North	0.8	Aurora	A request to re-designate subject lands from employment and light industrial uses to residential use.
2	337 Magna Drive	The subject lands are located in the southeast and southwest quadrant of Stronach Boulevard and Wellington Street East in the Magna Business Park.	Magna	10.0	Aurora	A request to re-designate lands from Business Park employment use to Mixed Use, Medium – High Density Residential, and Community Commercial uses
3	1289 Wellington Street East	The subject lands are located at the southwest corner of Leslie Street and Wellington Street East in the Magna Employment Area.	Magna	3.5	Aurora	A request to re-designate subject lands from Business Park employment use to Community Commercial designations
4	20 and 25 Mavrinac Boulevard	The subject lands are located at the northeast and northwest corner of Mavrinac Boulevard and Wellington Street East.	Magna	6.9	Aurora	A request to re-designate lands from Business Park employment use to Low to Medium Residential and Medium to High Density Residential uses
5	5821, 5845, 5865, 5875, 5933 14th Ave	The subject lands are bounded by 14th Ave to the north, a shopping plaza along Markham Road to the east, the Aaniin Community Centre to the west and vacant lands to the south. The site is within the Armadale Employment Area.	Armadale	4.8	Markham	A request to re-designate a portion of the subject lands from employment to residential



	Address	Location	Employment Area	Total Area (ha)*	Municipality	Nature of Request
6	8050 Woodbine Avenue	Site is located on the west side of Woodbine, right south of the intersection of Woodbine and Highway 407.	Rodick	3.3	Markham	A request to relax the current employment designation of the property and achieve site-specific policy recognition. The property qualifies as a Major Transit Station Area.
7	2730 Elgin Mills Road	Site is located on the north side of Elgin Mills Road, west of Woodbine Avenue and just east of Highway 404.	Victoria Square	1.0	Markham	A request to re-designate lands from "Service Employment" use to "Low Rise Residential"
8	7386 & 7482 Highway 7 East, 8600 & 8636 Reesor Road, 8662/8724 Reesor Road	The site is bounded by Highway 7 to the south, Donald Cousens Parkway to the west and north, and Reesor Road to the east in the Cornell Employment Area.	Cornell	18.4	Markham	A request to convert employment land to support mixed-use development comprising medium and high density residential, retail, office commercial and a hotel
9	Part of Lot 11, Concession 9	The subject property is located at northwest corner of Highway 7 East and Donald Cousens Parkway, within the Cornell Employment Area	Cornell	1.0	Markham	A request to re-designate land from employment use to permit residential use, in addition to retail, office, and employment uses already permitted within the "Business Park Area - Avenue 7 Corridor" designation of the Cornell Secondary Plan (2008)

	Address	Location	Employment Area	Total Area (ha)*	Municipality	Nature of Request
10	77 Anderson Avenue	The subject site is located on the north side of Bur Oak Avenue, west of the CN Rail line, and east Anderson Avenue and Markham Road. The lands are also north of the Mount Joy GO Transit station, within the Mount Joy Business Park.	Mount Joy	0.5	Markham	A request to re-designate subject lands from Service Employment to Mixed Use High Rise
11	301 & 395 Mulock Drive, 421 Cane Parkway, 450 & 505 Kent Drive, 460 Oak Street, 489 & 510 Penrose Street, 559, 569, 589, 590 & 611 Steven Court, 16630, 16650 & 16700 Bayview Avenue	The subject lands, consisting of multiple parcels, are located in the northwest and southwest quadrants of Bayview Avenue and Mulock Drive. These properties are part of the Mulock Southeast and Mulock North Employment Areas in Newmarket.	Mulock Southeast and Mulock North	18.3	Newmarket	The Town of Newmarket has initiated the Mulock GO Station Area Secondary Plan, with plans for converting existing employment areas to allow for mixed-uses, including retail and residential uses.
12	1577 Major Mackenzie Drive East	The subject property is located at the southwest corner of Major Mackenzie Drive and Highway 404 in the Headford Business Park.	Headford	17.6	Richmond Hill	A request to re-designate employment lands to mixed-use to facilitate the development of high-density residential and commercial uses (including office, retail/service commercial and hotels) on site.

	Address	Location	Employment Area	Total Area (ha)*	Municipality	Nature of Request
13	1521 19th Avenue	The subject lands are located on the south side of 19th Avenue, east of Leslie Street within the North Leslie Secondary Plan area. This application is submitted together with 1585 19th Avenue – see application # 41.	North Leslie	0.1	Richmond Hill	A request to re-designate lands from employment to residential use.
14	1585 19th Avenue	The subject lands are located on the south side of 19th Avenue, east of Leslie Street within the North Leslie Secondary Plan area. This application is submitted together with 1521 19th Avenue – see application # 40.	North Leslie	0.4	Richmond Hill	A request to re-designate lands from employment to residential use.
15	93 Edward Avenue and 500 Elgin Mills Road East	The site is bounded by Elgin Mills Rd. E to the South, Edward Ave to the west, Community Living York South to the north, and Rose Branch Drive to the east.	Newkirk	2.7	Richmond Hill	A request to re-designate subject lands to permit a private school with outdoor recreation area/sports field at 93 Edward Avenue.
16	11421 Weston Road; Part of Lot 30, Concession 5	The property is located in the south-east quadrant of Kirby Road and Weston Road. The site is bounded by Kirby Road to the north, Weston Road west, residential to the east.	Highway 400 North (Teston West) (ROPA 52)	18.3	Vaughan	A request to re-designate lands to allow mixed-use permissions (including residential use) beyond employment uses permitted by the City of Vaughan OPA 637. The site is also located within the ROPA 52 area.

	Address	Location	Employment Area	Total Area (ha)*	Municipality	Nature of Request
17	233 Four Valley Drive, 1040-1080 Edgeley Blvd	The property is located in the southeast quadrant of Bass Pro Mills Drive and Edgeley Boulevard, in the Vaughan 400 North Employment Area.	Vaughan 400 North	6.0	Vaughan	A request to re-designate employment land to support mixed-use development on site.
18	11, 27 and 37 Jacob Keefer Parkway	The subject property is located at the southeast corner of Rutherford Road and Jacob Keefer Parkway, along the northern boundary of the Tutor West Employment Area.	Tutor West	1.0	Vaughan	A request to permit residential use on the subject lands currently designated as "Employment Commercial Mixed-use" in the 2010 Vaughan Official Plan.
19	7625 Martin Grove Road & 211 Woodstream Boulevard	The subject property contains two parcels, located south of Highway 7, east of Martin Grove Road, on the north and south sides of Woodstream Boulevard. The subject lands are situated in the West Woodbridge Employment Area.	West Woodbridge	1.8	Vaughan	A request to re-designate lands from employment uses to mid-rise mixed-use for residential and commercial uses
20	661 and 681 Chrislea Road	The subject lands are located in the southwest quadrant of Langstaff Road and Highway 400, bounded by Silmar Drive in the west and Chrislea Road to the south. The property is situated in the Weston 400 Employment Area.	Weston 400	1.6	Vaughan	A request to re-designate subject lands from Employment use to High-Rise Mixed use

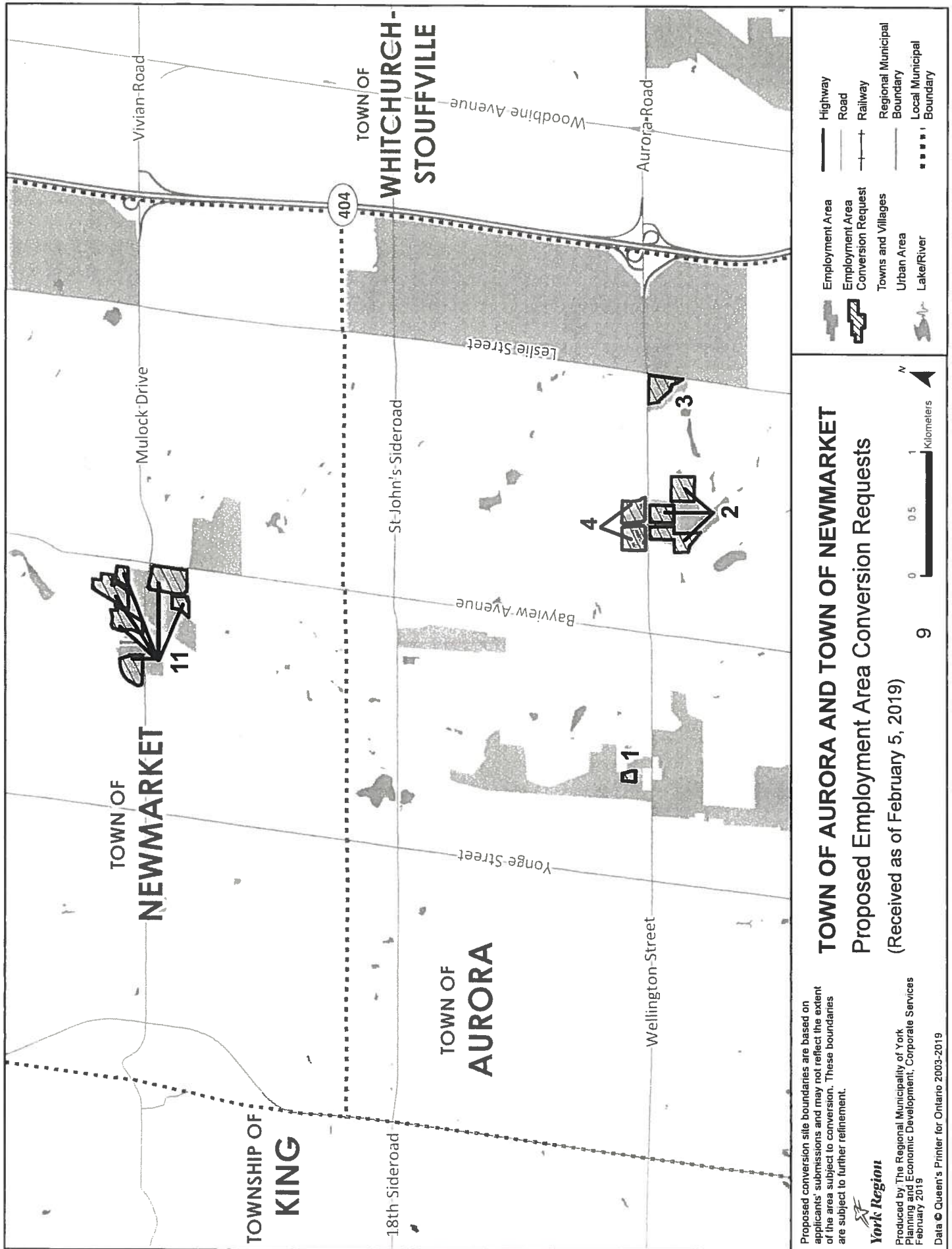


	Address	Location	Employment Area	Total Area (ha)*	Municipality	Nature of Request
21	Lots 26 to 35, Vaughan Concession 5 & Lot 1, King Concession 5 (3440 Kirby Road and 11720 Jane Street)	The subject lands are located on the east and west sides of Highway 400. Lands to the east of the Highway are bounded by King Vaughan Road to the north, Jane Street to the east, and Kirby Road to the south. The western portion is bounded by King Vaughan Road to the north, Weston Road to the west, and Teston Road to the south. The lands are also known as Blocks 34W and 35 in Vaughan. They are also located within the ROPA 52 area.	Highway 400 North (ROPA 52)	291.0	Vaughan	A request to re-designate the subject lands from employment to residential uses.
22	8083 Jane Street	The subject property is located at the southeast corner of Jane Street and MacIntosh Boulevard in the Vaughan 400 Employment Area.	Vaughan 400	1.8	Vaughan	A request to re-designate lands from Prestige and General Employment to Mixed Use designation.
23	8821 Weston Road	The subject lands are located south of Rutherford Road, north of Langstaff Road, on the east side of Weston Road, and west of Highway 400. The property is located in the Weston 400 North Employment Area.	Weston 400 North	3.6	Vaughan	A request to re-designate subject lands from Prestige Employment to Employment Commercial – Mixed use
24	Part of Lot 14 and 15, Concession 5	The property is located in the south-east quadrant of Rutherford Road and Weston Road, just west of Highway 400, in the Vaughan Mills Centre Employment Area.	Vaughan Mills Centre	39.0	Vaughan	A request to re-designate the subject lands from employment to residential/ mixed-uses.

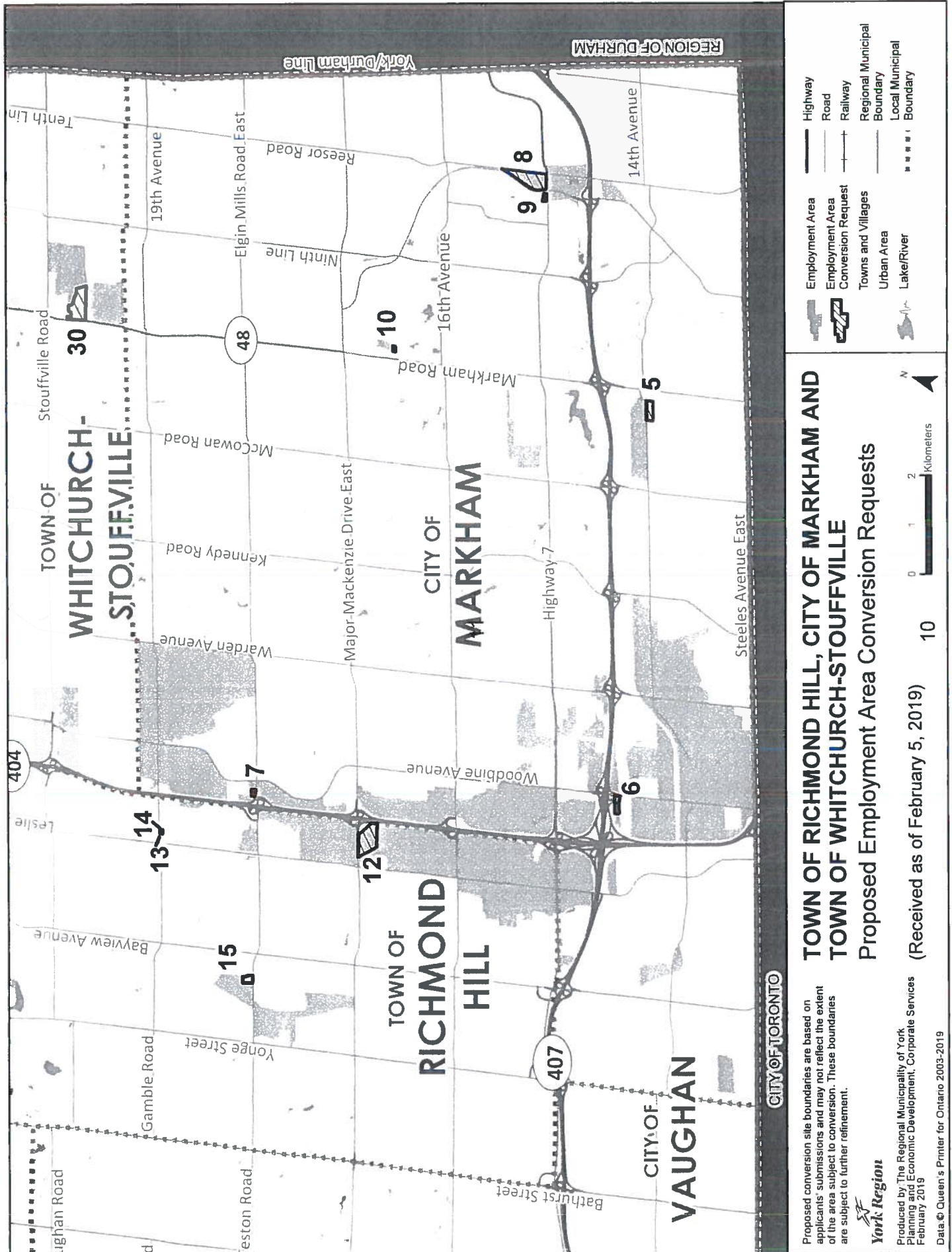
	Address	Location	Employment Area	Total Area (ha)*	Municipality	Nature of Request
25	6241 Rutherford Road	The subject property is located on the south side of Rutherford Road, to the west of Highway 27. It is situated within the Block 59 planning area and in the West Vaughan Employment Area.	West Vaughan – Huntingdon East	8.2	Vaughan	A request to convert employment lands from the current Prestige Employment designation to facilitate the development of a banquet hall
26	2739 Highway 7	The subject property is located at the southwest corner of Highway 7 and Costa Road, in the Jane South Employment Area. The site is currently used for the storage of equipment/vehicles. It is located just east of the Vaughan Metropolitan Centre Secondary Plan area.	Jane South	0.3	Vaughan	Request to convert employment land to allow residential uses
27	45, 65, 85, 115 Bowes Road and 1950 and 1970 Highway 7	Site bounded by Highway 7 to the south, the railway to the east, and Bowes Road to the west.	Keele	12.4	Vaughan	A request to re-designate lands from Employment Commercial Mixed-Use to Mixed-Use Commercial/Residential
28	2267 Highway 7 and 7700 Keele Street	The subject lands are located at the southwest quadrant of Highway 7 and Keele street.	Keele	5.5	Vaughan	A request to redesignate the subject lands to a mixed-use residential development
29	156 Chrislea Road and 15 Jevlan Drive	The subject lands are bounded by Jevlan drive to the west, Chrislea road to the south and east and employment lands to the north.	Weston 400	1.5	Vaughan	A request to allow greater flexibility in the permitted uses including more retail and service commercial type uses.

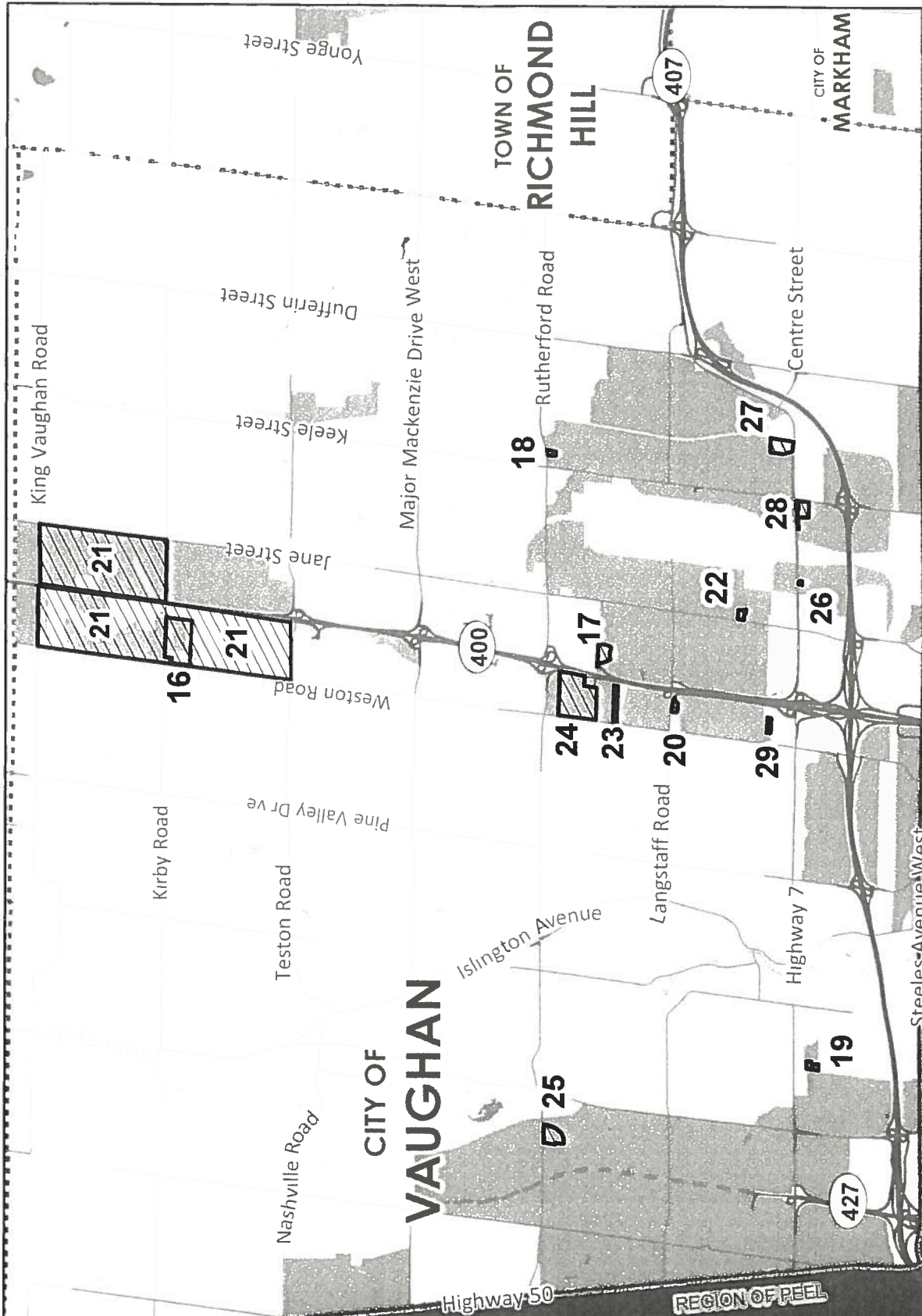
	Address	Location	Employment Area	Total Area (ha)*	Municipality	Nature of Request
30	12049 Highway 48	The subject lands form Block 7, Registered Plan 65M-4444, at the north-east corner of Highway No. 48 and Hoover Park Drive.	Stouffville South	18.0	Whitchurch-Stouffville	A request to redesignate the subject lands to allow for mixed use residential and commercial development

\*Conversion site boundaries are based on applicants' submissions and may not reflect the extent of the area subject to conversion. Areas are subject to change.









Proposed conversion site boundaries are based on applicants' submissions and may not reflect the extent of the area subject to conversion. These boundaries are subject to further refinement.



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Planning and Economic Development, Corporate Services  
February 2019

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# CITY OF VAUGHAN

## Proposed Employment Area Conversion Requests

(Received as of February 5, 2019)



- |                    |                             |
|--------------------|-----------------------------|
| Employment Area    | Highway                     |
| Conversion Request | Proposed Highway            |
| Towns and Villages | Road                        |
| Urban Area         | Railway                     |
| Lake/River         | Regional Municipal Boundary |
|                    | Local Municipal Boundary    |

### **Proposed Employment Area Conversion Criteria**

Employment Area conversion requests will be assessed using criteria. The provincial Growth Plan employment area conversion criteria have been incorporated into the Region's proposed criteria as listed below. Table 1 provides more detailed information of each criteria and their importance in being considered when evaluating a conversion request.

The conversion of lands within employment areas to non-employment uses may be permitted only through a Municipal Comprehensive Review where it is demonstrated that:

#### **Growth Plan Criteria**

1. The lands are not required over the horizon of the Growth Plan for the employment purposes for which they are designated (Growth Plan 2.2.5.9 b).
2. The Region and local municipality will maintain sufficient employment lands to accommodate forecasted employment growth, including sufficient employment land employment growth, to the horizon of the Growth Plan (modified Growth Plan 2.2.5.9.c).
3. Non-employment uses would not adversely affect the overall viability of the employment area or the achievement of the minimum intensification and density targets and other policies in the Growth Plan (modified Growth Plan 2.2.5.9 d).
4. There are existing or planned infrastructure and public service facilities to accommodate the non-employment uses (e.g. sewage, water, energy, transportation) (modified Growth Plan 2.2.5.9 e).
5. There is a need for the conversion (Growth Plan 2.2.5.9 a).

#### **York Region Criteria**

6. The following employment areas will not be considered for conversion as they have not yet had the opportunity to develop due to servicing constraints or have recently been brought into the urban boundary to accommodate employment land employment growth to 2031: Keswick Business Park, Queensville, Highway 404 (ROPA 1), ROPA 3, and Highway 400 North (ROPA 52).
7. The conversion will not be considered if the entire perimeter of the site is surrounded by lands designated for employment uses.

8. Conversion of the site would not compromise the Region's and/or local municipality's supply of large sized employment area sites (i.e. 10 ha or greater) which allow for a range uses including but not limited to land extensive uses such as manufacturing, warehousing, distribution and logistics.
9. The conversion will not destabilize or adversely affect current or future viability and/or identity of the employment area with regards to:
  - a) Hindering the operation or expansion of existing or future businesses
  - b) Maintaining lands abutting or in proximity to the conversion site for employment purposes over the long term
  - c) Attracting a broad range of employment opportunities and maintaining clusters of business and economic activities
  - d) Providing appropriate buffering of employment uses from non-employment uses.
10. The conversion to a non-employment use is compatible with the surrounding uses such as existing employment uses, residential or other sensitive land uses and will mitigate existing and/or potential land use conflicts.
11. The site offers limited development potential for employment land uses due to factors including size, configuration, access and physical conditions.
12. The proposed site is not adjacent to 400-series highways, or is not located in proximity to existing or planned highways and interchanges, intermodal facilities, airports and does not have access to rail corridors
13. The proposed conversion to a non-employment use does not compromise any other planning policy objectives of the Region or local municipality.
14. Cross-jurisdictional issues have been addressed.



Table 1: York Region Employment Area Conversion Criteria Descriptions

Theme Area	Criteria	Description
<b>Supply</b>	1. The lands are not required over the horizon of the Growth Plan for the employment purposes for which they are designated ( <i>GP 2.2.5.9 b</i> ).	<ul style="list-style-type: none"> <li>Intended to ensure an appropriate amount of land designated as employment to accommodate the employment forecast over the planning horizon.</li> </ul>
<b>Supply</b>	2. The Region and local municipality will maintain sufficient employment lands to accommodate forecasted employment growth, <i>including sufficient employment land employment growth</i> , to the horizon of the Growth Plan ( <i>modified GP 2.2.5.9.c</i> ).	<ul style="list-style-type: none"> <li>Intended to ensure that both York Region and the local municipal land needs assessments will be considered when evaluating conversion requests.</li> <li>Additionally, the words “sufficient employment land employment growth” were added to identify that protecting ELE jobs is a Regional priority as employment lands are home to the majority of the Region’s jobs.</li> </ul>
<b>Viability</b>	3. Non-employment uses would not adversely affect the overall viability of the employment area or the achievement of the minimum intensification and density targets and other policies in the Growth Plan ( <i>modified GP 2.2.5.9 d</i> ).	<ul style="list-style-type: none"> <li>Intended to ensure that the viability of the employment area is maintained and that density (Designated Greenfield Area, Employment Area) and intensification (Urban Growth Centres, Strategic Growth Areas, and Major Transit Station Areas) targets can be met.</li> </ul>
<b>Infrastructure</b>	4. There are existing or planned infrastructure and public service facilities to accommodate the non-employment uses ( <i>e.g. sewage, water, energy, transportation</i> ) ( <i>modified GP 2.2.5.9 e</i> ).	<ul style="list-style-type: none"> <li>When evaluating conversions consider if the existing or planned infrastructure and public service facilities are available to support the non-employment uses.</li> </ul>

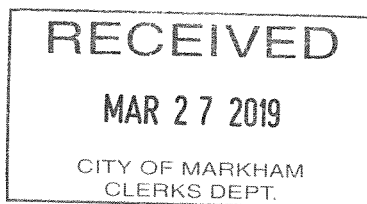
Theme Area	Criteria	Description
Region Wide	5. There is a need for the conversion (GP 2.2.5.9 a).	<ul style="list-style-type: none"> <li>• Need can generally be defined by considering land supply and the urban structure. When applying this criteria, the following questions should be asked:</li> <li>• Is there not enough land to accommodate the development objectives elsewhere?</li> <li>• Are there specific characteristics of the proposed site that would result in a non-employment use being better integrated with the regional or local urban structure or better support Regional and local planning objectives?</li> </ul>
	6. The following employment areas will not be considered for conversion as they have not yet had the opportunity to develop due to servicing constraints or have recently been brought into the urban boundary to accommodate employment land employment growth to 2031: Keswick Business Park, Queensville, Highway 404 (ROPA 1), ROPA 3, and Highway 400 North (ROPA 52).	<ul style="list-style-type: none"> <li>• Due to the nature, character, and potential success of these employment areas, time to develop should be given prior to considering these areas for conversion.</li> <li>• Queensville: Secondary Plan was approved for this employment area in 1998. Water/wastewater servicing is not available to this area and is contingent on the Upper York Sewage Solution – currently scheduled for 2026.</li> <li>• ROPA 1: Brought into the urban boundary through YROP-2010. Minimal opportunity for development exists in this employment area as full build out is contingent on the Upper York Sewage Solution – currently scheduled for 2026.</li> <li>• ROPA 3: Brought into the urban boundary through the YROP-2010. Additional infrastructure is required to support the full buildout of this employment area.</li> <li>• ROPA 52: Brought into the urban area through YROP-2010. The Northeast Vaughan sewer upgrade (currently scheduled for 2028) is required to support the full buildout of this area.</li> <li>• Keswick Business Park: Secondary Plan for this employment area was approved in 2004. Despite having regional servicing available, the area has no local water/ waste water servicing.</li> </ul>
Viability	7. The conversion will not be considered if the entire perimeter of	<ul style="list-style-type: none"> <li>• An important component of employment area viability is location. If a site proposed for conversion creates a “hole” in the employment</li> </ul>

Theme Area	Criteria	Description
	the site is surrounded by lands designated for employment uses.	<p>area, the employment area becomes disconnected. If a site becomes disconnected, it has the potential to impact a larger area than just the site being converted as well as sites immediately adjacent.</p> <ul style="list-style-type: none"> <li>• This can also impact market attractiveness and limit choice of different sized sites for new businesses or existing business expansions in the surrounding area. It can also open the door to future land use compatibility issues depending on the type of non-employment use permitted on those converted lands.</li> </ul>
<b>Supply</b>	<p>8. Conversion of the site would not compromise the Region's and/or local municipality's supply of large sized employment area sites (i.e. 10 ha or greater) which allow a range of uses including but not limited to land extensive uses such as manufacturing, warehousing, distribution and logistics.</p>	<ul style="list-style-type: none"> <li>• Protecting a diverse range, size and mix of employment areas ensures a competitive economic environment as stated in policy 2.2.5.1b of the Growth Plan. The Region has been experiencing substantial growth in many land extensive sectors such as manufacturing, warehousing, distribution and logistics, a trend that is likely to continue with automation and artificial intelligence. Preserving these sites for prospective employers is important.</li> <li>• What is the size of the proposed site?</li> <li>• Does the site have the potential to accommodate land extensive uses?</li> </ul>
<b>Viability</b>	<p>9. The conversion will not destabilize or adversely affect current or future viability and/or identity of the employment area with regards to:</p> <p>a) Hindering the operation or expansion of existing or future businesses</p> <p>b) Maintaining lands abutting or in proximity to the conversion site for employment purposes over the long term</p>	<ul style="list-style-type: none"> <li>• Intended to determine if the proposed conversion will impact the current or future viability of the employment area.</li> <li>• There are many factors that can be used to measure the impact a conversion may have on the success of an employment area.</li> <li>• This criteria is supportive of Growth Plan policies 2.2.5.1a and 2.2.5.7c</li> </ul>

Theme Area	Criteria	Description
	c) Attracting a broad range of employment opportunities and maintaining clusters of business and economic activities d) Providing appropriate buffering of employment uses from non-employment uses.	
<b>Viability</b>	10. The conversion to a non-employment use is compatible with the surrounding uses such as existing employment uses, residential or other sensitive land uses and will mitigate existing and/or potential land use conflicts	<ul style="list-style-type: none"> <li>The land uses adjacent to a conversion site must be considered when evaluating the conversion request.</li> <li>Will the conversion potentially enhance the character and condition of that proposed site? And will it be compatible with existing and future uses in the area?</li> </ul>
<b>Viability</b>	11. The site offers limited development potential for employment land uses due to factors including size, configuration, access and physical conditions	<ul style="list-style-type: none"> <li>Employment areas are not equal in their attributes and desirability. Existing functional attributes of an employment area such as size, configuration, access and physical conditions are an indication of the area's current and long-term viability.</li> </ul>
<b>Access</b>	12. The proposed site is not adjacent to 400-series highways, is not located in proximity to existing or planned highways and interchanges, intermodal facilities, airports and does not have access to rail corridors	<ul style="list-style-type: none"> <li>This criteria supports the Growth Plan and Regional Official Plan policies around preserving employment areas located near major goods movement corridors to support employment activities that require heavy truck and rail traffic (OP policy 4.3.6, GP policy 2.2.5.1.b, 2.2.5.8). Additionally, these sites offer highway frontage, which is a desirable feature for attracting new investment to the Region (Goal 5 of the Economic Development Action Plan)</li> </ul>
<b>Region Wide</b>	13. The proposed conversion to a non-employment use does not compromise any other planning policy objectives of the Region or local municipality.	<ul style="list-style-type: none"> <li>When evaluating conversion requests, all Regional and Local planning objectives must be met. In the event that a particular conversion request does not meet one of the planning objectives of the Official Plan, but does meet the criteria, a rationale as to why the conversion is not recommended will be considered under this criterion.</li> </ul>



Theme Area	Criteria	Description
<b>Region Wide</b>	14. Cross-jurisdictional issues have been addressed	<ul style="list-style-type: none"> <li>Intended to ensure that potential conflicts / shared access/servicing with neighbouring upper- and single-tier municipalities (Peel, Toronto, Durham, Simcoe) as well as local municipalities are considered and addressed when evaluating a conversion request</li> </ul>



Corporate Services  
Regional Clerk's Office

March 22, 2019

Ms. Kimberley Kitteringham  
City Clerk  
City of Markham  
101 Town Centre Boulevard  
Markham, ON L3R 9W3

Dear Ms. Kitteringham:

**Re: 2018 Integrated Management System Update Report for Water, Wastewater and Waste Management**

Regional Council, at its meeting held on March 21, 2019, adopted the following recommendations of Committee of the Whole regarding "2018 Integrated Management System Update Report for Water, Wastewater and Waste Management":

1. The Regional Clerk circulate this report to the Clerks of the local municipalities for information and the Ontario Chief Drinking Water Inspector (Ministry of the Environment, Conservation and Parks).

The original staff report is enclosed for your information.

Please contact David Szeptycki, Director, Strategy & Innovation at 1-877-464-9675 ext. 75723 if you have any questions with respect to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Christopher Raynor".

Christopher Raynor  
Regional Clerk

Attachment

# **The Regional Municipality of York**

Committee of the Whole

Environmental Services

March 7, 2019

Report of the Commissioner of Environmental Services

## **2018 Integrated Management System Update Report for Water, Wastewater and Waste Management**

### **1. Recommendation**

1. The Regional Clerk circulate this report to the Clerks of the local municipalities for information and the Ontario Chief Drinking Water Inspector (Ministry of the Environment, Conservation and Parks).

### **2. Summary**

Providing information on the efficacy of Environmental Services' Integrated Management System supports Council in meeting statutory standard of care requirements under the *Safe Drinking Water Act, 2002* demonstrating operational due diligence.

- The Integrated Management System is well-established and provides a structured approach to risk mitigation and continual improvement.
- 92 water, wastewater and waste management audits were performed in 2018, which provide continued insight into the delivery of our services and result in improved operational performance and regulatory due diligence.
- Accomplishments achieved in 2018 through the Integrated Management System include: successful transition to new requirements under quality and environmental standards; and formal implementation of the International Organization for Standardization (ISO) 9001 quality management standard at waste management depots.

### **3. Background**

**Council has significant responsibilities to ensure safe drinking water under the *Safe Drinking Water Act, 2002***

Councillors have an important role to play in ensuring that York Region's drinking water systems provide safe, high-quality drinking water. Section 19 of the *Safe Drinking Water*

*Act, 2002* clarifies the legal responsibility held by people with decision-making authority over municipal drinking water systems by imposing a statutory standard of care. It requires Councillors to exercise a level of care, diligence and skill with regard to a municipal drinking water system that a reasonably prudent person would be expected to exercise. York Region Council fulfills this duty through an ongoing commitment to financial support for water systems and continual improvement initiatives to proactively managing risks to protect people and the community. This requirement is further defined in the 2018 Drinking Water Systems Report (also on this agenda), which includes the Ministry of the Environment, Conservation and Parks' inspection findings.

Table 1 summarizes roles and responsibilities, as defined in the Integrated Management System. Council and the Chief Administrative Officer, identified as Corporate Top Management, are required to provide oversight to ensure suitability and effectiveness of the Integrated Management System.

**Table 1**  
**Roles and Responsibilities for Environmental Services'**  
**Integrated Management System**

Who	Roles and Responsibilities
<b>Corporate Top Management</b>	– Exercise a standard of care
– Council	– Overall direction for Environmental Services
– Chief Administrative Officer	– Approval of resources and budget
<b>Operational Top Management</b>	– Strategic direction for Integrated Management System
– Commissioner	– High-level operational decision making
– Directors	– Drinking Water Quality Management Standard representative
– Managers	
<b>Water, Wastewater and Waste Management Operations</b>	– Front line operations
– Water and Wastewater Operators	– Water and wastewater quality sampling
– Waste Management Coordinators	– Maintenance, inspections and asset management
– Technical Support Staff	– Internal audits and regulatory reporting
– Integrated Management System Coordinators	



## **Rigorous Integrated Management System assists Council with meeting standard of care**

Environmental Services' Integrated Management System provides a consistent framework for minimizing operational impacts on the environment and protecting residents by complying with applicable legal requirements. The Integrated Management System also provides a structured approach to continually improve program and service delivery.

Table 2 summarizes what standards are applied to service delivery in Environmental Services. York Region's adherence to ISO standards is voluntary, while compliance with the Drinking Water Quality Management Standard is a legal requirement under the *Safe Drinking Water Act, 2002* and the Municipal Drinking Water Licensing Program.

**Table 2**  
**Integrated Management System Framework**

Operations		Management Standard	Registered Since
Wastewater	–	ISO 14001 Environmental Management Standard	– 2000
Water	–	ISO 9001 Quality Management Standard	– 2001
	–	Drinking Water Quality Management Standard	– 2009
Waste Management	–	ISO 14001 Environmental Management Standard	– 2010
	–	ISO 9001 Quality Management Standard	– 2018

The Integrated Management System assists Council by providing confidence that water, wastewater and waste management services are delivered in accordance with planned policies and procedures. The delivery of services are confirmed through onsite audits, which mitigate operational risks, provide feedback for continual improvement, and gauge resiliency.

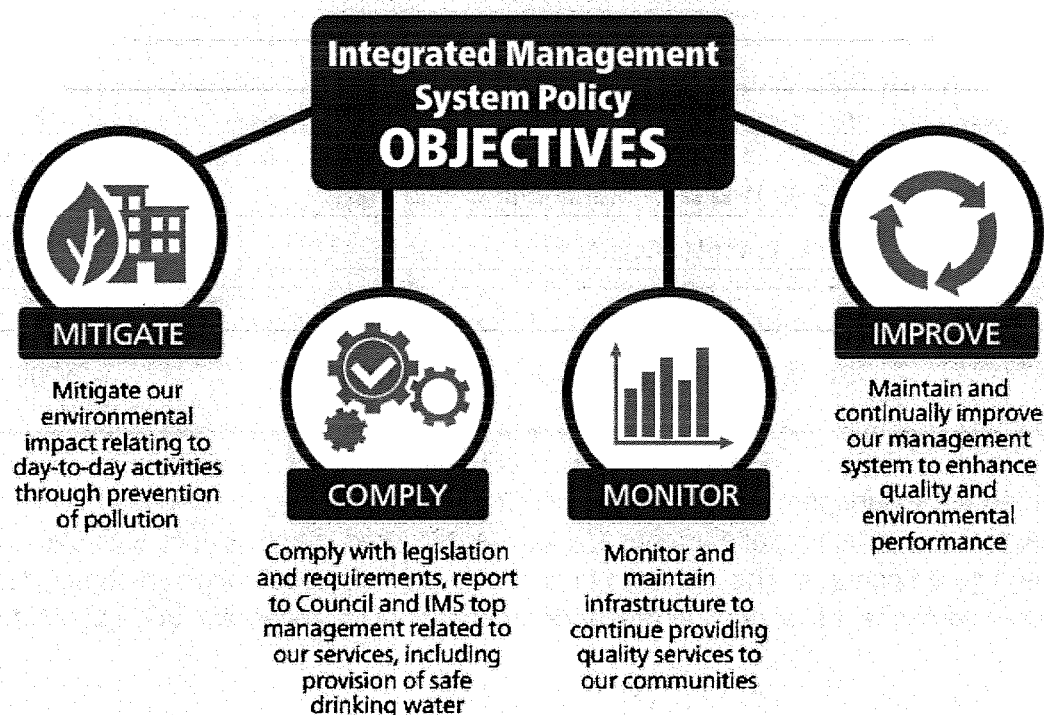
## Policy defines the purpose of the Integrated Management System

The Integrated Management System Policy (Figure 1) is a requirement of our registration and provides the foundation for management system commitments. It sets the framework for water, wastewater and waste management quality and environmental objectives. It is displayed at all registered water, wastewater and waste management facilities.

**Figure 1**  
**Integrated Management System Policy**

Our innovative people provide water, wastewater and waste management services that protect public health and the environment to meet the needs of our thriving communities.

**We are committed to the following objectives:**



## Auditing confirms system effectiveness by evaluating conformance with each management system standard

An effective audit program is a critical component of the Integrated Management System. Audit programs monitor compliance with regulatory requirements, conformance with internal requirements and strengthen system performance by identifying continual improvement opportunities. Facilities and programs are audited via three main types of audits:

- Internal proactive audits
  - Conducted annually by trained auditors within Environmental Services to confirm conformance to management system requirements, and to evaluate compliance with regulatory requirements
- ISO external audits
  - Completed annually by a third party registration body to confirm conformance to ISO 9001 and ISO 14001
- Regulatory DWQMS audit
  - Completed annually by a third party registration body to confirm conformance to the Drinking Water Quality Management Standard, on behalf of Ministry of the Environment, Conservation and Parks
  - Ministry of the Environment, Conservation and Parks inspections (further defined in the 2018 Drinking Water Systems Report, also on this agenda)

## 4. Analysis

### **Rigour of York Region's audit program delivers high levels of consistent compliance**

Environmental Services' comprehensive audit program drives regulatory compliance and continual improvement in the Integrated Management System. Audits demonstrate system health and due diligence by ensuring that staff are continually challenging the status quo and looking for opportunities to strengthen the delivery of services. Every year, audit findings identify internal business process improvements and system enhancements. Table 3 summarizes the total number of audits performed in 2018.

**Table 3**  
**2018 Regional Water, Wastewater and Waste Management Audits**

Audit Type	Number of Audits	Number of Findings
Internal Proactive Audits	87	74
ISO External Audits	4	8
Regulatory DWQMS Audit	1	0

### **Audit findings have highlighted key priorities and continual improvement initiatives for 2019**

Our audits identified several continual improvement opportunities. A few examples include strengthening system administration by ensuring current documentation is available at remote sites, regularly verifying the contents of spill kits, and ensuring newly installed equipment have calibrations scheduled on a consistent basis. Findings also highlighted key

areas of focus for 2019, including: evaluating the potential for electronic logbooks, enhancing facility manuals management, and strengthening the sample management program. Environmental Services' Integrated Management System has provided a systematic approach to addressing audit findings for the past 19 years. This practice minimizes risk to the Region and ensures public safety.

### **Process refinement and staff training identified through third party audits**

Third-party audits confirm that the Management System is in line with requirements of the standards and has demonstrated an ability to sustain services compliant with applicable regulations, and met the Region's level of service targets. Five third party audits were conducted in 2018 that resulted in eight minor non-conformities. Minor non-conformities include administrative updates to the Integrated Management System Policy Statement and verification that a muffle furnace was operating within allowable temperature ranges. Actions to address the eight non-conformities have improved system performance by refining procedures, improving equipment controls, and strengthening staff training. Feedback received during third-party audits indicates the Integrated Management System is mature, systematically achieves requirements, and demonstrates strong leadership and engagement.

### **Operational Top Management confirms adequacy, suitability and effectiveness of the Integrated Management System**

Annual management review meetings are a requirement of the three management standards. Operational Top Management uses this opportunity to assess efficacy of the Integrated Management System. The review focuses on system and regulatory performance, audit results and resources. A collaborative review is critical, and helps identify opportunities for continual improvement to improve efficiency and drive results. Through discussion at management review, priorities for the upcoming year are established. Operational Top Management met on March 4, 2019 to review system performance for the previous year and confirm the adequacy, suitability and effectiveness of the Integrated Management System.

### **Continual improvement initiatives drive efficiencies in performance**

As part of the commitment to ongoing continual improvement, Environmental Services made several enhancements to systems and processes in 2018 to drive efficiencies in water, wastewater and waste management services and mitigate environmental risk. Some of these include:

- Developed customized online Integrated Management System refresher training for all operating staff, with 100% completion rate
- Delivered customized online training for operating staff to ensure awareness and understanding of emergency response procedures
- Continued to meet regulatory requirements for Operator training, while improving the effectiveness of skill development programs by increasing hands-on training delivery



- Conducted root cause analysis reviews of incidents to identify contributing factors and develop corrective actions to prevent recurrence
- Initiated identification and ongoing review of strategic and operational risks and opportunities, through monthly discussions to identify mitigation activities
- Streamlined review of environmental impacts associated with wastewater and waste management operations, to identify highest environmental risk, and to confirm mitigation measures are in place
- Improved report of quarterly customer communications to better identify trends and improvement areas
- Finalized Integrated Management System Policy Manual to address new requirements of updated versions of ISO 9001, ISO 14001 and Drinking Water Quality Management Standard

Together, these initiatives support efficiency, cost savings, risk mitigation and enhanced system performance, which help strengthen service delivery.

### **Waste Management expands System scope to formalize customer focus**

The Region's public waste facilities have been registered to ISO 14001 since 2010. In October 2018, these facilities successfully expanded scope to achieve ISO 9001 registration. In 2016, a multi-year implementation plan was initiated to formalize existing quality processes. Throughout 2017 and 2018, project deliverables and milestones were met including policy and procedure development, staff training and internal audits. Achieving ISO 9001 registration provides mechanisms to ensure customer needs are continually met at waste depots and assist in maintaining operational excellence.

### **Updates completed to support new versions of ISO and Drinking Water Quality Management Standard**

In 2018, Environmental Services implemented changes to meet new ISO and Drinking Water Quality Management Standard requirements, including risk assessment updates that include an assessment of climate change implications. For the ISO standards, successful transition audits were conducted in July 2018, resulting in continued registration to ISO 9001 and ISO 14001. Following external review in April 2019, accreditation to the Drinking Water Quality Management Standard version 2 is expected shortly thereafter and will support legal requirements under the *Safe Drinking Water Act, 2002* and the Municipal Drinking Water Licensing Program.

## 5. Financial

### **Integrated Management System helps mitigate risk, comply with regulatory requirements and support continual improvement**

Investment in the management system assists Council with meeting standard of care obligations prescribed in the *Safe Drinking Water Act, 2002*. The management system provides a framework for staff to identify and mitigate risk, monitor and comply with regulatory requirements and continually improve processes used to deliver water, wastewater, and waste management services.

Total annual program costs to operate the Integrated Management System are \$1.25 million, including staffing and external audit services, and were approved by Council through the 2019 budget process. 80 per cent of program costs are funded from water and wastewater user rates, representing 0.19 per cent of the total rate budget. 20 per cent of program costs are funded from the tax levy portion designated for waste management activities under the scope of the Integrated Management System.

## 6. Local Impact

### **Lessons learned are shared with provincial and municipal partners**

The Integrated Management System for Environmental Services provides benefits to local municipalities as it supports a systematic approach to mitigating risk and environmental impacts. It also helps improve service delivery by documenting customer and regulatory requirements in a shared service delivery model for water, wastewater and waste management operations. All local municipalities have a quality management system to meet requirements of the Drinking Water Quality Management Standard. Environmental Services staff meet regularly with municipal and provincial partners to address challenges, share best practices, develop common approaches and evaluate operating procedures to provide effective service delivery.

## 7. Conclusion

Providing information on enhancements and performance of the Integrated Management System supports Council in meeting standard of care requirements under the *Safe Drinking Water Act, 2002*. Continual improvement initiatives help make the system more efficient and accomplish improved risk mitigation with the same resources. Rigorous and comprehensive evaluation performed through the management system, including audits and the management review process demonstrates York Region's commitment to ongoing improvement of its programs and services.

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For more information on this report, please contact David Szeptycki, Director, Strategy & Innovation at 1-877-464-9675 ext. 75723. Accessible formats or communication supports are available upon request.

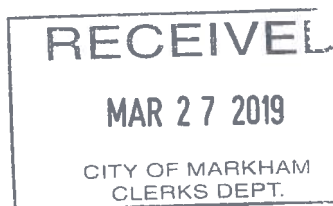
Recommended by:

**Erin Mahoney, M. Eng.**  
Commissioner of Environmental Services

Approved for Submission:

**Bruce Macgregor**  
Chief Administrative Officer

February 22, 2019  
8976764



Corporate Services  
Regional Clerk's Office

March 22, 2019

Ms. Kimberley Kitteringham  
City Clerk  
City of Markham  
101 Town Centre Boulevard  
Markham, ON L3R 9W3

Dear Ms. Kitteringham:

**Re: Community Improvement Project Area for Affordable Rental Housing Incentives**

On March 21, 2019 Regional Council adopted the following recommendations:

1. Council enact a bylaw to designate areas identified as "Urban" and "Towns and Villages" in the York Region Official Plan as a Community Improvement Project Area in respect of affordable rental housing
2. The Regional Clerk circulate this report to local municipalities, the Ministers of Finance and Municipal Affairs and Housing and BILD-York Chapter

The original staff report is enclosed for your information.

Please contact Danielle De Fields, Manager, Policy and Environment at 1-877-464-9675 ext. 71525 if you have any questions with respect to this matter.

Sincerely,

A handwritten signature in black ink, appearing to be "Christopher Raynor", written over a horizontal line.

Christopher Raynor  
Regional Clerk

Attachments



# **The Regional Municipality of York**

Committee of the Whole  
Planning and Economic Development  
March 7, 2019

Report of the Commissioner of Corporate Services and Chief Planner

## **Community Improvement Project Area for Affordable Rental Housing Incentives**

### **1. Recommendations**

1. Council enact a bylaw to designate areas identified as “Urban” and “Towns and Villages” in the York Region Official Plan as a Community Improvement Project Area in respect of affordable rental housing
2. The Regional Clerk circulate this report to local municipalities, the Ministers of Finance and Municipal Affairs and Housing and BILD-York Chapter

### **2. Summary**

This report recommends Council enact a bylaw to designate a Community Improvement Project Area to develop a Community Improvement Plan (CIP) which will implement the Rental Housing Incentives Guideline (Guideline).

Key Points:

- There is a need for more private purpose built rental housing in York Region
- Council has authorized staff to prepare a CIP to implement tax increment equivalent grants proposed in the Guideline to encourage new private purpose built rental developments in York Region
- A Community Improvement Project Area must be designated prior to adopting a CIP
- A follow-up staff report in Q2/Q3 2019 will ask for Council’s consideration of a proposed final Guideline and adoption of the final CIP to implement it

### 3. Background

#### **The need for more affordable housing options, including rental housing is well established**

Complete communities include rental and ownership options that meet the needs of residents of all ages, stages and abilities. York Region has the lowest rental stock in the Greater Toronto and Hamilton Area which has the potential to lead to negative economic, social and environmental outcomes as articulated in the November 2016 Housing Initiatives and Incentives staff report. The York Region Human Services Planning Board has recognized the need for more housing options since it was established in 2010, resulting in ongoing research, advocacy, capacity building, engagement and support through the Make Rental Happen Collaborative Advocacy Plan.

#### **Draft Financial incentives for private purpose built rental developments have been endorsed by Council**

As directed by Council in November 2016, the York Region/Local Municipal Housing Working Group (Working Group) has considered the necessity and extent of housing incentives to help address affordability. The Working Group evaluated the entire housing system (ownership and rental) and concluded that financial incentives should focus on increasing private purpose built rental units affordable to mid-range income households.

The Draft Guideline endorsed through the June 2018 Draft Rental Housing Incentives Guidelines and Community Improvement Plan staff report stipulates to receive incentives, a development must be affordable to mid-range income households calculated using the Provincial definition of overall income based affordability as articulated in the Provincial Policy Statement. This requirement builds on the principles endorsed by Council in the February 2018 Housing Initiatives and Incentives Update staff report, including:

- Requires the development remain as rental for a minimum of 20 years,
- The proponent must share their pro forma work, and
- Regional incentives be contingent on the local municipality offering similar or better incentives.

In addition to the existing 36 month development charge deferral for purpose-built high density rental buildings, the rental housing incentives endorsed through the Guideline are:

1. A new 48 month deferral for Regional development application fees (initial submission only)
2. A new Tax Increment Equivalent Grant for the Regional portion of the property tax increase for up to 5 years

The Guideline recommends that a CIP be in place for five years.

## **A Community Improvement Plan is required to administer grants**

The *Municipal Act* prohibition on providing grants or loans to a commercial enterprise does not apply where a CIP, under section 28 of the *Planning Act*, is in effect and the grant or loan is in conformity with the CIP. The York Region Official Plan contains provisions that enable Council to enact a by-law to designate a Community Improvement Project Area. As such, through the June 2018 Draft Rental Housing Incentives Guidelines and Community Improvement Plan report, Council authorized staff to initiate preparation of a CIP for this purpose. As outlined in the June 2018 report, development of a CIP requires three touch points with Council:

1. Authorization to initiate (received in June 2018)
2. Endorsement of the Community Plan Project Area (this staff report)
3. Adoption of the final CIP and Guideline (anticipated in Q2/Q3, 2019)

## **4. Analysis**

### **Housing affordability challenges warrant the Community Improvement Project Area being the entire designated area of the Region**

Staff recommend the Community Improvement Project Area be the areas designated as “Urban” and “Town and Villages” in the York Region Official Plan, as amended. A map of the Region’s existing urban structure is included for reference as Attachment 1. The specific boundaries of these areas are set out in the official plans of local municipalities. Affordability challenges and the purpose built rental housing shortage in York Region are so severe and geographically wide-spread, opportunity to promote new developments should not be restricted. However, an evaluation process would prioritize developments in local and regional centres and corridors.

### **The Community Improvement Plan will allow for local municipal participation**

The CIP will require local municipalities to offer similar or better incentives than those provided by the Region. The Guideline does not prescribe which incentives local municipalities should offer, nor that they be evaluated on absolute dollar value. In addition to the regional scale incentives offered, local municipalities will be able to leverage incentives through mechanisms such as development application and building permit fees, parkland dedication, parking reductions and height and density exchanges in accordance with Section 37 of the *Planning Act*. In the case a local municipality is contemplating the provision of grants, staff are structuring the CIP to allow for local municipal participation. To participate in an upper-tier CIP, enabling policies will be required in local municipal Official Plans.

## **Rental Housing Incentives support the Region's Strategic Policy Framework**

The development of the Guideline and associated CIP support all plans identified in the Region's strategic policy framework, including:

- Vision 2051 goal for Appropriate Housing for All Ages and Stages
- Regional Official Plan objective to promote an appropriate mix and range of acceptable housing to meet the needs of residents and workers
- 2019 to 2023 Strategic Plan objective of delivering and promoting affordable housing

## **5. Financial**

As was recommended in the June 2018 Draft Rental Housing Incentives Guidelines and Community Improvement Plan staff report, a letter has been submitted to the Ministers of Finance and Municipal Affairs and Housing to request assistance to help fund rental housing incentives by allocating funds from the Non-Resident Speculation Tax collected in York Region. A response from the Province has not been received at this time.

No budget is being requested at this time. Budget for the Rental Housing Incentives CIP will consider any rental housing funds committed from the Province, the final regional incentives once approved and the number of units targeted. This information and an approach to the budget will be proposed to Regional Council with the final Guideline and CIP.

It is staff's intention the final CIP will continue to incorporate evaluation criteria that identify alignment of proposed developments with Regional planning and housing objectives such as alignment with the urban structure and transportation investments, and the depth or duration of affordability incorporated in the development. At the onset of the program, staff intend to use a "first come, first serve" approach. In the event the budget is met in a given year, a competitive process may be initiated in the following year using the evaluation process as a guide.

## **6. Local Impact**

The provision of a full mix and range of housing options, including purpose built rental options is a priority for the Region and its local municipalities. Through the Guideline and associated CIP, local municipalities will be provided the opportunity to participate in the Region's CIP. A development supported by the Region will also require support from the local municipality it is located in. Local municipal participation in the Region's CIP will streamline this process across the Region.

## **7. Conclusion**

For a number of years Council has worked to address the affordability challenges and the severe lack of purpose built rental housing in York Region. Through these ongoing efforts,

Council has endorsed a Draft Guideline and has authorized staff to initiate a CIP to implement the Guideline. This report advances the CIP process by seeking Council to enact a by-law to designate areas in York Region as a Community Improvement Project Area for affordable rental housing incentives.

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For more information on this report, please contact Danielle De Fields, Manager, Policy and Environment at 1-877-464-9675 ext. 71525. Accessible formats or communication supports are available upon request.

Recommended by: **Paul Freeman, MCIP, RPP**  
Chief Planner




**Dino Basso**  
Commissioner of Corporate Services

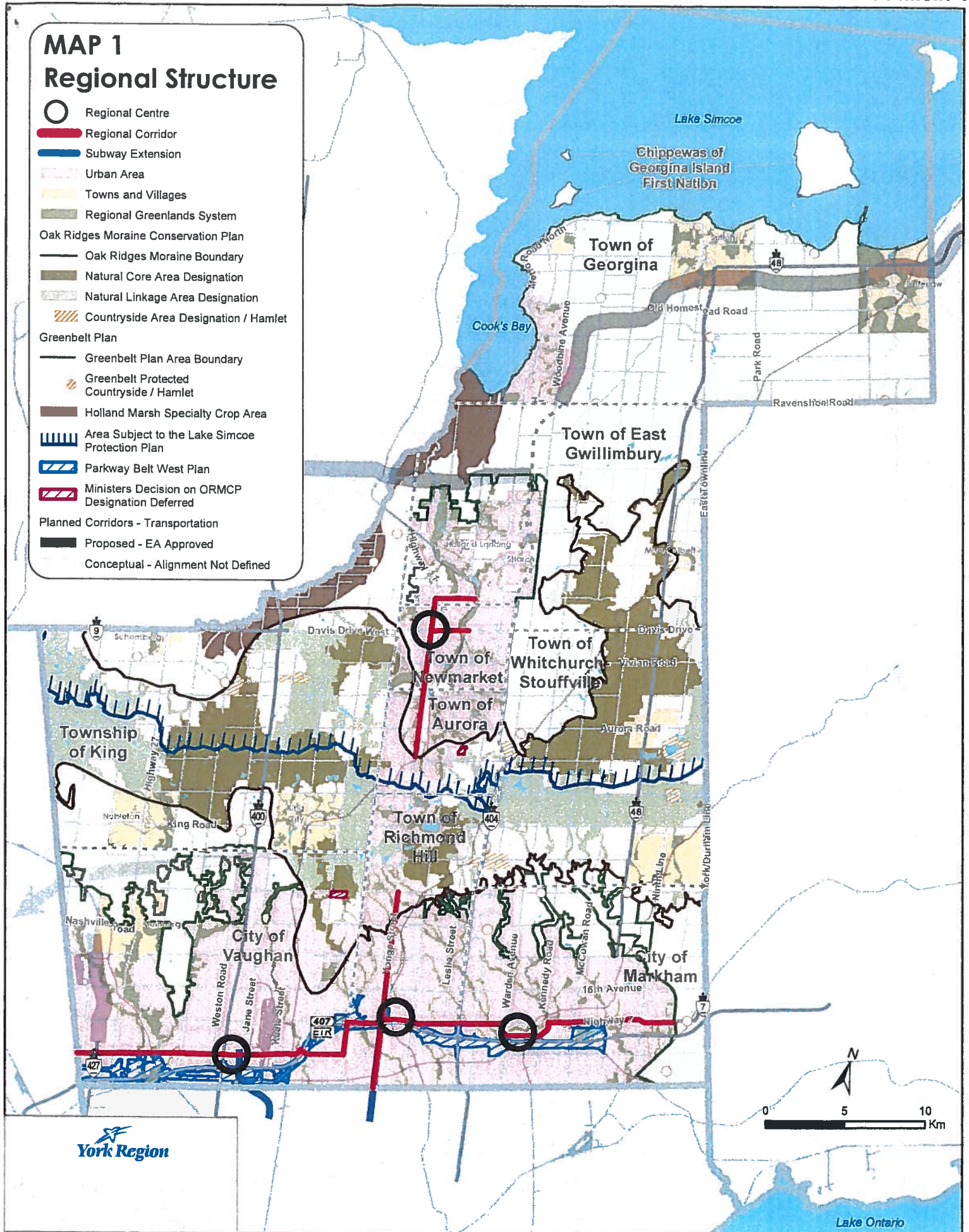
Approved for Submission: **Bruce Macgregor**  
Chief Administrative Officer

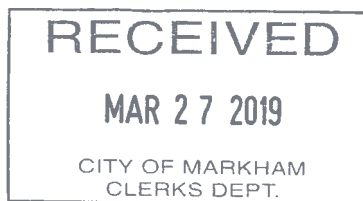
Attachment (1)  
February 22, 2019  
eDOCS# 9095633



# MAP 1 Regional Structure

-  Regional Centre
-  Regional Corridor
-  Subway Extension
-  Urban Area
-  Towns and Villages
-  Regional Greenlands System
-  Oak Ridges Moraine Conservation Plan
-  Oak Ridges Moraine Boundary
-  Natural Core Area Designation
-  Natural Linkage Area Designation
-  Countryside Area Designation / Hamlet
-  Greenbelt Plan
-  Greenbelt Plan Area Boundary
-  Greenbelt Protected Countryside / Hamlet
-  Holland Marsh Specialty Crop Area
-  Area Subject to the Lake Simcoe Protection Plan
-  Parkway Belt West Plan
-  Ministers Decision on ORMCP Designation Deferred
-  Planned Corridors - Transportation
-  Proposed - EA Approved
-  Conceptual - Alignment Not Defined





Corporate Services  
Regional Clerk's Office

March 22, 2019

Ms. Kimberley Kitteringham  
City Clerk  
City of Markham  
101 Town Centre Boulevard  
Markham, ON L3R 9W3

Dear Ms. Kitteringham:

**Re: Economic Development – 2018 Year in Review**

On March 21, 2019 Regional Council adopted the following recommendations:

1. The Economic Development – 2018 Year in Review (Attachment 1) be posted on the york.ca and yorklink.ca websites and circulated by the Regional Clerk to local municipalities, local chambers of commerce and boards of trade, ventureLAB, York Region Arts Council, York University, Seneca College, the Workforce Planning Board and Toronto Global.

The original staff report is enclosed for your information.

Please contact Doug Lindeblom, Director, Economic Strategy at 1-877-464-9675 ext. 71503 if you have any questions with respect to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Raynor", written over the printed name.

Christopher Raynor  
Regional Clerk

Attachmentss

# **The Regional Municipality of York**

Committee of the Whole  
Planning and Economic Development  
March 7, 2019

Report of the Commissioner of Corporate Services and Chief Planner

## **Economic Development – 2018 Year in Review**

### **1. Recommendation**

The Economic Development – 2018 Year in Review (Attachment 1) be posted on the york.ca and yorklink.ca websites and circulated by the Regional Clerk to local municipalities, local chambers of commerce and boards of trade, ventureLAB, York Region Arts Council, York University, Seneca College, the Workforce Planning Board and Toronto Global.

### **2. Summary**

This Report provides a summary of the Economic Development – 2018 Year in Review publication, which highlights economic activity in the Region and the impact of York Region programs on business and job growth.

Key Points:

- York Region continues to be a top destination for business growth as a result of its strong labour force supported by on-going urban infrastructure investments
- Regional research, marketing, innovation and business advisory programs, delivered collaboratively with local municipalities and business stakeholders, have contributed to business growth and success
- Regional business advisory services have facilitated close to 3,700 new and expansion jobs across the Region since 2010
- The Economic Development Action Plan, which guides all Regional economic development programs, will be updated and presented to Council later in 2019



### 3. Background

#### **Business and job growth are fundamental to the Region's success**

Economic vitality remains a strategic priority and cornerstone for building a prosperous Region. The importance of a strong economy is identified in strategic guiding documents of Council, including Vision 2051, the York Region Official Plan, 2010 and the Strategic Plan.

Business and job growth are fundamental to the Region's economic vitality and quality of life. Attracting and retaining a variety of high quality jobs across a broad range of sectors promotes economic resilience and helps ensure those living in York Region have the opportunity to work where they live.

#### **The Council-approved Economic Development Action Plan guides business-support programs and activities**

Council approved the Economic Development Action Plan 2016 to 2019 on January 21, 2016. The Plan guides the economic development activities of the Region and outlines programs that explore the Region's economy and business needs, connects businesses into a network that promotes innovation and growth, and shares success stories with audiences to generate interest and excitement both within and outside York Region. The Plan calls for Council to receive an annual update on business activity in the Region and the impact and results generated by Regional programs.

### 4. Analysis

#### **York Region job growth outpaced national, provincial and GTA labour force employment growth**

The Toronto economic region (represented as the GTA in Table 1) continues to be one of the fastest growing urban areas in Canada. The 2016 Census estimated total employment in the GTA is over 3.5 million jobs. A significant portion of this employment is accommodated within large municipalities in the north, west and central areas of the GTA, including York Region.

Employment growth in York Region outpaced national and provincial employed labour force growth at 2.4% between mid-year 2017 and mid-year 2018. Over the past five years York Region has grown at an average annual rate of 2.6%, outperforming average growth rates in the national (1%), provincial (1.2%) and GTA (1.6%) economies. Growth rates in the national economy appear to have peaked and are widely expected to moderate through 2019-2020 according to TD Economics.

**Table 1**  
**Comparison of Annual Labour Force and Employment Growth Rates: Canada, Ontario, GTA and York Region, 2013-2018**

	Canada	Ontario	Greater Toronto Area <sup>1</sup>	York Region <sup>2</sup>
2013-2014	0.5%	0.5%	-1.5%	1.4%
2014-2015	1.0%	1.1%	4.3%	2.6%
2015-2016	0.4%	0.5%	0.9%	3.7%
2016-2017	2.1%	1.8%	1.4%	3.0%
2017-2018	1.1%	2.0%	2.8%	2.4%
<b>5 year average</b>	<b>1.0%</b>	<b>1.2%</b>	<b>1.6%</b>	<b>2.6%</b>

Source: York Region Planning and Economic Development Branch, 2018 and Statistics Canada's Labour Force Survey, 3-month moving average, unadjusted for seasonality, ending in August 2018

<sup>1</sup>Greater Toronto Area labour force employment growth approximated by the Toronto Economic Region

<sup>2</sup>York Region figures based on 2018 employment survey results and estimates for home-based, farm-based, and no contact businesses

## **York Region is a top business destination**

York Region is located in one of the most attractive and vibrant economic areas in North America and is well positioned to address challenges and capitalize on opportunities in the economy. The Region's economy is supported by core attributes of strong population and employment growth, a skilled labour force, a high quality of life that attracts talent, established and diversified industry clusters, major infrastructure and transportation investments, and locational and accessibility factors, amongst others.

## **York Region's major infrastructure investments are a catalyst for economic growth**

The Region's commitment to infrastructure investments and transportation expansion is enabling business growth. Viva bus rapid transit and the Spadina Subway extension into Vaughan support tremendous office and residential construction and business attraction. Regional Council continues to place a priority on future infrastructure improvements such as the Yonge subway extension that will support new business opportunities.

As the Region's urban structure continues to evolve and the Regional Centres and Corridors mature, these core attributes combined with the Region's office real estate, digital broadband infrastructure and innovation, help maintain and promote York Region's continued competitiveness as a top business location in the Greater Toronto Area.



## **Many factors impact businesses' ability to grow and prosper**

York Region is not an isolated economy, and local business and employment growth are closely tied with external economic conditions, trends, and government policies. Examples of external and macro-level factors that have a direct impact on York Region's economic growth prospects include exchange and interest rates, costs of doing business (e.g. hydro rates, corporate taxes, labour force costs, etc.), business regulations, the labour force pool (e.g. educational institutions, immigration etc.), business incentives, U.S. and global trade agreements, and capital markets. York Region's continued shift toward a knowledge-and-services-based economy is an example of the impact of such external factors.

## **Regional programs support growth of local businesses and jobs**

Job growth is a key priority of Council and the delivery of regional Business Retention, Expansion and Attraction (BRE&A) advisory services is a key program undertaken with local municipalities and service delivery partners. York Region's Economic Development Action Plan addresses key economic challenges and opportunities facing York Region and translates them into economic action areas for programs.

In collaboration with local municipalities and a network of business partners, York Region's Economic Strategy division provides services in the areas of business advisory, economic research, innovation, and investment attraction marketing and sales. Innovation and business expansion/attraction are supported region wide via the Region's Investment and Marketing York Link campaign and the Strategic Economic Initiatives programs. Entrepreneurship services are delivered in York Region's northern six municipalities by the York Small Business Enterprise Centre (YSBEC).

Regional BRE&A advisory services are focused primarily on knowledge-based sectors and customized to client needs. These services augment and extend the reach of corporate call programs undertaken at the local municipal level by leveraging the regional network of service delivery partners. Business advisory services include marketing support through York Link to facilitate corporate public relations and talent attraction, corporate introductions across municipal boundaries, domestic business attraction outreach and sales, in-market export connections, and expert support with government programs in the areas of hiring, training, research and development, and export. Regional staff also provides small business and entrepreneurship advisory services in the Region's northern six municipalities through the YSBEC.

## **Regional business advisory services facilitated the creation of about 3,700 new and expansion jobs across York Region since 2010**

Since 2010 regional BRE&A advisory services in collaboration with local municipalities facilitated the creation of about 3,700 new and expansion private sector jobs across York Region. It also helped retain thousands of local jobs as companies regularly assess their location options related to operational and talent attraction needs.

In 2018 York Region's business advisory teams engaged over 800 businesses and entrepreneurs and delivered 250 in depth BRE&A consultations. YSBEC delivered core small business consulting services to hundreds of clients, as well as the "Starter Company Plus" program with funding from the Ministry of Economic Development Job Creation and Trade. In total, 17 YSBEC clients received \$85,000 from the Starter Company Plus program in 2018. The YSBEC Summer Company program also produced positive results in 2018 with the 12 participating students learning about everything from market research to sales and business planning. The YSBEC participated in Staples Day on July 4 and the student businesses gained exposure through CBC Radio Canada and local media.

The attached '2018 Year in Review' highlights key business updates from across York Region last year, including some of the success stories facilitated through regional programs.

### **Partnerships are key to support business growth across the Region**

York Region staff also facilitated business advisory initiatives undertaken by local municipalities and support Toronto Global in its mandate to attract Foreign Direct Investment (FDI) to the Greater Toronto Area (GTA) and York Region. In collaboration with the Province and other stakeholders, York Region continues to support ventureLAB, the Regional Innovation Centre that helps entrepreneurs grow globally competitive companies.

York Region's Economic Strategy division maintains an extensive network of business advisory partners and multipliers in both the private and public sector to facilitate BRE&A. An example is the collaboration with the Council of Canadian Innovators (CCI) to support the growth and policy advocacy needs of local technology scale ups. In 2018, work with CCI included targeted business introductions and a CEO business roundtable led by CCI Chair and former Blackberry CEO Jim Balsillie.

In collaboration with York University/Yspace and the Small Business Enterprise Centres in Richmond Hill, Vaughan and Markham, YSBEC co-developed and delivered a 12 week entrepreneur certification program (Founder Fundamentals), training 40 entrepreneurs.

### **Marketing through 'York Link' facilitates business growth and retention in York Region's knowledge-based industry sectors**

Launched in mid-2016, the York Link marketing strategy promotes York Region as the place "Where Talent and Opportunity Intersect." It reinforces direct-to-business advisory services with robust dedicated digital media platforms, regional scale marketing initiatives, and leverages content and competitive value propositions developed through on-going business and economic research. York Link is focused on building awareness of York Region as a destination of choice for knowledge-based employers, particularly in office locations in and around the Region's centres and corridors. It showcases the Region as a place where businesses thrive in a fast growing and urbanizing environment by having access to the right resources, within communities that offer a desirable lifestyle for skilled professionals.

York Link has become a recognized brand within the business community in the Region and GTA. York Link's social media channels (Twitter, Facebook, LinkedIn) grew in 2018, as follows:

- Total number of followers in 2018 reached 22,000 across platforms, representing an 18% year over year increase
- Content posts on the channels in 2018 generated 2.2 million user views (Impressions) and 27,240 user engagements
- York Link's website generated 33,000 visits in 2018 with 106,300 total Page Views

York Link's social media channels continue to demonstrate direct impact on business decision makers with meaningful third party message amplification and endorsement by private sector companies, business leaders, and upper level government agencies.

### **The Region also engages in awareness building initiatives beyond York Link**

Notable marketing initiatives beyond York Link in 2018 included:

- Leveraging the Region's corporate digital channels, which combined have more than 67,000 followers and subscribers
- A feature story in MaRS' latest 'Wired Different' technology magazine, distributed by Invest Canada at Web Summit in Lisbon, the worlds' largest technology showcase
- Collaboration with local chambers of commerce and boards of trade in hosting the annual Colossal Chamber Networking Event
- Showcasing York Region's technology sector opportunity at the 2018 'Toronto Tech Summit' in downtown Toronto

Regional staff also initiated a project with the City of Toronto, local municipalities and the private sector to showcase York Region's technology eco-system at North America's fastest growing technology event - Collision Conference – that for the first time will move from the U.S. to Toronto in 2019.

### **Entrepreneurship and innovation continues to be important to support business and job growth**

The Economic Strategy program continues to include entrepreneurship and innovation initiatives that support development of a strong economy. These include:

- Delivering the 4th Annual Broadband and Innovation Summit and the second Fintech summit, attracting more than 450 attendees from more than 200 organizations.
- York Region was named to the ICF Top 10 Intelligent Communities around the world with a population over one million.
- Overseeing the launch of YTN Telecom Network Inc., now York Net.

- Supporting ongoing efforts to secure funding from the Federal Connect to Innovate (CTI) to enable improvements in broadband connectivity for York Region's rural communities and the Chippewas of Georgina Island First Nation.
- Collaborating with York University to deliver three networking events at the YSpace Innovation and Entrepreneurship Hub. This connected local employers with York University's experiential learning education programs in support of the Markham campus.
- Through the York Small Business Enterprise Centre (YSBEC), collaborating with the small business enterprise centres in Richmond Hill, Vaughan, and Markham, along with York University/YSpace, to develop and deliver a 12 week entrepreneurship certification program called Founder Fundamentals. Through this initiative 40 entrepreneurs received training and thirteen were awarded grants totalling \$65,000.
- Two success stories from the YSBEC Starter Company Plus program in 2018 included:
  - PhysActiv Sports Medicine: owned by an accomplished registered physiotherapist with limited business experience. Through the program, he was able to expand to additional locations, improve marketing and connect with additional clients.
  - Moregridge: a consumer-first digital mortgage platform for mortgage brokers and agents. With assistance of the program, Moregridge developed a business plan and received training, mentoring, and a \$5,000 grant. Moregridge has since closed their first investment of over \$500,000, partnered with Finastra, Teranet, and Nationwide, and won People's Choice Award at the York Region Fintech Summit.
- Hiring an Agriculture and Agri-Business Specialist and collaborating with Environmental Services in delivery of the first Agri-Food Networking Forum in Vaughan, attended by 55 agri-food stakeholders, including processors, retailers and food service organizations.
- A total of 190 York Region companies took advantage of ventureLAB services including events, workshops, clinics and mentoring. In addition, nine York Region companies were able to raise \$18M in public and private funding with ventureLAB support.

### **A proposed update to the Region's Economic Development Action Plan will be presented to Council later in 2019**

The Economic Development Action Plan is updated with each new term of Council. With the approval of a new Strategic Plan and four year budget, it is appropriate to revisit the current Action Plan to ensure alignment with Council priorities and the ongoing Municipal Comprehensive Review that includes the review of Vision 2051 and the Regional Official Plan. Several local municipalities have updated, or are in the process of updating their local economic development plans. It is important to continue to ensure the Region's Action Plan aligns with and supports local priorities. Work is underway to review the Economic Development Action Plan and a report will be presented to Council in 2019.

## **5. Financial**

Costs associated with the Economic Strategy program and Economic Development – 2018 Year in Review publication are included in the approved Planning and Economic Development division budget.

## 6. Local Impact

Local municipalities are key delivery partners of the Region's Economic Strategy program. The goals and actions developed in the Economic Development Action Plan 2016 to 2019 are designed to complement local strategies, initiatives and messaging. The Region and local economic development offices work together on program development, delivery of events and joint client servicing when appropriate. The Region and local economic development offices meet three to four times a year along with other key program delivery partners to coordinate activities and share best practice. Local municipalities will also be consulted and local plans considered during development of the updated Action Plan.

## 7. Conclusion

York Region continues to be an attractive place for residents and businesses to locate and invest. The Region, in partnership with local municipalities and other economic delivery partners, has made an impact on this success through business supportive programs. The attached Economic Development – 2018 Year in Review document highlights economic activity and the impact of York Region programs on business and job growth.

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For more information on this report, please contact Doug Lindeblom, Director, Economic Strategy at 1-877-464-9675 ext. 71503. Accessible formats or communication supports are available upon request.

Recommended by:

**Paul Freeman, MCIP, RPP**  
Chief Planner

**Dino Basso**  
Commissioner of Corporate Services

Approved for Submission:

**Bruce Macgregor**  
Chief Administrative Officer

February 22, 2019  
Attachment (1)  
#9102791





## **MARKHAM ENVIRONMENTAL ADVISORY COMMITTEE MINUTES**

**Ontario Room, Markham Civic Centre February 21, 2019**

### **Attendance**

#### **Members**

Kevin Boon, Chair  
Christopher Ford, Vice Chair  
Ashok Bangia  
Karl Fernandes  
Karl Lyew  
Diane Ross

#### **Council**

None Present

#### **Regrets**

Alimasi Chen  
Phil Ling  
Elvis Nurse  
Nadine Pinto  
Natasha Welch  
Regional Councillor Jack Heath  
Regional Councillor Joe Li

#### **Guests**

Stewart Cummer, Public  
Karthik G, Student  
Ariana Lin, Student  
Rumaisha Qadar, Student

#### **Staff**

Jacqueline Tung, Community Engagement Assistant  
Jennifer Wong, Sustainability Coordinator

### **1. CALL TO ORDER**

The Markham Environmental Advisory Committee (MEAC) was called to order at 7:15 PM with Kevin Boon presiding as Chair.

### **2. CHANGES OR ADDITIONS TO THE AGENDA**

The agenda was accepted as presented.

### **3. ADOPTION OF THE MINUTES OF THE MARKHAM ENVIRONMENTAL ADVISORY COMMITTEE MEETING HELD ON JANUARY 17, 2019**

Moved by: Ashok Bangia

Seconded by: Christopher Ford

That the minutes of the Markham Environmental Advisory Committee meeting held on January 17, 2019 be adopted as distributed.

CARRIED.

#### **4. MATTERS ARISING FROM THE MINUTES**

##### **A) Information reports on Markham initiatives and Council Matters**

- No updates were provided regarding council matters.

##### **B) Follow up on action items**

- Chair Kevin Boon reviewed and updated the action items.

#### **5. NEW BUSINESS**

##### **A) Board/Committee Information night – debrief**

- Committee information night took place on January 31, 2019. Karl Lyew and Kevin Boon were present at the information night to provide details to the public regarding the MEAC committee.
- Based on the information night, there appeared to be a general interest from members of the public with respect to joining the MEAC committee.
- February 4<sup>th</sup>, 2019 was the closing date to apply to become a MEAC committee member.

##### **B) MEAC Earth Month 2019**

Update from the Planning sub-committee by Jacqueline Tung

- Earth day will take place on April 27, 2019 at the downtown Markham Cineplex theatre.
- The following exhibitors have been confirmed: Markham Library, York Region, Animal Advisory Committee, Pitch it Green, Markham Waste and Markham Water.
- The following have been invited, but not confirmed: Friends of the Rouge (not confirmed), Markham Forestry (launching trees for tomorrow campaign), Markham Mayor Youth Council (interested in participating, activity TBD), Markham Teen Arts Council (not confirmed), Student exhibit (invited 4 schools), Face painting (not confirmed), Speaking of Wildlife (not confirmed), Scales (not confirmed), EV drives by either Plug n Drive or car dealerships (not confirmed) and Face to face painting (not confirmed).
- Remington wants the animal exhibits to be outside the building and are prepared to provide tents to accommodate these exhibits.
- Stewart inquired if it would be possible for Cineplex to provide a theatre to show an environmentally conscious film?
  - Jacqueline informed the committee that Cineplex has previously not provided any private cinema showings.

- Members questioned if it would be possible to engage with management at Remington to create and secure partnerships with the businesses within the downtown Markham complex.
  - Jennifer Wong asked the committee to brainstorm alternative methods of engaging with the businesses located at the downtown Markham complex.
- Last year, Remington showed a willingness to integrate environmental policies into their business.
- Remington has a T.V display, Jacqueline mentioned the possibility of reaching out to each vendor to discuss if they would be interested in broadcasting their logo/brand along with an environmental initiative they have undertaken, to be placed on the T.V display during the event.
- One member stated that it is a challenge to come up with a direct and universal method to attract new audience to the Earth Day event.
  - Jennifer Wong mentioned that the City of Markham has tracked event engagement through the 'passport system', where members receive stamps from each booth they visited at a given event. Completed passports could be used to enter raffles at the event. This may be an effective way of encouraging engagement at Earth Day.
- It was determined that there would be four (4) schools present at Earth Day. Last year schools were asked to identify an environmental problem and generate ways to mitigate such problems. These ideas were subsequently presented to attendees.
- Two Schools have been confirmed to attend: Pierre Elliot Trudeau, San Lorenzo Ruiz. Two other schools have been asked to join the Earth Day event but have yet to confirm.
  - Formal invitation from the City will go out by the fourth week of March 2019.
  - Possibility of providing certificates to those attending, however the committee agreed that presenting them at the podium with speeches is not preferred this year.
- Committee may reach out to Bill Crothers to see if they have any interest in joining.
- Last year Earth Day undertook a substantial amount of resources with quite modest results, the goal is to scale back the scope of the event this year so as to better organize the event.
- Student members stated that a digital flyer/advertisement at schools would be more effective at engaging students and encouraging them to join the event, in comparison to a physical flyer.
- Committee Member Roles:
  - Chris – Marketing.
  - Ashok (Possibly Kevin Boon) – Sponsorship Retainment.
    - Ashok stated that he will be leaving on vacation in early March and will be out of the country through Earth Day, and would like to approach retailers in Downtown Markham early.
  - Natasha/Nadine/Jacqueline - Reach out to exhibitors.
- Those attending the event will not be paying for booth rentals.
- Member brought up the idea of drafting a letter for printing on City of Markham letterhead highlighting the benefits of Earth Day as a sales method/ form of legitimacy for potential sponsors and attendees. ??? Jennifer and Jacqueline will try to come up with a letter of introduction to encourage retailers like Me-Va-me if they have environmental

goals and achievements to share. Remington may be persuaded to highlight these on the premise TV screens and the giant screen outside the building.

## **7. NEXT MEETING**

THE NEXT MEETING OF THE MARKHAM ENVIRONMENTAL ADVISORY COMMITTEE IS SCHEDULED FOR THURSDAY, **MARCH 21, 2019** AT 7:00 P.M. IN THE ONTARIO ROOM.

## **8. ADJOURNMENT**

Moved: Karl

Seconded: Ashok

That the Markham Environmental Advisory Committee adjourn at 8:50pm.

CARRIED.

## AGENDA 2.1

### MARKHAM PUBLIC LIBRARY BOARD

#### Regular Meeting

**Minutes of Meeting held on Monday, February 25, 2019 7:03 p.m. Markham Village Library, Program Room, 6031 Highway 7 East, Markham L3P 3A7**

Present from Board: Mr. Alick Siu, Vice-Chair  
Mrs. Pearl Mantell  
Ms. Margaret McGrory  
Ms. Jennifer Yip  
Mrs. Marilyn Aspevig  
Regional Councillor Joe Li  
Mrs. Yemisi Dina  
Mr. Alfred Kam

Present from Staff: Mrs. Catherine Biss, CEO & Secretary-Treasurer  
Ms. Deborah Walker, Director, Strategy & Innovation  
Ms. Andrea Cecchetto, Manager, Learning & Growth  
Mrs. Diane Macklin, Manager, Marketing & Community Development  
Mr. Patrick Pan, Manager, Facilities & Workplace Safety  
Mr. Shaun McDonough, Research Analyst  
Ms. Polly Chan, Financial Analyst  
Ms. Megan Garza, Manager, Aaniin Branch  
Ms. Angela Tse, Manager, Unionville Branch  
Mrs. Susan Price, Board Secretary

Regrets: Mr. Ben Hendriks, Chair  
Mrs. Lillian Tolensky  
Ms. Aida DaSilva  
Regional Councillor Jack Heath  
Councillor Alan Ho

#### 1.0 **Call to Order/Approval of Agenda**

Mr. Alick Siu, Vice- Chair, called the meeting to order at 7:03 p.m.

Moved by Mrs. Marilyn Aspevig  
Seconded by Regional Councillor Joe Li

**Resolved that the agenda be approved.**

Carried.

#### 1.1 **Declaration of Conflict of Pecuniary Interest**

None.

#### 1.2 **Delegation**

None.



## AGENDA 2.1

### 1.3 **Chair's Remarks:**

The Vice-Chair advised the Board that Ben was absent this evening due to child care responsibilities.

Mr. Siu wished everyone a Happy New Year and apologized for not being able to attend the Board get together.

### 2.0 **Consent Agenda:**

Moved by        Ms. Jennifer Yip  
Seconded by    Mrs. Pearl Mantell

**Resolved that the Consent Agenda comprising Agenda items 2.0 to 2.3. 10 and the same are hereby approved as written and the CEO of the Library is hereby authorized and directed to take such action that may be necessary to give effect to the recommendations as therein contained:**

- 2.1       Minutes of Regular Meeting, December 17, 2018**
- 2.2       Declaration of Due Diligence by the CEO**
- 2.3       Communication and Correspondence:**
  - 2.3.1    snapdMARKAHM: Lit on Tour: Markham**
  - 2.3.2    cbc.ca: Librarians Recommend 10 Books that Deal with Gender Equality: Two recommendations by Anthea Bailie, Collections Strategist, Markham Public Library**
  - 2.3.3    ALA Member News: Moniz Receives YALSA's 2019 Innovation Award**
  - 2.3.4    City of Markham: Join a Board or Committee Information Night January 31, 2019**
  - 2.3.5    Markham Economist & Sun: Councillors' Priorities**
  - 2.3.6    Markham Economist & Sun: Family Literacy Day January 26, 2019**
  - 2.3.7    CULC: Press Release #eContentForLibraries Campaign**
  - 2.3.8    YorkRegion.com: Markham Public Library PechaKucha**
  - 2.3.9    snapdMARKHAM: YPAM Youth Leadership Program Launch**
  - 2.3.10   Markham Economist & Sun: Library, Art Gallery Host PechaKucha Night**

Carried.

The Vice-Chair commented on Agenda item 2.3.3 the YALSA Innovation Award that staff member Ryan Moniz received.

### 3.0 **CEO's Highlights, January 28, 2019:**

The CEO commented on the Municipal Budget Process. All Budget meetings have been held and the 2019 Budget is expected to be approved by Council on March 19.

Mrs. Biss drew attention to Community and Fire Services Commission priorities. MPL staff have participated in the process to develop these priorities for 2019:

## AGENDA 2.1

1. Building the Workforce of the Future
2. Fostering a Connected Community
3. Improving Our Services through Continuous Improvement
4. Delivering sustainable and Integrated Infrastructure

The CEO mentioned that the Aaniin Library has been submitted for two awards; the 2018 AIA/ALA Library Building Awards for excellence in architectural design and the RAIC design excellence award for innovation.

Light Therapy Lamps have been introduced at all branches and they have received a very positive response.

Library usage has increased in 2018 and Aaniin Library Branch is now MPL's busiest branch.

Moved by Mrs. Marilyn Aspevig  
Seconded by Mrs. Yemisi Dina

**Resolved that the report entitled "CEO's Highlights, January 2019" be received.**

Carried.

### 3.0 **CEO's Highlights, February 25, 2019:**

There was a question about asbestos issues at Unionville Library. Staff explained that some of the floor tiles in staff-only areas needed to be replaced which was done when the Library was closed. The Sustainability and Asset Management Dept. also undertook air quality testing both during and after the abatement, representing an extra step not required under the Regulations for Type 1 abatements. This provided both the public and staff additional assurance that the work was carried out properly and without risk to those occupying the space.

There were several comments on extended hours and budget recommendations.

Moved by Mr. Alfred Kam  
Seconded by Ms. Jennifer Yip

**Resolved that the report entitled "CEO's Highlights, February 2019" be received.**

Carried.

### 4.0 **Annual Monthly Policy Review:**

#### 4.1 **Policy Governance Wording Review**

The Vice-Chair explained that the changes being recommended relate to wording and timelines that will bring the Governance Process in line with other policies previously approved by the Board. .

There were a couple of questions and clarifications.

## AGENDA 2.1

Moved by Mrs. Pearl Mantell  
 Seconded by Mrs. Marilyn Aspevig

**Resolved that the Board has reviewed the policies under Policy Governance: Governance Process GP-1 to GP-2k, Board-CEO Linkage BCL-1 to BCL-2e and Executive Limitations EL-1 to EL-2j and approves them (GP-2f Agenda Planning and GP-21 Ends Policy review) as revised.**

Carried.

### 4.2 **Board-CEO Linkage BCL-2e Policy: Chief Executive Office Performance Review**

The Vice-Chair explained that the CEO Review is delayed one month due to the weather-related cancellation of the January Board meeting. He asked all Members present to complete their portion of the review and be prepared to provide input to the Chair at the March In Camera meeting.

Moved by Mrs. Marilyn Aspevig  
 Seconded by Ms. Margaret McGrory

**Resolved that the Board receive the BCL-2e Chief Executive Officer Performance Review Policy” documentation in preparation for the March In camera Performance Review meeting.**

Carried

### 5.0 **Internal Monitoring Reports:** (Compliance list of internal monitoring reports and discussion led by members.)

### 5.1 **Executive Limitations/Internal Monitoring Reports Schedule**

Moved by Mrs. Pearl Mantell  
 Seconded by Mrs. Marilyn Aspevig

**Resolved that the Executive Limitations/Internal Monitoring Reports Schedule” be received.**

Carried.

### 5.2 **Internal Monitoring Report-Executive Limitation EL-2d, Financial Condition** **(Assigned to Mrs. Yemisi Dina)**

Mrs. Dina informed the Board that she had reviewed the report which states  
 “With respect to the actual, ongoing financial condition and activities of the organization, the CEO shall not cause or all the development of fiscal jeopardy or a material deviation of actual expenditures from Board priorities established in Ends policies”

## AGENDA 2.1

She did not receive any questions or concerns from Board members prior to the meeting and there were none from the floor.

The report confirmed that the CEO and MPL's practices relative to MPL's Financial Condition comply with the requirements of EL-2d policy.

Moved by Mrs. Yemisi Dina  
Seconded by Mrs. Marilyn Aspevig

**Resolved that the report entitled "Internal Monitoring Report- Executive Limitation EL -2d, Financial Condition" be received.**

Carried.

### 6.0 **Ends:**

#### 6.1 **Annual Ends Report 2018**

Staff explained that the report was prepared and originally in the January Board package for the meeting cancelled due to inclement weather. The report indicates that the Library has again achieved the Board's Ends for 2018.

There was significant praise and positive commentary on what Markham Public Library achieved in 2018.

Moved by Mrs. Yemisi Dina  
Seconded by Ms. Jennifer Yip

**Resolved that the Annual Ends Report be received.**

Carried.

### 7.0 **Governance**

#### 8.0 **Ownership Linkage:**

##### 8.1 **Input from Board Members**

Mr. Siu asked the Board Members who were able to attend the OLA Super Conference to comment on their experience.

Mrs. Pearl Mantell advised the Board that this year was her first time at the conference and commented on the quality of the presentations. Mrs. Mantell mentioned some presentations; those that highlighted technology (quite a few), diversity and libraries' interaction with seniors and others who are not able to get out. Mrs. Mantell talked about the numerous MPL staff presentations at the conference and mentioned that there was a lot of positive feedback by conference-goers about them.

## AGENDA 2.1

Ms. Margaret McGrory expressed her opinion that the Saturday Boot Camp was excellent and the MPL presentation by Ms Walker and Mr McDonough was outstanding.

For her, Ms. McGrory found the conference resulted in a lot of thought and she learned a great deal. She also noted that the speakers talked a lot about diversity and all talks were excellent. OLA provides good networking opportunities and she informed the Board that Markham Public Library has a reputation for innovation.

### 8.2 **Board Legacy Document**

The Vice-Chair reviewed a few of the challenges experienced by the current Board such as expanded hours.

Mr. Siu told the Board that if they had any further input for the document they should let the Chair know. Otherwise he felt the document was acceptable as is.

### 9.0 **Board Advocacy**

### 10.0 **Education:**

### 10.1 **Strategic Plan Update 2018 Year-End & 2019 Strategic Work Plan**

Staff explained that the report covered 2018 and there were no questions. The report also contained 2018 Strategic Priorities and accomplishments:

- Expanding Library Hours
- Ready to Read Card launch
- Digital Markham Strategy
- Integrated Leisure Master Plan Update
- Digital Democracy

**Accomplishments Pursuant to the 2015 to 2018 Strategic Plan were noted under the following headings according to each year:**

1. Connecting People & Communities
2. Digital Inclusion
3. Content that Transforms Lives
4. Community Learning Hubs

**Foundational Strategies –the enablers of strategic success within the four Strategic Themes also according to each year under the following headings:**

1. Spread the Word
2. Clear the Air
3. Develop the Workforce
4. Expand Success Measures



## AGENDA 2.1

### 2019 WORK Plan PRIORITIES

2019 will be a transitional year.

1. Development and launch of a **new website**
2. **Procurement of a collections vendor**
3. **Replacement of Markham's system for program registration and facility bookings**
4. **Launch of the Learning Management System (LMS)**
5. Implementation of a new **(DML)** at Angus Glen

### 2019 MUNICIPAL PLANNING PRIORITIES

1. City strategic planning: The City is considering a major refresh of Building Markham's Future Together, with workshops scheduled for two days in February.
2. Commission 2019 Strategic Priorities: As part of the Commission of Community & Fire Services, MPL management staff have met with other Commission staff and have identified the following priorities for 2019:
  - a) Build the workforce of the future
  - b) Foster a connected community
  - c) Improve service outcomes through continuous improvement
  - d) Deliver sustainable infrastructure

Staff mentioned that there were three questions under **Board Engagement** in CEO's Highlights and asked the Board if they would provide input:

1. ***What Parts of the Strat Plan did you find most meaningful and most impactful on the community and why?***

#### **Input from Board:**

Planned for and saw the completion of the beautiful Aaniin Library  
 Makerspace-different means of attracting people to library space  
 Phenomenal growth of technology  
 Digital inclusion  
 Presence on social media  
 CoderDojo very popular  
 Focus on innovation and the relationship MPL has with youth  
 Ability to provide a Community Hub where residents can come together in nice spaces  
 Integration of services for disadvantaged clientele

2. ***If you could have added or changed one part of the Start Plan what would you have done? Why?***

#### **Input from Board:**

Library for Ward 2  
 Address special needs further by providing one on one support  
 Enhance school partnerships

## AGENDA 2.1

### 3. *What is the one most important thing to be included in the next Strat Plan?*

#### **Input from Board:**

Inclusion of special needs – with provincial cut-backs many people will be looking to the library to serve community needs

More services provided to newcomers

Increased awareness of diversity and a plan that focusses on types of diversity

Moved by Ms. Jennifer Yip

Seconded by Mrs. Marilyn Aspevig

**Resolved that the report “Strategic Plan Update 2018 & 2019 Strategic Work Plan” be received.**

Carried.

### 10.2 **MPL Board Orientation and Introduction to MPL Edu Board Program**

Staff explained that the Board Orientation Modules were modelled after the MPL Staff Edu program where staff that are onboarding can access learning about MPL at their own speed. The link will be sent to Board members as soon as it is ready for their review.

#### **Highlights of the Modules include:**

Role of the Library Board-MPL is a Governance Board

Markham Public Library Vision, Mission Values

Branch Profiles

Some of the unique aspects of Markham Public Library-Innovations and various services

Highlights of the Public Library Act

What is Policy Governance?

Meeting Management –Roberts Rules of Order

Policies are listed

Social/Community Engagement –what is community engagement?

Advocacy

There was discussion and questions about what a Policy Governance Board is responsible for such as oversight not operations.

There was a comment that the document was somewhat wordy. Staff responded that there is a lot of information to cover, however staff are working on simplification.

Moved by Mrs. Pearl Mantell

## AGENDA 2.1

Seconded By Mrs. Marilyn Aspevig

**Resolved that the presentation “MPL Board Orientation and Introduction to MPL Edu Board program” be received.**

Carried.

### 11.0 **Incidental Information:**

#### 11.1 **Board Meeting Attendance Records, 2018**

Moved by Mrs. Pearl Mantell  
Seconded by Mrs. Marilyn Aspevig

**Resolved that the “Board Meeting Attendance Record, 2018” be received.**

Carried.

#### 11.2 **2019 Board Meeting and Agenda Planning Dates-Revised**

The Vice-Chair explained that that there were a couple of changes to the schedule including adding a July meeting due to the cancellation of the January meeting.

Moved by Mrs. Marilyn Aspevig  
Seconded by Ms. Margaret McGrory

**Resolved that the revised schedule 2019 Board meeting and agenda planning dates be received.**

Carried,

### 12.0 **New Business**

#### 13.0 **Board Evaluation : The Board and the CEO**

The Vice-Chair asked Board members to complete the questionnaire and hand in to the Board Secretary.

### 14.0 **In Camera Agenda (none)**

### 15.0 **Adjournment**

Moved by Mrs. Yemisi Dina and seconded by Mr. Alfred Kam that the meeting be adjourned at 8:38 p.m.



Report to: General Committee

Meeting Date: April 8, 2019

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**SUBJECT:** Award of Tender 002-T-19 Asphalt Maintenance  
**PREPARED BY:** John Hoover, Supervisor, Roads Operations, Ext. 4808  
Melita Lee, Senior Buyer, Ext. 2239

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**RECOMMENDATION:**

1. THAT the report entitled “Award of Tender 002-T-19 Asphalt Maintenance” be received;
2. AND THAT the contract for asphalt maintenance be awarded to the lowest priced Bidder, Forest Contractors Ltd. for one (1) year in the amount of \$1,065,819.99 (Inclusive of HST), with an option to renew the contract for an additional three (3) years. The price will remain firm fixed for the first three (3) years. The remaining one (1) year will be subject to an annual price increase based on the Consumer Price Index for All Items Canada for the twelve (12) month period ending October 31 in the applicable year and shall not exceed 3%;
3. AND THAT the award in the amount of \$1,065,819.99 inclusive of HST be funded from operating and capital accounts as identified in the Financial Considerations section of this report with total available budget of \$1,268,260.00;
4. AND THAT the remaining budget in the amount of \$202,440.01 (\$1,268,260.00 - \$1,065,819.99) be utilized to address potential additional asphalt maintenance on an as required basis;
5. AND THAT the 2020 – 2023 purchase orders be adjusted for growth and/or price escalation, subject to Council approval of the respective year’s budgets;
6. AND THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

**EXECUTIVE SUMMARY:**

N/A

**PURPOSE:**

The purpose of this report is to obtain Council approval to award the contract for asphalt maintenance for one (1) year with an option to renew the contract for an additional three (3) years.

**BACKGROUND:**

Asphalt Maintenance is an annual program that includes the removal and replacement of asphalt infrastructure throughout the City.

**OPTIONS/ DISCUSSION:****Tender Information (002-T-19)**

Bid closed on	March 4, 2019
Number picking up bid document	15
Number responding to bid	4*

\*One bidder was declared ineligible to bid as they were identified on the disqualified vendors list.

**Price Summary**

Bidder	Bid Price (Inclusive of HST)
<b>Forest Contractors Ltd.</b>	<b>\$1,065,819.99</b>
C. Valley Paving Ltd.	\$1,380,694.94
Dig-Con International Ltd.	\$1,747,539.74

**FINANCIAL CONSIDERATIONS**

Account Name	Account #	Budget Available	Amount to Allocate to this project	Cost of Award	Budget Remaining
Asphalt Maintenance	700-501-5304	1,383,649	933,649.00	784,619.69	149,029.31
Localized Repairs - Parking Lots	050-6150-19180-005	257,000	257,000.00	215,977.59	41,022.41
Localized Repairs - Parking Lots	050-6150-18211-005	23,290	23,290.00	19,572.44	3,717.56
Railway Crossings	050-6150-18213-005	138,360	50,000.00	42,018.99	7,981.01
Bridge Maintenance	700-101-5399-18202	4,321	4,321.00	3,631.28	689.72
		-	-		-
<b>Totals:</b>		<b>1,806,619</b>	<b>1,268,260.00</b>	<b>1,065,819.99</b>	<b>202,440.01</b>

The remaining budget in the amount of \$202,440.01 will be used to address potential additional asphalt maintenance on an 'as required' basis. Asphalt maintenance requirements are anticipated to increase due to the freeze thaw cycles caused by the frequent temperature fluctuations experienced in the 2018/2019 winter season.

**Operating Budget and Life Cycle Impact**

There is no incremental impact to the operating budget and the Life Cycle Reserve Study.

**HUMAN RESOURCES CONSIDERATIONS**

N/A

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

N/A

**BUSINESS UNITS CONSULTED AND AFFECTED:**

Finance department has been consulted and their comments have been incorporated.

**RECOMMENDED BY:**

Morgan Jones  
Director of Operations

Brenda Librecz  
Commissioner, Fire & Community  
Services



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**ATTACHMENTS:**

N/A



Report to: General Committee

Meeting Date: April 8, 2019

**SUBJECT:** Development Charges December 31, 2018 Reserve Balances and Annual Activity of the Accounts

**PREPARED BY:** Shannon Neville, Financial Analyst, ext. 2659  
Kevin Ross, Manager, Development Finance, ext. 2126

**RECOMMENDATION:**

- 1) That the report titled "Development Charges December 31, 2018 Reserve Balances and Annual Activity of the Accounts" be received by Council as required under Section 43(1) of the *Development Charges Act, 1997, as amended*;
- 2) And that Staff be authorized and directed to do all things necessary to give effect to this resolution.

**PURPOSE:**

Section 43(1) of the *Development Charges Act, 1997, as amended*, requires the Treasurer to submit annually to Council a financial statement relating to Development Charges by-laws and reserve funds established under Section 33 of the *Development Charges Act, 1997*. This report includes that financial statement and also provides Council with information regarding the semi-annual indexing that occurred during 2018.

**BACKGROUND:**

As part of the *Development Charges Act, 1997, as amended*, the Treasurer is to report annually on the funds received and dispersed as shown in the attached schedules.

Enclosed are the statistics for the twelve (12) months ended December 31, 2018.

**FINANCIAL CONSIDERATIONS:**

The December 31, 2018 the closing balance of the development charges (DC) reserve accounts, before accounting for approved capital commitments, was \$47,178,917 (Schedule A). This balance represents the cash, letters of credit and receivable balances in the reserves, but does not take into account commitments for approved capital projects.

Approved capital commitments against the reserves as at December 31, 2018 totaled \$28,611,850 resulting in an adjusted (committed) reserve balance of \$18,567,067 (\$47,178,917 less \$28,611,850). The net increase in the reserve fund before capital commitments from January 1, 2018 to December 31, 2018 was \$37,845,612 (\$47,178,917 less \$9,333,305 - Schedule B).

Schedule B outlines the net amount of \$12,441,964 transferred to capital projects in 2018, which is broken down into two components: transfer to capital and transfer from capital. These two components of the transfer include \$18,761,365 of growth-related projects (Schedule C) funded from development charges, as well as transfers to development charges of \$6,319,401 resulting mainly from the closure of capital projects as well as the realignment of funding sources. In addition to the \$12,441,964 of growth-related capital projects funded from development charges in 2018, there are other associated sources of project funding which are identified in Schedule C.

A summary of the development charge activity for the year is detailed as follows:

January 1, 2018 opening balance	\$9,333,305
Development Charges received	\$50,324,175
Interest	(\$36,599)
Net amount transferred to capital projects	(\$12,441,964)
Balance as at December 31, 2018	<u>\$47,178,917</u>

The balance of the Development Charge Reserve Fund is made up of the following major categories:

City Wide Soft	(\$13,220,358)
City Wide Hard	\$53,416,339
Area Specific	\$6,982,936
Total	<u>\$47,178,917</u>

In September 2016, the City loaned \$20,000,000 to the development charges reserve to offset the negative balances of some reserves, and assist with cash flow. In February 2018, the City loaned another \$20,000,000 to the reserve; both loans were allowed as per the Council-approved Development Charges Borrowing Policy. The negative reserves resulted from the pre-emplacement of facilities ahead of growth (i.e. Pan Am Facility). In August 2018, the \$40,000,000 loan was repaid from the DC reserves as the reserves had recovered and had an overall positive balance. The City charged interest at the prime rate on the loan, and this moved from 3.2% to 3.45% between January and August 2018 when the loan was repaid.

### INTEREST

During 2018, there were no long term investments of development charge reserve funds; however, the cash on hand earned interest at a competitive rate at the bank in line with short term investment rates. The interest cost on the internal borrowing of \$40,000,000, which was repaid from the development charge reserves in August of 2018, exceeded the interest earned and resulted in a negative net interest of \$36,599 (Schedule D).

### DEVELOPMENT CHARGE CREDITS

Schedule E provides information on credit agreements that the City has with developers. The City has future credit obligations in the amount of \$8,432,794, which is to be offset from development charges payable when the respective developers execute their agreements.

### COMPONENT CATEGORIES

Schedule F provides the year-end balance of each reserve for 2016 through 2018 along with the percentage change over the three-year period.

The chart below summarizes the year-end DC reserve balances by component category, taking approved capital commitments into account:

	YEAR-END BALANCES			% CHANGE 2016 - 2018
	2016	2017	2018	
CITY WIDE SOFT SERVICES	(\$31,157,446)	(\$35,948,450)	(\$13,220,358)	58%
CITY WIDE HARD SERVICES	\$40,860,694	\$37,787,651	\$53,416,339	31%
AREA SPECIFIC CHARGES	\$5,077,270	\$7,494,104	\$6,982,936	38%
TOTAL DEVELOPMENT CHARGE RESERVE	\$14,780,518	\$9,333,305	\$47,178,917	219%
CAPITAL COMMITMENTS AT YEAR-END	(\$68,833,129)	(\$38,748,797)	(\$28,611,850)	58%
<b>ADJUSTED DC RESERVE BALANCES</b>	<b>(\$54,052,610)</b>	<b>(\$29,415,492)</b>	<b>\$18,567,067</b>	<b>134%</b>

The City Wide Soft services reserves have increased since 2016. In previous years, the City Wide Soft services reserves have been depleted by the pre-emplacment of recreation facilities, such as the Pan Am Centre, as well as the Ontario Municipal Board ruling issued in January 2016 against the City's calculation of the soft services charge in the 2009 and 2013 by-laws, which resulted in the City refunding approximately \$19M to landowners. The increase in the City Wide Hard and Area Specific reserves is primarily due to expenditures on engineering-related infrastructure being done at a slower pace than anticipated to match growth patterns. The approval of the DC Background Study on December 13, 2017 also resulted in the application of increased development charge rates in 2018 for both City Wide Hard and City Wide Soft services and these are reflected in the reserve balances.

#### DEVELOPMENT CHARGES COMMITTED TO APPROVED PROJECTS

Growth-related capital projects that are approved as part of the annual budgets generally denote development charges as the major funding source, but the actual cash funding for capital expenditures totaling one million dollars or greater is not transferred to the project until required. This process retains cash within the Development Charge Reserve Fund to earn as much interest as possible for the reserve. Upon the approval of the budget, the reserve balances in the Development Charge Reserve Fund are considered to be committed to projects underway, or about to start.

The reserve balance for the year ended December 31, 2018 is significantly lower when capital commitments of \$28,611,850 are taken into account, leaving an adjusted (committed) reserve balance of \$18,567,067. The total capital commitments for 2018 represent a decrease of \$10,136,947 (\$28,611,850 less \$38,748,797) compared to the prior year. A large portion of this reduction can be attributed to the removal of the construction of Miller Avenue project from Woodbine Avenue to Rodick (\$7.2M). The project has been held up by the implementation of the storm pond and it was determined in 2018 that the funds were not currently required. The project will be requested as part of the future capital budget process and therefore, has been removed from the current capital commitments.

The capital commitments relate mainly to City Wide Hard and City Wide Soft services projects which total approximately \$14M for each service. The City Wide hard includes projects such as the Rodick Extension Phase 2 of 3 – Miller to 14<sup>th</sup> (\$5M), Miller Avenue – CN to Kennedy Road Phase 4 PA (\$4M), and Highway 404 Ramp Extension North of Highway 7 (\$3M). The City Wide Soft capital commitments contain several smaller projects relating to park development, such as the construction of Kirkham Drive Park Phase 2 (\$3M), Cornell Community Park Phase 1 of 3 (\$3M), and Box Grove Community Park East Phase 1 (\$2M). The adjusted (committed) reserve balance of \$18.6M represents a \$48M increase from the prior year closing balance of negative \$29.4M.

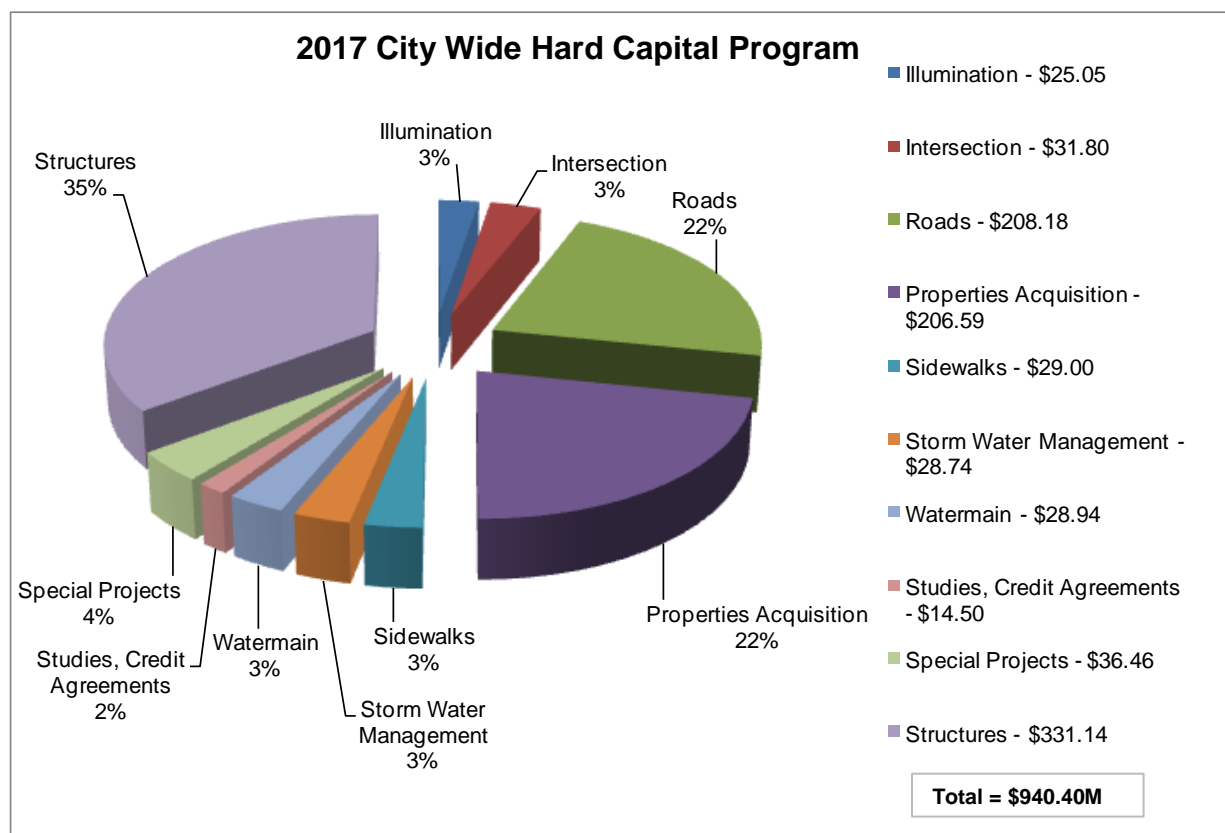
The chart below summarizes the 2018 year-end reserve balances and capital commitments:

	<b>YEAR-END RESERVE BALANCE</b>	<b>CAPITAL COMMITMENTS</b>	<b>ADJUSTED RESERVE BALANCE</b>
CITY WIDE SOFT SERVICES	(\$13,220,358)	\$13,833,520	(\$27,053,878)
CITY WIDE HARD SERVICES	\$53,416,339	\$13,797,370	\$39,618,969
AREA SPECIFIC CHARGES	\$6,982,936	\$980,960	\$6,001,976
<b>TOTAL DEVELOPMENT CHARGE RESERVE</b>	<b>\$47,178,917</b>	<b>\$28,611,850</b>	<b>\$18,567,067</b>

### HIGHLIGHTS OF THE 2017 BACKGROUND STUDY

The Development Charges (“DC”) Background Study was completed as projected in December 2017. After receiving approval from Council, the 2017 Development Charges By-laws for City Wide Hard, City Wide Soft, and Area Specific went into effect as at December 13, 2017.

**Hard Services include** infrastructure such as roads, bridges, sidewalks, intersections, illumination, property acquisition (roads), storm water management, and studies. The DC Background Study identified \$940M of DC funded infrastructure required until 2031 comprised mainly of roads, structures (e.g. bridges) and property acquisition costs. Below is the breakdown of the cost per category and the percentage share of the infrastructure as included in the DC Background Study.

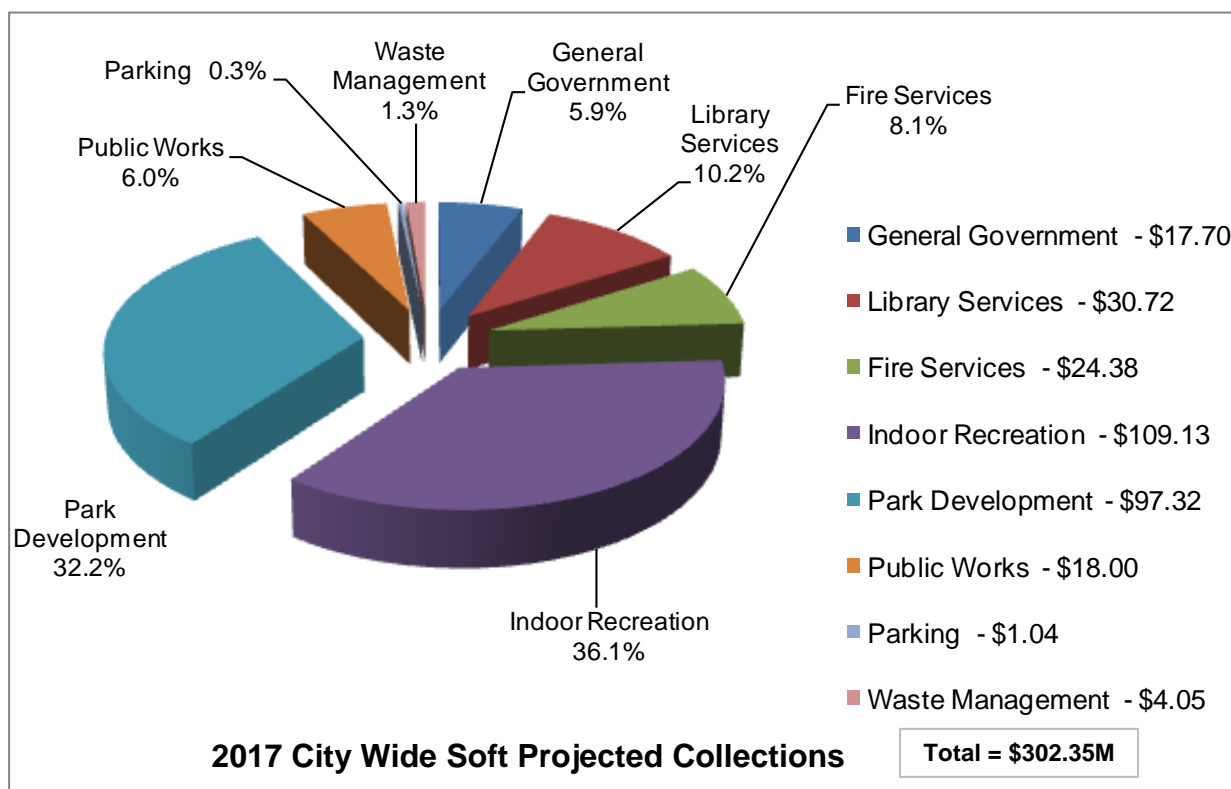




Hard Services DC rates are derived by taking the forecasted hard infrastructure and dividing by the projected population in new households. Existing service levels do not generally impact what can be collected from future development however, any increase in service levels are not typically recovered through DCs.

**Soft Services** include all of the other categories outlined in the chart below. Soft services DCs differ from hard services DCs in that the rates are calculated using an average 10-year historic service level, and the future capital program is also limited to a 10-year planning horizon. Therefore, every soft service category has a forecasted 10-year “funding envelope”, and any expenditures over and above this amount may need to identify a non-DC funding source or be recovered through future (post 10-year) DC collections.

The 10-year soft services forecasted funding envelopes (projected collection) in the 2017 DC Background Study is depicted in the chart below and also shows how each dollar of DC collection is allocated.



As shown in the chart above, the study projected \$302M in DC collection over the period 2017-2026 with recreation and park development accounting for 68.3% of the total. These collections however need to be adjusted by the amount currently in the reserve of the various services to determine the funds available for capital programs to 2026, with totals \$271M. Negative reserve balances occur when facilities are built in advance of growth (pre-emplaced) and collections are required to fund these negative balances prior to funding being available for capital programs. The chart below shows the collections and available DC funds after adjusting for the reserve balances.

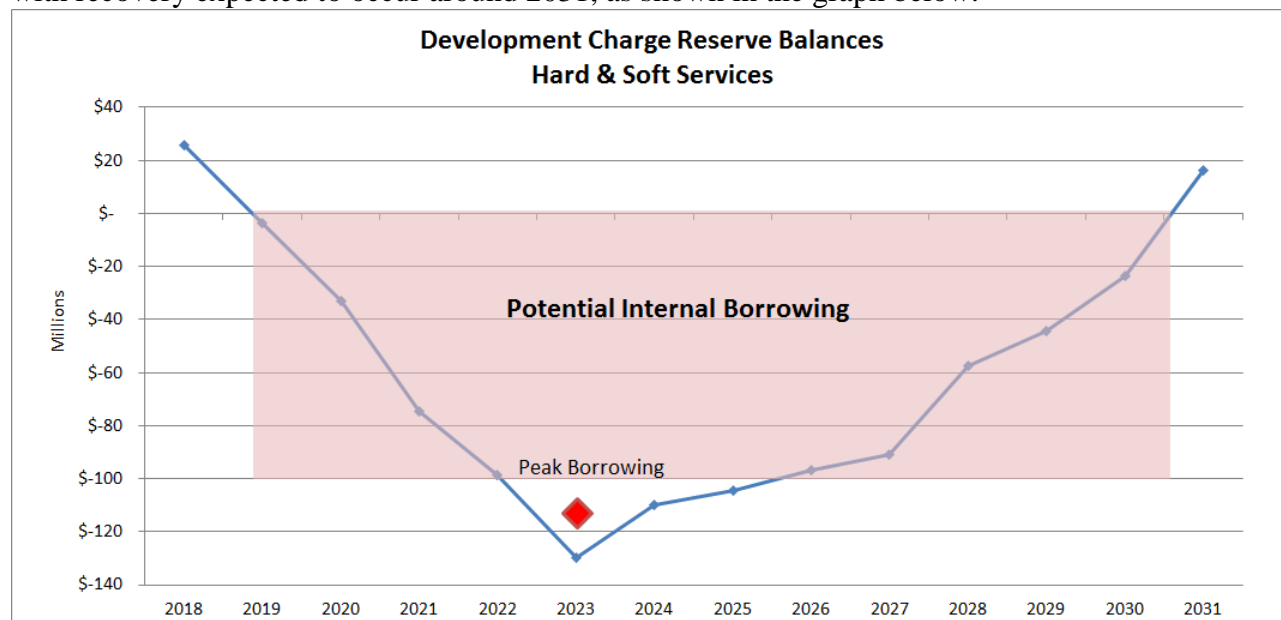
Service	Projected Collections 2017-2026 \$'000	Reserve Balance Adjustment \$'000	Available Funds \$'000	Capital Program <sup>1</sup> 2017 - 2026
Indoor Recreation	\$109,130	(\$69,530)	\$39,601	35,000 sq.ft. of space
Park Development & Facilities	\$97,320	\$36,600	\$133,921	Approx. 97 parks
Library Service	\$30,718	(\$1,668)	\$29,050	35,000 sq.ft. of space
Fire Service	\$24,384	(\$441)	\$23,943	30,000 sq.ft. of space + accompanying vehicles
Public Works	\$18,000	\$13,948	\$31,948	East Works Yard + fleet
General Government	\$17,701	(\$10,755)	\$6,946	Growth Studies
Waste Management	\$4,049	N/A	\$4,049	5,000 sq.ft. of depot space + additions to collection fleet
Parking	\$1,043	\$81	\$1,124	
<b>TOTAL</b>	<b>\$302,345</b>	<b>(\$31,763)</b>	<b>\$270,582</b>	

1) - Takes into account the estimated cost of land and FF&E

The projected DC collections for the Hard and Soft services are linked to the population and employment forecasted for the period; that is 2031 for the Hard services and 2026 for the Soft services. If this forecast is not achieved for any reason, the City's ability to fund the capital program included in the 2017 DC Background Study will be diminished and, this may lead to the City having to make decisions on whether to scale down the program – less population and employment growth should however result in less infrastructure requirements.

## DEBT

A DC cash-flow forecast was developed taking into consideration current capital commitments, identified growth-related projects included in the 2017 DC Background Study capital program, and anticipated DC collections. Peak borrowing is projected to occur in 2023 at approximately \$130M with recovery expected to occur around 2031, as shown in the graph below.



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**INDEXING**

Section 15 of the City's Development Charge by-laws state that the charges referred to in each of the by-laws' shall be increased, if applicable, semi-annually without an amendment to the by-laws, on the first day of January and the first day of July, of each year, in accordance with the most recent change in the Statistics Canada Quarterly, *Construction Price Statistics* (Catalogue No. 62-007). Indexing the City's development charges helps to partially mitigate the impact of inflationary increases on future growth-related costs.

With the approval of the 2017 DC By-laws which went into effect as at December 13, 2017, the newly-approved development charge rates were not indexed as at January 1, 2018 but were indexed up by 4.2% as at July 1, 2018. This represents the increase in the prescribed index, the Statistics Canada Quarterly, *Construction Price Statistics* for non-residential buildings in Toronto over the 15-month period from when the development charge rates were initially established to the end of the first quarter of 2018, as stated in Section 15 of the City's 2017 DC by-laws approved by Council. Semi-annual indexing of the City's development charge rates will continue on January 1<sup>st</sup> and July 1<sup>st</sup> beginning in 2019.

**COMPLIANCE WITH DEVELOPMENT CHARGES ACT, 1997**

For the year ended December 31, 2018, the Reserve Balance and Annual Activity Statement is in compliance with the DCA 1997, as amended. The City has not imposed additional levies in accordance with Subsection 59.1 (1) of the Act.

**BUSINESS UNITS CONSULTED & AFFECTED:**

N/A

**RECOMMENDED BY:**

Joel Lustig  
Treasurer

Trinela Cane  
Commissioner, Corporate Services

**ATTACHMENTS:**

Schedule A – Summary Statement - Balances by Component of the Reserve Fund  
Schedule B – Continuity Statement - Funds Received and Dispersed by Category  
Schedule C – Capital Fund Transfers Addendum  
Schedule D – Summary of Investments - Reg. 74/97 Section 8 of the Municipal Act  
Schedule E – Credit Obligation Summary  
Schedule F – Statement of Change in Year-end Balances

**DEVELOPMENT CHARGES RESERVE**  
**Summary Statement Including Accounts Receivable**  
Balances by Category as at December 31, 2018

**SCHEDULE A**

	CASH	LETTERS OF CREDIT	RECEIVABLE AT PERMIT STAGE	RESERVE BALANCE	COMMITMENTS TO APPROVED CAPITAL PROJECTS	ADJUSTED RESERVE BALANCE
ADMINISTRATION	(\$11,452,679)	-	\$420,027	(\$11,032,652)	-	(\$11,032,652)
FIRE	\$1,482,129	-	\$582,150	\$2,064,279	-	\$2,064,279
LIBRARY	(\$1,961,985)	-	\$1,576,613	(\$385,372)	-	(\$385,372)
PARKLAND	\$35,779,069	-	\$3,849,542	\$39,628,611	(\$13,833,520)	\$25,795,091
RECREATION	(\$64,961,487)	-	\$5,747,699	(\$59,213,788)	-	(\$59,213,788)
PUBLIC WORKS	\$14,835,309	-	\$498,581	\$15,333,890	-	\$15,333,890
PARKING	\$137,688	-	\$25,585	\$163,273	-	\$163,273
WASTE MANAGEMENT	\$64,936	-	\$156,465	\$221,401	-	\$221,401
<b>TOTAL CITY WIDE SOFT SERVICES</b>	<b>(\$26,077,020)</b>	<b>-</b>	<b>\$12,856,662</b>	<b>(\$13,220,358)</b>	<b>(\$13,833,520)</b>	<b>(\$27,053,878)</b>
<b>CITY WIDE HARD SERVICES</b>	<b>\$45,090,806</b>	<b>\$7,360,090</b>	<b>\$965,443</b>	<b>\$53,416,339</b>	<b>(\$13,797,370)</b>	<b>\$39,618,969</b>
<b>AREA SPECIFIC CHARGES</b>	<b>\$6,944,706</b>	<b>\$38,230</b>	<b>-</b>	<b>\$6,982,936</b>	<b>(\$980,960)</b>	<b>\$6,001,976</b>
<b>TOTAL DEVELOPMENT CHARGE RESERVE</b>	<b>\$25,958,492</b>	<b>\$7,398,320</b>	<b>\$13,822,105</b>	<b>\$47,178,917</b>	<b>(\$28,611,850)</b>	<b>\$18,567,067</b>

**DEVELOPMENT CHARGES RESERVE**  
**Continuity Statement Including Accounts Receivable**  
Balances by Category as at December 31, 2018

**SCHEDULE B**

	BALANCE AT JANUARY 1 2018	DEVELOPMENT CHARGES EARNED	INTEREST	SUB TOTAL	TRANSFER TO CAPITAL PROJECTS	TRANSFER FROM CAPITAL PROJECTS <sup>1</sup>	BALANCE AT DECEMBER 31 2018	COMMITMENTS TO APPROVED CAPITAL PROJECTS	ADJUSTED BALANCE AT DECEMBER 31 2018
ADMINISTRATION	(\$11,813,417)	\$1,102,866	(\$425,525)	(\$11,136,076)	(\$1,641,874)	\$1,745,298	(\$11,032,652)	-	(\$11,032,652)
FIRE	\$683,394	\$1,385,157	(\$4,271)	\$2,064,280	-	-	\$2,064,280	-	\$2,064,280
LIBRARY	(\$3,070,427)	\$2,881,839	(\$196,784)	(\$385,372)	-	-	(\$385,372)	-	(\$385,372)
PARKLAND	\$34,269,984	\$7,483,154	\$778,816	\$42,531,954	(\$3,979,842)	\$1,076,498	\$39,628,610	(\$13,833,520)	\$25,795,090
RECREATION	(\$70,386,944)	\$11,154,163	(\$1,613,402)	(\$60,846,183)	(\$25,928)	\$1,658,323	(\$59,213,788)	-	(\$59,213,788)
PUBLIC WORKS	\$14,260,999	\$1,104,765	\$318,486	\$15,684,250	(\$418,092)	\$67,733	\$15,333,891	-	\$15,333,891
PARKING	\$107,961	\$52,611	\$2,700	\$163,272	-	-	\$163,272	-	\$163,272
WASTE MANAGEMENT	-	\$220,656	\$745	\$221,401	-	-	\$221,401	-	\$221,401
<b>TOTAL CITY WIDE SOFT SERVICES</b>	<b>(\$35,948,450)</b>	<b>\$25,385,211</b>	<b>(\$1,139,235)</b>	<b>(\$11,702,474)</b>	<b>(\$6,065,736)</b>	<b>\$4,547,852</b>	<b>(\$13,220,358)</b>	<b>(\$13,833,520)</b>	<b>(\$27,053,878)</b>
<b>CTIY WIDE HARD SERVICES</b>	\$37,787,651	\$25,551,940	\$1,000,828	\$64,340,419	(\$12,695,629)	\$1,771,549	\$53,416,339	(\$13,797,370)	\$39,618,969
<b>AREA SPECIFIC CHARGES <sup>2</sup></b>	\$7,494,104	(\$612,976)	\$101,808	\$6,982,936	-	-	\$6,982,936	(\$980,960)	\$6,001,976
<b>TOTAL</b>	<b>\$9,333,305</b>	<b>\$50,324,175</b>	<b>(\$36,599)</b>	<b>\$59,620,881</b>	<b>(\$18,761,365)</b>	<b>\$6,319,401</b>	<b>\$47,178,917</b>	<b>(\$28,611,850)</b>	<b>\$18,567,067</b>

Note:

1) Relates mainly to funds being returned from closed capital projects

2) Area Specific Development Charges Earned represents revenue of \$945,829 less developer reimbursements totaling \$1,558,805



**DEVELOPMENT CHARGES RESERVE****SCHEDULE C****Capital Fund Transfers Addendum - Total Project Funding**

Balances by Category as at December 31, 2018

PROJECT	PROJECT DESCRIPTION	CITY WIDE SOFT DC FUNDING	NON-DC GROWTH FUNDING <sup>1</sup>	OTHER PROJECT FUNDING <sup>2</sup>	2018 PROJECT FUNDING
7353	Planning Capital Contingency	\$6,878	-	-	\$6,878
13004	Official Plan - OMB	\$496	-	\$32	\$528
15036	Wismer Hwy #48 Museum Park North - Construction	\$1,142,852	(\$31,340)	-	\$1,111,512
16030	Leitchcroft Community Park Phase 2 of 2 - Construction	\$1,110,749	-	-	\$1,110,749
16038	Box Grove Community Park East (Phase 1) - Construction	\$100,000	-	-	\$100,000
16170	Growth Related Park Improvements	\$120,000	-	\$22,500	\$142,500
17013	Swan Lake Park South Williamson - Design & Constr.	\$41,933	-	\$4,659	\$46,592
17014	Wismer Alexander Lawrie NP East & West - D & C	\$340,036	-	\$10,004	\$350,040
17017	Cornell Community Park - Phase 1 of 3 Construction	\$50,000	(\$6,177)	-	\$43,823
18021	Consultant Studies	\$90,000	-	\$10,000	\$100,000
18023	Growth Monitoring Program & Data Collection	\$14,432	-	\$1,604	\$16,036
18025	Langstaff Master Plan	\$137,340	-	\$15,260	\$152,600
18026	Markham Centre Secondary Plan Study	\$496,411	-	\$55,156	\$551,567
18027	Official Plan Conformity - 2017 Provincial Plans	\$212,670	-	\$23,630	\$236,300
18030	Cornell Park Pavilion & Washrooms Construction	\$886,050	-	\$98,450	\$984,500
18033	Markham Centre Riverwalk Urban Park - Design & Const	\$25,000	-	\$127,240	\$152,240
18034	Wismer Park Pavilion & Washrooms - Design & Const.	\$20,000	-	\$118,280	\$138,280
18035	Parking Lot Adjacent Yarl Cedarwood Park - Design & Constr.	\$144,360	-	\$16,040	\$160,400
18080	Internal Project Management	\$630,168	-	\$5,800	\$635,968
18217	Winter Maintenance Vehicles	\$350,000	-	-	\$350,000
18247	Corporate Fleet Replacement - Non-Fire	\$30,092	-	\$1,167,930	\$1,198,022
18252	New Fleet-Parks	\$27,800	-	-	\$27,800
18253	Corporate Fleet Growth	\$10,200	-	-	\$10,200
18329	Aaniin Community Centre & Library Opening	\$25,928	\$2,881	\$6,050	\$34,859
18330	Development Charge Background Study	\$34,789	-	\$3,865	\$38,654
18338	Development Services Strategic Plan	\$17,552	-	\$1,950	\$19,502
<b>TOTAL FUNDED CITY-WIDE SOFT</b>		<b>\$6,065,736</b>	<b>(\$34,636)</b>	<b>\$1,688,450</b>	<b>\$7,719,550</b>

## Notes:

<sup>1</sup> Non-DC Growth Funding may not equal 10% of total funding for the year due to timing of project funding. Negative amounts reflect returns.<sup>2</sup> Other Project Funding includes sources such as grants, life cycle, developer funding and taxes

## SCHEDULE C (Cont'd)

PROJECT	PROJECT DESCRIPTION	CITY WIDE HARD DC FUNDING	NON-DC GROWTH FUNDING	OTHER PROJECT FUNDING	2018 PROJECT FUNDING
13021	Yorktech Drive Extension (EA)	\$14,566	-	-	\$14,566
13881	Engineering Capital Contingency	\$6,947	-	-	\$6,947
14056	Rodick Extension - Phase 2 of 3 - Miller to 14th	\$450,000	-	-	\$450,000
16041	Highway 404 Ramp Extension, North of Hwy 7	\$1,798,130	-	-	\$1,798,130
16043	Illumination	\$539,229	-	-	\$539,229
16048	Multi-Use Pathways (Phase 3 of 4)	\$366,056	-	\$146,250	\$512,306
16049	Sidewalk Program	\$779,425	-	-	\$779,425
16052	Verclair Crossing at Rouge River (Construction)	\$660,000	-	-	\$660,000
17039	Cycling Awareness Program	\$4,266	-	\$6,063	\$10,329
17042	Intersection Improvements - Bur Oaks/Roy Rainey and John/Henderson	\$1,482	-	\$713	\$2,195
18040	Active Transportation Master Plan	\$253,300	-	-	\$253,300
18042	Cycling Awareness Program	\$61,815	-	\$51,610	\$113,425
18043	Downstream Improvement Work Program	\$474,229	-	\$255,354	\$729,583
18044	Intersection Improvements - Centurian Dr. / Frontenac Dr.	\$726,792	-	-	\$726,792
18045	John Street Multi-Use Pathway Design	\$130,475	-	\$70,256	\$200,731
18046	Markham Rd./Mt. Joy Secondary Plan MESP	\$253,300	-	-	\$253,300
18047	Planning for Higher Order Transit Stations - Phase 1 of 2	\$126,900	-	-	\$126,900
18049	Rouge Valley Trail Multi-Use Pathway (Phase 4 of 5)	\$1,020,360	-	\$549,425	\$1,569,785
18050	Sidewalk Construction (City Wide)	\$700,000	-	\$537,429	\$1,237,429
18051	Smart Commute Markham – Richmond Hill	\$76,300	-	-	\$76,300
18052	Standardizing Capital Works/Capital Specs for Projects	\$126,900	-	-	\$126,900
18053	Streetlight Design Criteria & Standards Update	\$64,200	-	-	\$64,200
18054	Streetlighting Program (Design)	\$276,175	-	-	\$276,175
18057	Traffic Signal Controller Upgrades	\$162,700	-	-	\$162,700
18058	Transportation Studies Related to Secondary Plans	\$596,700	-	-	\$596,700
18059	Victoria Square Boulevard - Detailed Design	\$809,900	-	-	\$809,900
18060	2018 Engineering Salary Recovery	\$924,000	-	-	\$924,000
18061	Yorktech Drive Extension (Design)	\$931,800	-	-	\$931,800
18080	Internal Project Management	\$324,632	-	-	\$324,632
18327	Storm Water Management Temperature Monitoring	\$15,548	-	\$32,741	\$48,289
18338	Development Services Strategic Plan	\$19,502	-	-	\$19,502
<b>TOTAL FUNDED CITY-WIDE HARD</b>		<b>\$12,695,629</b>	<b>-</b>	<b>\$1,649,841</b>	<b>\$14,345,470</b>
<b>TOTAL CAPITAL FUND TRANSFERS</b>		<b>\$18,761,365</b>	<b>(\$34,636)</b>	<b>\$3,338,291</b>	<b>\$22,065,020</b>

**DEVELOPMENT CHARGES RESERVE****SCHEDULE D****Summary of Investments**

Balances by Category as at December 31, 2018

<b>ISSUER</b>	<b>YIELD</b>	<b>DATE BOUGHT</b>	<b>MATURITY DATE</b>	<b>COST</b>	<b>MATURITY VALUE</b>	<b>INTEREST</b>
<b>NO INVESTMENTS</b>						
				Internal Borrowing		(\$669,919)
				Bank Interest/Other		\$633,320
				<b>TOTAL DCA INTEREST</b>		<b>(\$36,599)</b>

**DEVELOPMENT CHARGES RESERVE****SCHEDULE E****Credit Obligation Summary**

Balances by Category as at December 31, 2018

	<b>BALANCE AT JANUARY 1 2018</b>	<b>NEW AGREEMENTS</b>	<b>REDUCTIONS IN CREDITS</b>	<b>BALANCE AT DECEMBER 31 2018</b>
<b>AREA-SPECIFIC RESERVES</b>				
AREA 5 - ARMADALE				
Armadale Developers' Group	\$171,719	-	-	\$171,719
AREAS 9, 42B.6, 42B.8				
Markham Avenue 7 Developers Group	\$2,339,148	-	-	\$2,339,148
AREAS 9, 42B.6, 42B.8				
North Markham Avenue 7 Developers Group	\$3,434,788	-	-	\$3,434,788
AREA 9 - PD 1-7				
1820266 Ontario Inc & UDC Corp.	\$651,212	-	-	\$651,212
AREA 23 - Mount Joy				
Wismer Commons Developers Group Inc.	-	\$816,354	-	\$816,354
AREA 42A-1 HELEN AVENUE				
Abidien Inc.	-	\$659,073	\$315,700	\$343,373
AREA 42B.6 - MARKHAM CENTRE S. HWY 7				
1826918 Ontario Ltd.	\$526,893	-	-	\$526,893
AREA 45A - WISMER				
Wismer Commons Developers Group Inc.	\$232,500	\$852,833	\$1,085,333	-
<b>CITY WIDE HARD RESERVES</b>				
Angus Glen Village Limited	\$149,307	-	-	\$149,307
Wismer Commons Developers Group Inc.	-	\$2,063,899	\$2,063,899	-
<b>TOTAL CREDIT OBLIGATIONS</b>	<b>\$7,505,567</b>	<b>\$4,392,159</b>	<b>\$3,464,932</b>	<b>\$8,432,794</b>

**DEVELOPMENT CHARGES RESERVE**

Statement of Change in Year-End Balances

Balances by Category as at December 31, 2018

**SCHEDULE F**

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>% CHANGE 2016 - 2018</b>
<b>CITY-WIDE SOFT SERVICES</b>				
ADMINISTRATION	(\$10,754,830)	(\$11,813,417)	(\$11,032,652)	
FIRE	(\$440,774)	\$683,394	\$2,064,279	
LIBRARY	(\$2,261,716)	(\$3,070,427)	(\$385,372)	
PARKLAND	\$40,806,343	\$34,269,984	\$39,628,611	
RECREATION	(\$72,535,591)	(\$70,386,944)	(\$59,213,788)	
PUBLIC WORKS	\$13,948,097	\$14,260,999	\$15,333,890	
PARKING	\$81,027	\$107,961	\$163,273	
WASTE MANAGEMENT	-	-	\$221,401	
<b>CITY-WIDE SOFT SERVICES</b>	<b>(\$31,157,444)</b>	<b>(\$35,948,450)</b>	<b>(\$13,220,358)</b>	<b>58%</b>
<b>CTIY WIDE HARD SERVICES</b>	<b>\$40,860,694</b>	<b>\$37,787,651</b>	<b>\$53,416,339</b>	<b>31%</b>
<b>AREA SPECIFIC CHARGES</b>	<b>\$5,077,270</b>	<b>\$7,494,104</b>	<b>\$6,982,936</b>	<b>38%</b>
<b>TOTAL DEVELOPMENT CHARGE RESERVE</b>	<b>\$14,780,520</b>	<b>\$9,333,305</b>	<b>\$47,178,917</b>	<b>219%</b>





Report to: General Committee

Meeting Date: April 8, 2019

**SUBJECT:** 2018 Year-End Review of Operations  
**PREPARED BY:** Andrea Tang, Senior Manager of Financial Planning  
 Jay Pak, Senior Business Analyst

**RECOMMENDATION:**

- 1) THAT the report entitled “2018 Year-End Review of Operations” be received;
- 2) THAT the City’s 2018 net favourable variance of \$3.58M be transferred as follows, as per the approved Financial Planning and Budgeting Policy :
  - a. \$1.40M to the Corporate Rate Stabilization Reserve to achieve a balance equal to 15% of the local tax levy as per City policy;
  - b. \$2.18M to the Life Cycle Capital Replacement and Capital Reserve Fund;
- 3) THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

**EXECUTIVE SUMMARY:**

Council approved the 2018 annual operating budget of \$378.45M on December 12, 2017 which includes the City’s primary operating budget (including the Library operating budget), Planning & Design operating budget, Engineering operating budget, Building Standards operating budget and Waterworks operating budget.

This report provides an overview of the 2018 year-end operating results comparing actual to the annual operating budget.

**Primary Operating Budget (Appendix 1)**  
**(Includes Library, excludes Planning & Design, Engineering, Building Standards and Waterworks)**

The 2018 results of operations incurred a net surplus of \$3.58M and the breakdown is shown below:

(\$ in millions)	2018		Variance	% of
	<u>Actual</u>	<u>Budget</u>	<u>fav./(unfav.)</u>	<u>Budget</u>
Revenues	222.36	218.27	4.09	101.9%
Expenses	<u>207.60</u>	<u>207.13</u>	<u>(0.47)</u>	100.2%
<b>Surplus excluding winter maintenance</b>	<b>14.76</b>	<b>11.14</b>	<b>3.62</b>	
Year-End Accounting Accruals & Other Adjustments	<u>2.67</u>	<u>1.44</u>	<u>(1.23)</u>	
Subtotal	12.09	9.70	2.39	
Winter Maintenance	<u>8.51</u>	<u>9.70</u>	<u>1.19</u>	
<b>Net surplus including winter maintenance</b>	<b><u>3.58</u></b>	<b><u>0.00</u></b>	<b><u>3.58</u></b>	

### **City's Surplus excluding year-end accounting accruals and other adjustments and winter maintenance**

**City's surplus excluding year-end accounting accruals and other adjustments and winter maintenance = Favourable variance \$3.62M**

The major variances are outlined in the chart below:

<b>Revenues</b>	<b>Fav. / (Unfav.)</b>		<b>Expenditures</b>	<b>Fav. / (Unfav.)</b>	
Investment income	2.98	M	Salaries & benefits	1.39	M
Penalty & interest	0.32	M	Corporate contingency	2.62	M
Legal administrative fees	0.27	M	Utilities & streetlight hydro	1.34	M
Theatre, Art Centre and Museum	0.20	M	Property tax adjustments	0.68	M
Tax Levies	0.10	M	Maintenance & repairs	0.45	M
Federal and Provincial grants	0.09	M	Professional services/ office supplies/ training/ travel	0.32	M
Licenses & permits	0.07	M	Operating materials & supplies	0.12	M
Recreation Services	(0.03)	M	Theatre artist fees	(0.30)	M
Supplemental property taxes	(0.03)	M	Fuel	(0.16)	M
Parking fines	(0.34)	M	Advertising and promotion	(0.13)	M
One time lease agreements	0.51	M	Transfer to reserves	(6.24)	M
Other	(0.05)	M	Other	(0.55)	M
<b>Total</b>	<b>4.09</b>	<b>M</b>	<b>Total</b>	<b>(0.47)</b>	<b>M</b>

### **Year-End Accounting Accruals and Other Adjustments**

**Year-end accounting accruals and other adjustments = Unfavourable variance (\$1.23M)**

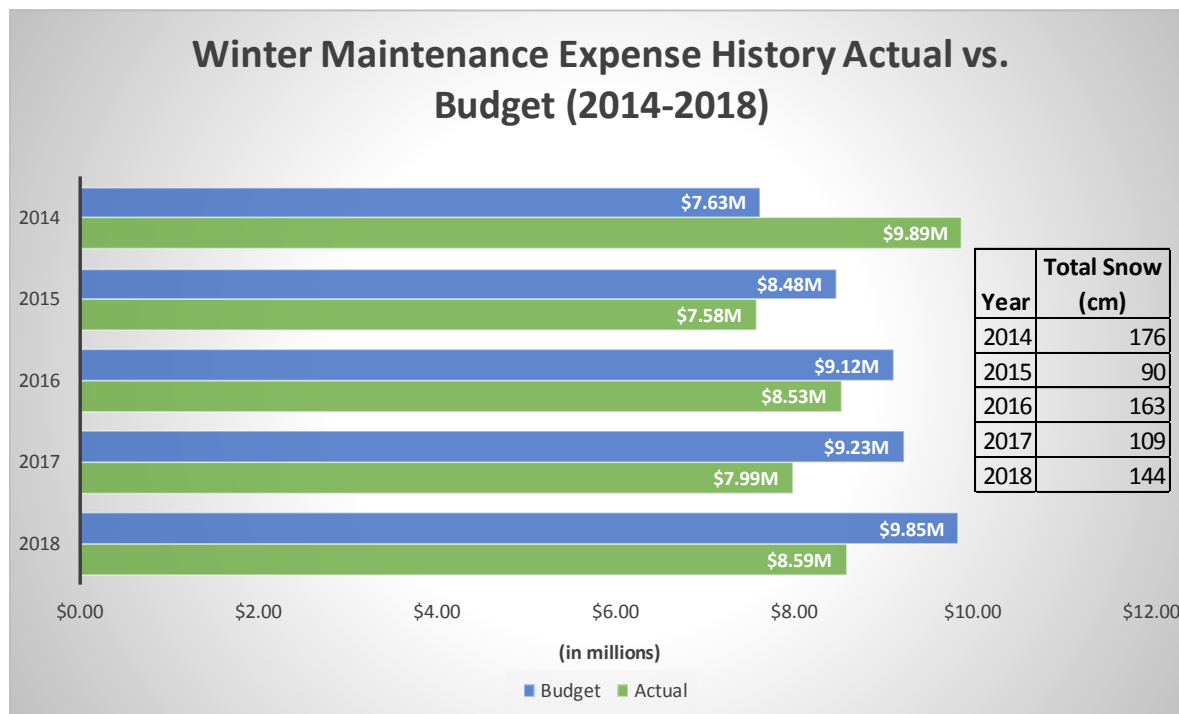
The 2018 year-end accounting accruals and other adjustments totaled \$2.67M against a budget of \$1.44M resulting in an unfavourable variance of (\$1.23M) due to the continuation of the ramp-up in the base budget which is anticipated to be fully ramped up by 2022. The year-end accounting accruals and other adjustments include severance, salary continuance payments, firefighter sick leave payouts, post employment benefits and salary accrual.

### **Winter Maintenance**

**Winter maintenance = Favourable variance \$1.19M**

The 2018 actual winter maintenance expenditures totaled \$8.51M against a budget of \$9.70M, resulting in a favourable variance of \$1.19M.

The exhibit below compares the 5 year historical actuals vs. budget for winter maintenance expenses from 2014-2018 as well as the total snow fall per year as per the Government of Canada's environment and natural resources site.



As the exhibit above shows, the actuals compared to budget have fluctuated over the past 5 years with 2014 being the peak of snowfall (176cm) with actual expenses of \$9.89M. Although 2018 was favourable by \$1.19M, as of Feb YTD 2019, winter maintenance is \$1.40M unfavourable to budget which further illustrates the unpredictable nature of weather conditions from year to year. Staff will continue to monitor the trends to determine whether future adjustments to the winter maintenance budget are necessary.

### **Planning & Design (Appendix 3)**

Actual \$5.68M – Budget \$0.90M = Favourable variance \$4.78M

Planning & Design incurred a surplus of \$5.68M against a budgeted surplus of \$0.90M. The favourable variance of \$4.78M was mainly due to higher than budgeted planning and design fees of \$3.40M from higher volume of applications submitted in June in anticipation of higher Regional development charges effective July 1, 2018, and lower personnel costs of \$1.38M from an average of seven temporary net vacancies.

### **Engineering (Appendix 4)**

Actual \$2.63M – Budget \$0.13M = Favourable variance \$2.50M

Engineering incurred a surplus of \$2.63M against a budgeted surplus of \$0.13M. The favourable variance of \$2.50M was mainly due to higher than budgeted Engineering fees from a higher volume of applications submitted in June in anticipation of higher Regional development charges effective July 1, 2018.

**Planning & Engineering Development Fee Reserve (Appendix 5)**

The 2018 budget anticipated a surplus of \$0.90M for Planning and a surplus of \$0.13M for Engineering totaling \$1.03M.

The Planning & Design and Engineering departments ended the year with a surplus of \$8.31M (Planning \$5.68M and Engineering \$2.63M). A transfer of \$8.31M will be made to the Reserve increasing the balance from (\$7.77M) to \$0.27M. (see Appendix 5)

**Building Standards (Appendix 6)**

Actual \$3.40M – Budget \$0.94M = Favourable variance \$2.46M

The Building Standards department incurred a surplus of \$3.40M against a budgeted surplus of \$0.94M. The favourable variance of \$2.46M was mainly due to higher building permit fees than budgeted of \$1.85M from a higher volume of applications submitted in June in anticipation of higher Regional development charges effective July 1, 2018 and lower personnel costs of \$0.60M from an average of three temporary net vacancies.

A transfer of \$3.40M will be made from the Reserve increasing the balance from \$9.36M to \$12.94M (see Appendix 7).

**Waterworks (Appendix 8)**

Actual \$15.79M – Budget \$15.28M = Favourable variance \$0.51M

The Waterworks department incurred a surplus of \$15.79M against a budgeted surplus of \$15.28M. The main drivers for the favourable variance of \$0.51M were as follows:

- Lower non-personnel costs resulting in a favourable variance of \$1.00M due to lower operating and construction materials and supplies costs;
- Lower personnel costs from an average of four temporary net vacancies resulting in a favourable variance of \$0.35M;
- Lower than budgeted water sales is offset by lower than budgeted water purchases, resulting in a net sales and purchase of (\$0.56M). The 2018 actual non-revenue water (NRW) was on budget at 11%.
- Lower than budgeted other revenues of (\$0.28M) due to lower volume in water meter installations and hydrant bulk water sales

A transfer of \$15.79M will be made to the Reserve increasing the balance from \$60.68M to \$69.18M. (see Appendix 9)

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The 2018 draft consolidated financial statements will be presented to General Committee in April 2019. The year-end results presented in this report are subject to change based on the results of the external audit.

**PURPOSE:**

To report on the year-end actual 2018 operating budget results versus the budgeted 2018 operating budget.

**BACKGROUND:****Operating Budget Controls and Monitoring Process**

On a monthly basis, Finance Staff distribute operating statements to all department Directors. As well, Finance Staff review the results of operations department by department. Based on pre-established variance thresholds, departments are contacted for explanations and to determine mitigating strategies, if required. Finance Staff will advise the Executive Leadership Team (ELT) immediately should significant variances arise. As well, Finance Staff meets with Directors every quarter to review the department operating results.

Finance staff work collaboratively with all business units to develop year-end forecasts in the latter half of the fiscal year. The close monitoring of the operating budget throughout the year identifies opportunities and budget adjustment requirements for the upcoming budget. The 2018 and 2019 Operating Budgets included \$0.73M and \$0.16M respectively totaling \$0.89M from rightsizing expenditure and revenue budgets that reduced the tax rate increases.

On a quarterly basis, a results of operations report is tabled to General Committee based on March (tabled in May), July (tabled in September), September (tabled in November) and year-end results (tabled in March of the following year). Year-end forecasts are provided in the July and September reports.

**Capital Budget Controls and Monitoring Process**

Finance Staff prepares semi-annual reports on the status of capital projects to General Committee in accordance to the Capital Budget Control Policy. The policy provides guiding principles on management, administration, and reporting of capital projects. It also promotes timely closure and return of surplus funds to the original funding source(s).

The policy outlines that all capital projects requested and approved through the annual capital Budget process must be initiated in the calendar year of approval.

As well, the policy also recognizes the life of a capital project can range anywhere from months to several years depending on the size and scope of the project. In order to effectively manage capital projects and cash flow, capital projects are categorized according to the project nature and the amount of time required to complete the project as outlined below:



Project Category	Guiding Principles
Annual	<ul style="list-style-type: none"> <li>• Recurring</li> <li>• Completed within the calendar year of approval plus no more than 3 months in order to pay outstanding invoices.</li> </ul> <p>(e.g. 2018 approved project must be completed by December 31, 2018 and will be closed by March 31, 2019).</p>
Minor	<ul style="list-style-type: none"> <li>• Non-recurring</li> <li>• Completed within 12 months from date of initiation plus no more than 3 months in order to pay outstanding invoices.</li> </ul> <p>(e.g. 2018 approved projects must be initiated within 2018, example initiated in May 2018 and must be completed by April 2019 and will be closed by July 2019)</p>
Major	<ul style="list-style-type: none"> <li>• Multi-year</li> <li>• Non-recurring</li> </ul>

Other guiding principles include:

1. Remaining surplus funds at time of an award are returned to source(s)
2. Project shortfalls are not funded from surplus funds from other projects.
3. Project shortfalls are funded from the corresponding Capital Contingency accounts
4. Standardized Capital Contingency percentages by project type and approval thresholds are applied where applicable

The level of open capital projects has remained consistently around 550 at year end including the addition of approximately 250 projects upon approval of each year's capital budget.

In summary, internal controls and monitoring processes are in place to manage the operating and capital budgets. Each business unit has support from a dedicated Business Analyst to provide expertise and advice on all financial related matters including budget development and monitoring, year-end forecasts, reports to Council, business cases and financial modelling.

This report provides a variance analysis by:

1. City's primary operating budget by Commission/Department; and
2. City's primary operating budget by major accounts

## **DISCUSSION:**

### **1. CITY'S PRIMARY OPERATING BUDGET BY COMMISSION/DEPARTMENT**

Net results (revenues – expenses) for the twelve months ended December 31, 2018 by each Commission and Department, summarized by personnel expenditures, non-personnel expenditures and revenues, are provided in Appendices 10 to 14.

The following table is a summary of all commissions' year-end December results excluding year-end accounting accruals and other adjustments and winter maintenance:

<b><u>Commission</u></b>	<b>2018</b>		<b>Variance</b>
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>fav./(unfav.)</u></b>
CAO's Office, Human Resources and Legal	5.28	5.54	0.26
Community & Fire Services (excl. winter maintenance)	96.27	96.81	0.54
Corporate Services	20.27	20.44	0.17
Development Services	6.74	6.67	(0.07)
Winter Maintenance	8.51	9.70	1.19
Corporate Items	(140.65)	(139.16)	1.49
<b>Net Expense/ (Revenue)</b>	<b>(3.58)</b>	<b>0.00</b>	<b>3.58</b>

Explanations for variances greater than \$0.10M by each Commission and Department are provided below.

### **CAO's Office, Human Resources, Legal and Sustainability Office (Appendix 10)**

<b><u>Department</u></b>	<b>2018</b>		<b>Variance</b>
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>fav./(unfav.)</u></b>
CAO's Office	0.76	0.78	0.02
Human Resources	3.12	2.98	(0.14)
Legal	1.40	1.78	0.38
<b>Net Expense</b>	<b>5.28</b>	<b>5.54</b>	<b>0.26</b>

**Human Resources** (Actual \$3.12M – Budget \$2.98M = Variance (\$0.14M))

Unfavourable variance of (\$0.14M) is mainly due to approved overage in part time salaries and management consultant expenses to accommodate work related to EPIC in the compensation and benefit area.

**Legal** (Actual \$1.40M – Budget \$1.78M = Variance \$0.38M)

Favourable variance of \$0.38M is mainly due to higher legal administration fees from a higher volume of applications submitted in June in anticipation of higher Regional development charges effective July 1, 2018.

**Community and Fire Services – excluding winter maintenance (Appendix 11)**

<b><u>Department</u></b>	<b>2018</b>		<b>Variance</b>
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>fav./(unfav.)</u></b>
Operations	24.02	25.20	1.18
Fire Services	37.42	36.25	(1.17)
Library	12.94	13.21	0.27
Recreation Services	12.39	12.65	0.26
Environmental Services	0.84	0.91	0.07
Waste	8.03	7.90	(0.13)
Commissioner's Office	0.63	0.69	0.06
<b>Net Expense</b>	<b>96.27</b>	<b>96.81</b>	<b>0.54</b>

**Operations** (Actual \$24.02M – Budget \$25.20M = Variance \$1.18M)

Favourable variance mainly due to an average of six temporary net vacancies \$0.53M, streetlight hydro \$0.49M, streetlight maintenance and repairs \$0.23M mainly from lower streetlight maintenance repairs being covered under warranty from the LED conversion project (warranty will expire in 2019), and utility locates \$0.22M.

**Fire Services** (Actual \$37.42M – Budget \$36.25M = Variance (\$1.17M))

Unfavourable variance mainly due to an unfavourable variance in Personnel costs (\$0.49M), overtime (\$0.51M), and budgeted salary gapping of (\$0.15M).

**Library** (Actual \$12.94M – Budget \$13.21M = Variance \$0.27M)

Favourable variance mainly due to an average of seven temporary net vacancies \$0.13M and part time salaries \$0.14M.

**Recreation** (Actual \$12.39M – Budget \$12.65M = Variance \$0.26M)

Favourable variance mainly due to an average of three temporary net vacancies \$0.45M offset by unfavourable part-time salaries due to aquatics at the Aaniin Community Centre & Library (\$0.13M) (this will be addressed in the 2019 Operating budget). Recreation achieved 99.9% of the total revenue budget.

**Waste** (Actual \$8.03M – Budget \$7.90M = Variance (\$0.13M))

Unfavourable variance mainly due to WDO grant lower than budgeted (\$0.09M) and waste contract renewal for 2019 recognized in December of 2018 (\$0.05M).

**Corporate Services (Appendix 12)**

<b><u>Department</u></b>	<b>2018</b>		<b>Variance</b>
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>fav./(unfav.)</u></b>
Legislative Services & Corporate Communications	4.87	4.41	(0.46)
Financial Services	4.35	4.54	0.19
ITS	7.33	7.53	0.20
Sustainability & Asset Management	3.33	3.55	0.22
Commissioner's Office	0.39	0.41	0.02
<b>Net Expense</b>	<b>20.27</b>	<b>20.44</b>	<b>0.17</b>

**Legislative Services & Corporate Communications** (Actual \$4.87M – Budget \$4.41M = Variance (\$0.46M))

Unfavourable variance mainly due to parking fines (\$0.34M) and lower net sponsorships (\$0.19M), offset by favourable variances in tow truck licences of \$0.15M mainly due to a change in requirement from CAA for tow truck drivers to be licensed in each municipality where the tow is initiated.

**Financial Services** (Actual \$4.35M – Budget \$4.54M = Variance \$0.19M)

Favourable variance mainly due to an average of two temporary net vacancies and personnel costs \$0.38M offset by an unfavourable variance of (\$0.10M) in ownership changes, administration fees and tax certificates (\$0.07M) impacted by lower home sales.

**ITS** (Actual \$7.33M – Budget \$7.53M = Variance \$0.20M)

Favourable variance due to one time savings in software and computer hardware maintenance \$0.15M.

**Sustainability & Asset Management** (Actual \$3.33M – Budget \$3.55M = Variance \$0.22M)

Favourable variance mainly due to an average of three temporary net vacancies \$0.19M.

**Development Services (Appendix 13)**

<b><u>Department</u></b>	<b>2018</b>		<b>Variance</b>
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>fav./(unfav.)</u></b>
Culture & Economic Development	4.09	3.89	(0.20)
Traffic Operations	1.49	1.57	0.08
Commissioner's Office	1.16	1.21	0.05
<b>Net Expense</b>	<b>6.74</b>	<b>6.67</b>	<b>(0.07)</b>

**Culture & Economic Development** (Actual \$4.09M – Budget \$3.89M = Variance (\$0.20M))

Unfavourable variance mainly due to lower revenue at the Art Centre due to program registrations and Museum camps (\$0.07M) and lower net revenue from Theatre shows (\$0.10M).

**Corporate Items (Appendix 14)**

	<b>2018</b>		<b>Variance</b>
<b><u>Department</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>fav./(unfav.)</u></b>
Corporate Items	(140.65)	(139.17)	1.48
<b>Net Revenue</b>	<b>(140.65)</b>	<b>(139.17)</b>	<b>1.48</b>

Favourable variances in corporate contingency \$2.60M, higher investment income \$2.98M, property tax adjustment \$0.68M due to the change in ARB rules and scheduling, resulting in less appeals processed during the year than forecasted, utilities favourability \$0.52M, one-time lease agreements \$0.51M, and penalty and interest \$0.32M offset by a one-time transfer of \$6.81M for repayment to the Land Acquisition Reserve for York University Land Donation: (Purchase Price \$19.9M x 4.45 acres (York U portion) / total 13 acres).

**2. CITY'S PRIMARY OPERATING BUDGET BY MAJOR ACCOUNTS (excl. year-end accounting accruals and other adjustments and winter maintenance)**

	<b>2018</b>		<b>Variance</b>	<b>% of</b>
<b><u>(\$ in millions)</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>fav./(unfav.)</u></b>	<b><u>Budget</u></b>
Revenues	222.36	218.27	4.09	101.9%
Expenses	207.60	207.13	(0.47)	100.2%
<b>Surplus excluding winter maintenance</b>	<b>14.76</b>	<b>11.14</b>	<b>3.62</b>	

The 2018 actual operating results, excluding year-end accounting accruals and other adjustments and winter maintenance, against budget netted a favourable variance of \$3.62M (revenue of \$4.09M + expenses of (\$0.47M)) and the breakdown is as follows:

**REVENUES**

**In 2018, revenues totaled \$222.36M against a budget of \$218.27M resulting in a favourable variance of \$4.09M (101.9% of budget).**

<b>Revenues</b>	<b>Actual</b>	<b>Budget</b>	<b>Fav./(Unfav.)</b>
Property Taxation Revenues	\$ 156.29M	\$ 156.26M	\$ 0.03M
General Revenues	\$ 28.43M	\$ 25.77M	\$ 2.66M
User Fees & Service Charges	\$ 29.69M	\$ 29.25M	\$ 0.44M
Grant & Subsidy Revenues	\$ 2.23M	\$ 1.97M	\$ 0.26M
Other Income	\$ 5.72M	\$ 5.02M	\$ 0.70M
<b>Net Variance</b>	<b>\$ 222.36M</b>	<b>\$ 218.27M</b>	<b>\$ 4.09M</b>

**Property Taxation Revenues** (Actual \$156.29M – Budget \$156.26M= Variance \$0.03M)

Property taxation revenue budget includes property taxes.



**General Revenues** (Actual \$28.43M – Budget \$25.77M = Variance \$2.66M)

The general revenues budget includes investment income (budget \$16.24M), interest and penalties on property taxes (budget \$4.16M), parking fines (budget \$3.40M), and business, taxi, marriage and other licences (budget \$1.97M).

General revenues totaled \$28.43M at the end of December against a budget of \$25.77M. The main drivers for the favourable variance of \$2.66M is investment income totaling \$2.98M from higher interest rate \$0.68M and portfolio balance \$2.28M, offset by parking fines (\$0.34M).

**User Fees and Service Charges** (Actual \$29.69M – Budget \$29.25M = Variance \$0.44M)

The user fees and services charges budget of \$29.25M includes revenues from programs offered by Recreation, Culture and Library departments and service fees such as new property tax account set-up fees, ownership change administrative fees and utility permit fees (budget \$19.09M), and facility rentals for arenas, pools, gym and halls (budget \$9.54M).

User fees and service charges were favourable by \$0.44M mainly due to higher legal administration fees revenue of \$0.27M from a higher volume of applications submitted in June (in anticipation of higher Regional development charges effective July 1, 2018) and higher Theatre revenues of \$0.14M and Recreation revenues of \$0.14M.

**Grants & Subsidy Revenues** (Actual \$2.23M – Budget \$1.97M = Variance \$0.26M)

The budget includes provincial and federal grants of \$1.97M. The favourable variance of \$0.26M resulted from the receipt of one-time federal and provincial grants offset by corresponding expenses.

**Other Income** (Actual \$5.72M – Budget \$5.02M = Variance \$0.70M)

The favourable variance of \$0.71M was from various one time items such as short-term lease agreements.

**PERSONNEL EXPENDITURES**

**In 2018 personnel expenditures were favourable by \$1.39M or 98.9% of the year-to-date budget.**

<b>Personnel</b>	<b>Actual</b>	<b>Budget</b>	<b>Fav./(Unfav.)</b>
Full time net of vacancy backfills and part time salaries	\$124.74M	\$126.86M	\$2.12M
Overtime and other personnel costs	\$ 2.57M	\$ 1.84M	(\$0.73M)
<b>Total</b>	<b>\$127.31M</b>	<b>\$128.70M</b>	<b>\$1.39M</b>

In 2018, there was an average of 40 net temporary vacancies resulting in a favourable variance of \$2.02M. As well, part-time salaries was favourable by \$0.12M. This was offset by full year budgeted salary gapping of (\$0.46M).

Overtime was unfavourable by (\$0.62M) mainly due to coverage for approved absences in the Fire Department.

### **NON-PERSONNEL EXPENDITURES**

**In 2018, non personnel expenditures were unfavourable by (\$1.86M) (102.3% of budget).**

<b>Non Personnel Items</b>	<b>Actual</b>	<b>Budget</b>	<b>Fav./(Unfav.)</b>
Materials & Supplies	\$ 5.61M	\$ 5.55M	(\$ 0.06M)
Purchased Services	\$ 37.99M	\$ 39.12M	\$ 1.13M
Transfers to Reserves	\$ 35.00M	\$ 28.76M	(\$ 6.24M)
Other Expenditures	\$ 1.69M	\$ 5.00M	\$ 3.31M
<b>Total</b>	<b>\$ 80.29M</b>	<b>\$ 78.43M</b>	<b>(\$ 1.86M)</b>

**Materials & Supplies** (Actual \$5.61M – Budget \$5.55M = Variance (\$0.06M))

Materials & supplies budget of \$5.55M includes facility maintenance supplies, uniforms, recreation and other program supplies (budget \$2.67M), vehicle supplies such as fuel and repair parts (budget \$1.59M), and printing and office supplies (budget \$0.42M).

The unfavourable variance of (\$0.06M) was primarily due higher than budgeted vehicle parts, and gasoline and diesel fuel (\$0.31M) offset by operating materials and supplies (eg. building maintenance supplies, uniforms, program expenses) \$0.10M, blue boxes and greenbins for resale \$0.08M and printing and office supplies of \$0.04M.

**Purchased Services** (Actual \$37.99M – Budget \$39.12M = Variance \$1.13M)

Purchased services budget of \$39.12M includes utilities and streetlight hydro (budget \$12.02M), waste collection (budget \$8.40M), maintenance & repairs (\$5.53M), professional services such as Theatre artist/entertainer fees, school crossing guards and external legal services (budget \$2.81M), insurance (\$2.43M), communications (\$1.28M) and promotion and advertising (budget \$1.35M).

Purchased Services were favourable \$1.13M mainly due to:

- \$1.34M favourable in utilities and streetlight hydro due to lower than budgeted rates
- \$0.45M favourable in maintenance and repairs mainly from lower streetlight maintenance repairs being covered under warranty from the LED conversion project (warranty will expire in 2019) \$0.23M, and utility locates \$0.22M
- \$0.04M which is included under materials & supplies)
- Offset by unfavourable variance in advertising and promotion (\$0.26M) and Theatre artist and other professional fees (\$0.31M)

**Transfers to Reserves** (Actual \$35.00M – Budget \$28.76M = Variance (\$6.24M))

A one-time transfer of \$6.81M was made to the Land Acquisition reserve fund for repayment of the York University land donation.

**Other Expenditures** (Actual \$1.69M – Budget \$5.00M = Variance \$3.31M)

Other expenditures budget of \$5.00M includes corporate contingency (budget \$2.65M), property tax adjustments and property vacancy rebates (budget \$1.27M), non-personnel ramp ups (\$0.55M) and grants (\$0.50M).

Other expenditures were favourable by \$3.31M due to favourable variance in corporate contingency \$2.62M, property tax adjustments \$0.68M due to the change in ARB rules and scheduling, resulting in less appeals processed during the year than forecasted and other variances of less than \$0.05M across various departments.

### **Summary of One-Time Items**

There were several one-time items affecting the City's 2018 year-end results. These items are either one-time revenues or expenses incurred in 2018. In some cases, budgets have been adjusted in 2019 where needed. They have been summarized below:

- \$2.98M in investment income resulting from a higher than budgeted rate of return and a higher portfolio balance (2019 Budget was adjusted to increase by \$0.65M and any favourable variance will be transferred to reserves)
- \$2.62M favourable in corporate contingency (Budget \$2.65M, 1.2% of the City's Operating Budget of \$218.28M)
- \$1.39M favourable in personnel primarily due to temporary net vacancies (average 40 net temporary vacancies out of the total tax funded full-time complement of 884, or 4.5% of the full-time complement)
- \$1.34M favourable in hydro and streetlight hydro (no incremental increase in the 2019 budget required)
- \$0.68M favourable in property tax adjustments due to fewer assessments than budgeted in 2018
- \$0.51M favourable from one-time items such as short-term lease agreements
- \$0.27M one-time favourable variance in legal administrative fees due to a higher volume of applications submitted in June (in anticipation of higher Regional development charges effective July 1, 2018)
- (\$6.81M) one-time transfer to reserve for the repayment of the York University land donation

Total: \$2.98M favourable variance

After adjusting for the above items, and the transfer to the Corporate Rate Stabilization Reserve of approximately \$1.40M in order to maintain it at 15% of the local tax levy, the City's projected surplus including year-end accounting accruals and other adjustments will be fully depleted.

### **Year-End Accounting Accruals and Other Adjustments**

Year-end accounting accruals and other adjustments = Unfavourable variance (\$1.23M)

The 2018 year-end accounting accruals and other adjustments totaled \$2.67M against a budget of \$1.44M resulting in an unfavourable variance of (\$1.23M). They included

severance and salary continuance payments, firefighter sick leave payouts, post employment benefits and salary accrual.

### **Winter Maintenance**

Winter maintenance = Favourable variance \$1.19M
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The 2018 actual winter maintenance expenditures totaled \$8.51M against a budget of \$9.70M, resulting in a favourable variance of \$1.19M.

### **Planning & Design (Appendix 3)**

Actual \$5.68M – Budget \$0.90M = Favourable variance \$4.78M
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Planning & Design incurred a surplus of \$5.68M against a budgeted surplus of \$0.90M. The favourable variance of \$4.78M was mainly due to higher than budgeted planning and design fees of \$3.40M from higher volume of applications submitted in June in anticipation of higher Regional development charges effective July 1, 2018, and lower personnel costs of \$1.38M from an average of seven temporary net vacancies.

### **Engineering (Appendix 4)**

Actual \$2.63M – Budget \$0.13M = Favourable variance \$2.50M
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Engineering incurred a surplus of \$2.63M against a budgeted surplus of \$0.13M. The favourable variance of \$2.50M was mainly due to higher than budgeted Engineering fees from a higher volume of applications submitted in June in anticipation of higher Regional development charges effective July 1, 2018.

### **Planning & Engineering Development Fee Reserve (Appendix 5)**

The 2018 budget anticipated a surplus of \$0.90M for Planning and a surplus of \$0.13M for Engineering totaling \$1.03M.

The Planning & Design and Engineering departments ended the year with a surplus of \$8.31M (Planning \$5.68M and Engineering \$2.63M). A transfer of \$8.31M will be made to the Reserve increasing the balance from (\$7.77M) to \$0.27M. (see Appendix 5)

### **Building Standards (Appendix 6)**

Actual \$3.40M – Budget \$0.94M = Favourable variance \$2.46M
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The Building Standards department incurred a surplus of \$3.40M against a budgeted surplus of \$0.94M. The favourable variance of \$2.46M was mainly due to higher building permit fees than budgeted of \$1.85M from a higher volume of applications submitted in June in anticipation of higher Regional development charges effective July

1, 2018 and lower personnel costs of \$0.60M from an average of three temporary net vacancies.

A transfer of \$3.40M will be made from the Reserve increasing the balance from \$9.36M to \$12.94M (see Appendix 7).

**Waterworks (Appendix 8)**

Actual \$15.79M – Budget \$15.28M = Favourable variance \$0.51M
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The Waterworks department incurred a surplus of \$15.79M against a budgeted surplus of \$15.28M. The main drivers for the favourable variance of \$0.51M were as follows:

- Lower non-personnel costs resulting in a favourable variance of \$1.00M due to lower operating and construction materials and supplies costs;
- Lower personnel costs from an average of four temporary net vacancies resulting in a favourable variance of \$0.35M;
- Lower than budgeted water sales is offset by lower than budgeted water purchases, resulting in a net sales and purchase of (\$0.56M). The 2018 actual non-revenue water (NRW) was on budget at 11%.
- Lower than budgeted other revenues of (\$0.28M) due to lower volume in water meter installations and hydrant bulk water sales

A transfer of \$15.79M will be made to the Reserve increasing the balance from \$60.68M to \$69.18M. (see Appendix 9)

**FINANCIAL CONSIDERATIONS:**

The Council approved Financial Planning and Budgeting Policy states any year-end operating surplus will first be transferred to the Corporate Rate Stabilization Reserve to achieve a level equivalent to 15% of local tax revenues, secondly to replenish the expenditures in the Environmental Land Reserve Fund and finally transferred to the Life Cycle Replacement and Capital Reserve Fund.

The 2018 operating surplus of \$3.58M will be transferred as follows:

- a. \$1.40M to the Corporate Rate Stabilization Reserve to achieve a balance equal to 15% of the local tax levy;
- b. \$2.18M to the Life-Cycle Capital Repair and Replacement Reserve.

The 2018 draft consolidated financial statements will be presented to General Committee in April 2019. The year-end results presented in this report are subject to change based on the results of the external audit.



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**RECOMMENDED**

Joel Lustig  
Treasurer

Trinela Cane  
Commissioner, Corporate Services

**ATTACHMENTS:****Appendices 1 to 14:**

Appendix 1 – Primary Operating Budget - Financial Results for the Twelve Months Ended December 31, 2018

Appendix 2 – Library Operating Budget - Financial Results for the Twelve Months Ended December 31, 2018

Appendix 3 – Planning & Design Operating Budget - Financial Results for the Twelve Months Ended December 31, 2018

Appendix 4 – Engineering Operating Budget - Financial Results for the Twelve Months Ended December 31, 2018

Appendix 5 – Planning & Engineering Development Fee Reserve Balance as at December 31, 2018

Appendix 6 – Building Standards Operating Budget - Financial Results for the Twelve Months Ended December 31, 2018

Appendix 7 – Building Fee Reserve Balance as at December 31, 2018

Appendix 8 – Waterworks Operating Budget - Financial Results for the Twelve Months Ended December 31, 2018

Appendix 9 – Waterworks Reserve Balance as at December 31, 2018

Appendix 10 – Variances by Commission and Department for the twelve months ended December 31, 2018 – CAO's Office, Human Resources, Legal and Sustainability

Appendix 11 – Variances by Commission and Department for the twelve months ended December 31, 2018 – Community and Fire Services

Appendix 12 – Variances by Commission and Department for the twelve months ended December 31, 2018 – Corporate Services

Appendix 13 – Variances by Commission and Department for the twelve months ended December 31, 2018 – Development Services

Appendix 14 – Variances by Commission and Department for the twelve months ended December 31, 2018 – Corporate Items

## APPENDIX 1

**CITY OF MARKHAM**  
**Operating Budget**  
(Including Library, excluding Planning & Design, Engineering, Waterworks and Building Standards)  
**Financial Results for the Twelve Months Ended Dec 31, 2018**  
(in millions of dollars)

	<b>2018 Actual</b>	<b>2018 Budget</b>	<b>Variance fav./ (unfav.)</b>	<b>Annual Budget</b>	<b>% of YTD Budget</b>
<b>Revenues</b>					
Property Taxation Revenues	156.29	156.26	0.03	156.26	
General Revenues	28.43	25.77	2.66	25.77	
User Fees & Service Charges	29.69	29.25	0.44	29.25	
Grant & Subsidy Revenues	2.23	1.97	0.26	1.97	
Other Income	5.72	5.02	0.70	5.02	
<b>Revenues Total</b>	<b>222.36</b>	<b>218.27</b>	<b>4.09</b>	<b>218.27</b>	<b>101.9%</b>
<b>Expenditures</b>					
Salaries & Benefits	127.31	128.70	1.39	128.70	
Material & Supplies	5.61	5.55	(0.06)	5.55	
Purchased Services	37.99	39.12	1.13	39.12	
Transfers to Reserves	35.00	28.76	(6.24)	28.76	
Other Expenditures	1.69	5.00	3.31	5.00	
<b>Expenditures Total</b>	<b>207.60</b>	<b>207.13</b>	<b>(0.47)</b>	<b>207.13</b>	<b>100.2%</b>
<b>Year-End Accounting Accruals &amp; Other Adjustments</b>	<b>2.67</b>	<b>1.44</b>	<b>(1.23)</b>	<b>1.44</b>	
<b>Surplus not including winter maintenance</b>	<b>12.09</b>	<b>9.70</b>	<b>2.39</b>	<b>9.70</b>	
<b>Winter Maintenance</b>	<b>8.51</b>	<b>9.70</b>	<b>1.19</b>	<b>9.70</b>	
<b>Surplus including winter maintenance</b>	<b>3.58</b>	<b>0.00</b>	<b>3.58</b>	<b>0.00</b>	

**APPENDIX 2**

**CITY OF MARKHAM**  
**Library Operating Budget**  
**Financial Results for the Twelve Months Ended Dec 31, 2018**  
(in millions of dollars)

	<b>2018 Actual</b>	<b>2018 Budget</b>	<b>Variance fav./ (unfav.)</b>	<b>Annual Budget</b>	<b>% of YTD Budget</b>
<b>Revenues</b>					
User Fees & Services Charges	0.86	0.86	0.00	0.86	
Grant & Subsidy Revenues	0.31	0.23	0.08	0.23	
<b>Revenues Total</b>	<b>1.17</b>	<b>1.09</b>	<b>0.08</b>	<b>1.09</b>	<b>107.3%</b>
<b>Expenditures</b>					
Salaries & Benefits	12.01	12.27	0.26	12.27	
Material & Supplies	0.20	0.14	(0.06)	0.14	
Purchased Services	1.90	1.88	(0.02)	1.88	
Other Expenditures	0.01	0.01	0.00	0.01	
<b>Expenditures Total</b>	<b>14.12</b>	<b>14.30</b>	<b>0.18</b>	<b>14.30</b>	<b>98.7%</b>
<b>Deficit</b>	<b>(12.95)</b>	<b>(13.21)</b>	<b>0.26</b>	<b>(13.21)</b>	

## APPENDIX 3

**CITY OF MARKHAM**  
**Planning & Design Operating Budget**  
**Financial Results for the Twelve Months Ended Dec 31, 2018**  
(in millions of dollars)

	<b>2018 Actual</b>	<b>2018 Budget</b>	<b>Variance fav./(unfav.)</b>	<b>Annual Budget</b>	<b>% of YTD Budget</b>
<b>Revenues</b>					
Planning & Design Fees	13.72	10.32	3.40	10.32	
<b>Revenues Total</b>	<b>13.72</b>	<b>10.32</b>	<b>3.40</b>	<b>10.32</b>	<b>132.9%</b>
<b>Expenditures</b>					
Salaries & Benefits	5.50	6.88	1.38	6.88	
Material & Supplies	0.04	0.04	0.00	0.04	
Purchased Services	2.50	2.50	0.00	2.50	
<b>Expenditures Total</b>	<b>8.04</b>	<b>9.42</b>	<b>1.38</b>	<b>9.42</b>	<b>85.4%</b>
<b>Surplus/(Deficit) Before Transfer to/Draw (from) Reserve</b>	<b>5.68</b>	<b>0.90</b>	<b>4.78</b>	<b>0.90</b>	
Transfer to Reserve	5.68	0.90	4.78	0.90	
<b>Surplus After Transfer to Reserve</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	

## APPENDIX 4

**CITY OF MARKHAM**  
**Engineering Operating Budget**  
**Financial Results for the Twelve Months Ended Dec 31, 2018**  
(in millions of dollars)

	2018	2018	Variance	Annual	% of
	Actual	Budget	fav.//(unfav.)	Budget	YTD Budget
<b>Revenues</b>					
Engineering Fees	10.56	8.09	2.47	8.09	
<b>Revenues Total</b>	<b>10.56</b>	<b>8.09</b>	<b>2.47</b>	<b>8.09</b>	<b>130.5%</b>
<b>Expenditures</b>					
Salaries & Benefits	5.33	5.31	(0.02)	5.31	
Material & Supplies	0.02	0.03	0.01	0.03	
Purchased Services	2.58	2.62	0.04	2.62	
<b>Expenditures Total</b>	<b>7.94</b>	<b>7.96</b>	<b>0.03</b>	<b>7.96</b>	<b>99.7%</b>
<b>Surplus/(Deficit) Before Transfer to/Draw (from) Reserve</b>	<b>2.63</b>	<b>0.13</b>	<b>2.50</b>	<b>0.13</b>	
Transfer to Reserve	2.63	0.13	2.50	0.13	
<b>Surplus After Transfer to Reserve</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	



**APPENDIX 5**

**CITY OF MARKHAM**  
**Planning & Engineering Development Fee Reserve Balance**  
**As at December 31, 2018**  
**(in millions of dollars)**

	<b>2018 Budget</b>	<b>2018 Actual</b>
<b>Opening Balance at January 1, 2018</b>	(10.74)	(7.77)
<b>Transfer to Capital and Interest Charges</b>	(0.70)	(0.27)
<b>Transfer to/Draw (from) Reserves</b>		
<b>Planning &amp; Design</b>	0.90	5.68
<b>Engineering</b>	0.13	2.63
<b>Planning &amp; Engineering Reserve Ending Balance</b>	<b>(10.41)</b>	<b>0.27</b>

## APPENDIX 6

**CITY OF MARKHAM**  
**Building Standards Operating Budget**  
**Financial Results for the Twelve Months Ended Dec 31, 2018**  
(in millions of dollars)

	2018 Actual	2018 Budget	Variance fav./ (unfav.)	Annual Budget	% of YTD Budget
<b>Revenues</b>					
Building Permits	11.79	10.01	1.78	10.01	
Other Revenues	0.10	0.03	0.07	0.03	
<b>Revenues Total</b>	<b>11.89</b>	<b>10.04</b>	<b>1.85</b>	<b>10.04</b>	<b>118.4%</b>
<b>Expenditures</b>					
Salaries & Benefits	5.56	6.16	0.60	6.16	
Material & Supplies	0.06	0.07	0.01	0.07	
Purchased Services	2.87	2.87	0.00	2.87	
<b>Expenditures Total</b>	<b>8.49</b>	<b>9.10</b>	<b>0.61</b>	<b>9.10</b>	<b>93.3%</b>
<b>Surplus/(Deficit) Before Transfer to/Draw (from) Reserve</b>	<b>3.40</b>	<b>0.94</b>	<b>2.46</b>	<b>0.94</b>	
Transfer to Reserve	3.40	0.94	2.46	0.94	
<b>Surplus After Transfer to Reserve</b>	<b>(0.00)</b>	<b>0.00</b>	<b>(0.00)</b>	<b>0.00</b>	

**APPENDIX 7**

**CITY OF MARKHAM**  
**Building Fee Reserve Balance**  
 As at December 31, 2018  
 (in millions of dollars)

	<b>2018 Budget</b>	<b>2018 Actual</b>
<b>Opening Balance at January 1, 2018</b>	10.22	9.36
<b>Transfer to Capital and Interest Income</b>	(0.86)	0.18
<b>Projected Transfer to/Draw (from) Reserves</b>	0.94	3.40
<b>Building Reserve Ending Balance</b>	<b>10.30</b>	<b>12.94</b>

## APPENDIX 8

**CITY OF MARKHAM**  
**Waterworks Operating Budget**  
**Financial Results for the Twelve Months Ended Dec 31, 2018**  
(in millions of dollars)

	<b>2018 Actual</b>	<b>2018 Budget</b>	<b>Variance fav./(unfav.)</b>	<b>Annual Budget</b>	<b>% of YTD Budget</b>
<b>Sales &amp; Purchases of Water</b>					
<b>Water Revenue</b>					
Water & Sewer Billing	121.38	130.24	(8.85)	130.24	
<b>Water Expenditure</b>					
Contracted Municipal Services	92.70	100.99	8.29	100.99	
<b>Net Sales &amp; Purchases of Water</b>	<b>28.69</b>	<b>29.25</b>	<b>(0.56)</b>	<b>29.25</b>	<b>98.1%</b>
<b>Other Revenues Total</b>	<b>1.14</b>	<b>1.41</b>	<b>(0.28)</b>	<b>1.41</b>	<b>80.5%</b>
<b>Other Expenditures</b>					
Salaries & Benefits	7.40	7.74	0.35	7.74	
Non Personnel Expenditures	6.64	7.64	1.00	7.64	
<b>Expenditures Total</b>	<b>14.03</b>	<b>15.38</b>	<b>1.35</b>	<b>15.38</b>	<b>91.2%</b>
<b>Surplus Before Transfer to Reserve</b>	<b>15.79</b>	<b>15.28</b>	<b>0.51</b>	<b>15.28</b>	
Transfer to Reserve	15.79	15.28	0.51	15.28	
<b>Surplus After Transfer to Reserve</b>	<b>0.00</b>				

**APPENDIX 9**

**CITY OF MARKHAM**  
**Waterworks Reserve Balance**  
 As at December 31, 2018  
 (in millions of dollars)

	<b>2018 Budget</b>	<b>2018 Actual</b>
<b>Opening Balance - January 1, 2018</b>	60.68	60.68
<b>Transfer to 2017 Capital</b>	(10.09)	(10.09)
<b>Interest Income</b>	0.80	0.91
<b>Transfer from 2018 closed capital projects (YTD: \$3.78M + projected \$1.00M)</b>	0.00	1.89
<b>Transfer to Reserve</b>	15.28	15.79
<b>Waterworks Reserve Ending Balance</b>	<b>66.67</b>	<b>69.18</b>



**APPENDIX 10****CITY OF MARKHAM****Variances by Commission and Department****CAO'S Office, Human Resources and Legal Department****Financial Results for the Twelve Months Ended Dec 31, 2018**

(in millions of dollars)

<b>Department</b>	<b>Fav./ (Unfav.)</b>			
	<b>Personnel</b>	<b>Non-Personnel</b>	<b>Revenue</b>	<b>Total</b>
CAO'S OFFICE	0.01	0.01	0.00	0.02
HUMAN RESOURCES	(0.06)	(0.08)	0.00	(0.14)
LEGAL DEPT.	0.01	0.09	0.28	0.38
<b>Total</b>	<b>(0.04)</b>	<b>0.02</b>	<b>0.28</b>	<b>0.26</b>

**APPENDIX 11**

**CITY OF MARKHAM**  
**Variances by Commission and Department**  
**Community and Fire Services**  
**Financial Results for the Twelve Months Ended Dec 31, 2018**  
(in millions of dollars)

<b>Department</b>	<b>Fav./ (Unfav.)</b>			
	<b>Personnel</b>	<b>Non-Personnel</b>	<b>Revenue</b>	<b>Total</b>
OPERATIONS	0.52	0.52	0.14	1.18
FIRE SERVICES	(1.25)	0.08	-	(1.17)
LIBRARY	0.26	(0.08)	0.09	0.27
RECREATION SERVICES	0.21	0.08	(0.03)	0.26
ENVIRONMENTAL SERVICES	0.07	-	-	0.07
WASTE	0.03	(0.06)	(0.10)	(0.13)
COMMISSIONER'S OFFICE	0.01	0.05	-	0.06
<b>Total Excl. Winter Maintenance</b>	<b>(0.15)</b>	<b>0.59</b>	<b>0.10</b>	<b>0.54</b>

WINTER MAINTENANCE	0.05	1.21	(0.07)	1.19
<b>Total</b>	<b>(0.10)</b>	<b>1.80</b>	<b>0.03</b>	<b>1.73</b>

**APPENDIX 12**

**CITY OF MARKHAM**  
**Variances by Commission and Department**  
**Corporate Services**  
**Financial Results for the Twelve Months Ended Dec 31, 2018**  
(in millions of dollars)

<b>Department</b>	<b>Fav./ (Unfav.)</b>			
	<b>Personnel</b>	<b>Non-Personnel</b>	<b>Revenue</b>	<b>Total</b>
LEGISLATIVE SERVICES & CORPORATE COMMUNICATIONS	0.13	0.03	(0.62)	(0.46)
FINANCIAL SERVICES	0.37	-	(0.18)	0.19
ITS DEPARTMENT	0.06	0.14	-	0.20
SUSTAINABILITY & ASSET MANAGEMENT	0.19	(0.47)	0.50	0.22
COMMISSIONER'S OFFICE	0.01	0.01	-	0.02
<b>Total</b>	<b>0.76</b>	<b>(0.29)</b>	<b>(0.30)</b>	<b>0.17</b>

## APPENDIX 13

**CITY OF MARKHAM**  
**Variances by Commission and Department**  
**Development Services**  
**Financial Results for the Twelve Months Ended Dec 31, 2018**  
(in millions of dollars)

Department	Fav./ (Unfav.)			
	Personnel	Non-Personnel	Revenue	Total
CULTURE & ECONOMIC DEVELOPMENT	(0.04)	(0.51)	0.35	(0.20)
TRAFFIC OPERATIONS	0.05	0.03	-	0.08
COMMISSIONER'S OFFICE	0.05	-	-	0.05
<b>Total</b>	<b>0.06</b>	<b>(0.48)</b>	<b>0.35</b>	<b>(0.07)</b>

**APPENDIX 14**

**CITY OF MARKHAM**  
**Variances by Commission and Department**  
**Corporate Items**  
**Financial Results for the Twelve Months Ended Dec 31, 2018**  
(in millions of dollars)

<b>Department</b>	<b>Fav./ (Unfav.)</b>			
	<b>Personnel</b>	<b>Non-Personnel</b>	<b>Revenue</b>	<b>Total</b>
CORPORATE ITEMS	0.69	(2.92)	3.72	1.49
<b>Total</b>	<b>0.69</b>	<b>(2.92)</b>	<b>3.72</b>	<b>1.49</b>



# **Telecommunication Company Activities in the City of Markham**

**Presentation by  
Robert Penner  
Utility Inspections and Survey  
Operations Department  
April 8, 2019**

## Presentation Content

- Overview
- Legislative Context
- Rogers and Bell Work Plan
- Implications to Meeting Service Levels
- Financial Implications & Funding Agreements
- Community Impacts & Communications Plan

## Overview

Rogers and Bell are investing millions of dollars to bring fibre-optic cable closer to homes to:

- Increase data capability
- Increase speeds
- Provide the services customers want
- Stay competitive

Rogers has started a seven-year city-wide upgrade in late fall of 2018 and Bell will be starting their upgrade in 2019.

## Legislative Context

- Telecommunication companies have a statutory right, pursuant to the Federal ***Telecommunications Act***, to utilize the City's right-of-ways to install and maintain their infrastructure.
- Municipalities enter into ***Municipal Access Agreements*** ("MAAs") with all companies/utilities that use City right-of-ways.
- The MAAs define the requirements, roles, and service levels and stipulate that permits are required prior to work commencing. (staff have 15 days to process permits as per the MAA)
- The Utilities and Survey group in the Operations Department review, adjust and approve or reject all such applications. They also inspect projects throughout construction. (Road Occupancy Bylaw)

## Rogers Work Plan

Rogers has indicated they will be re-building up to fifteen neighborhoods in 2019 and 2020 which will affect approximately 5,500 homes each year. Similar levels of work will be experienced in future years.

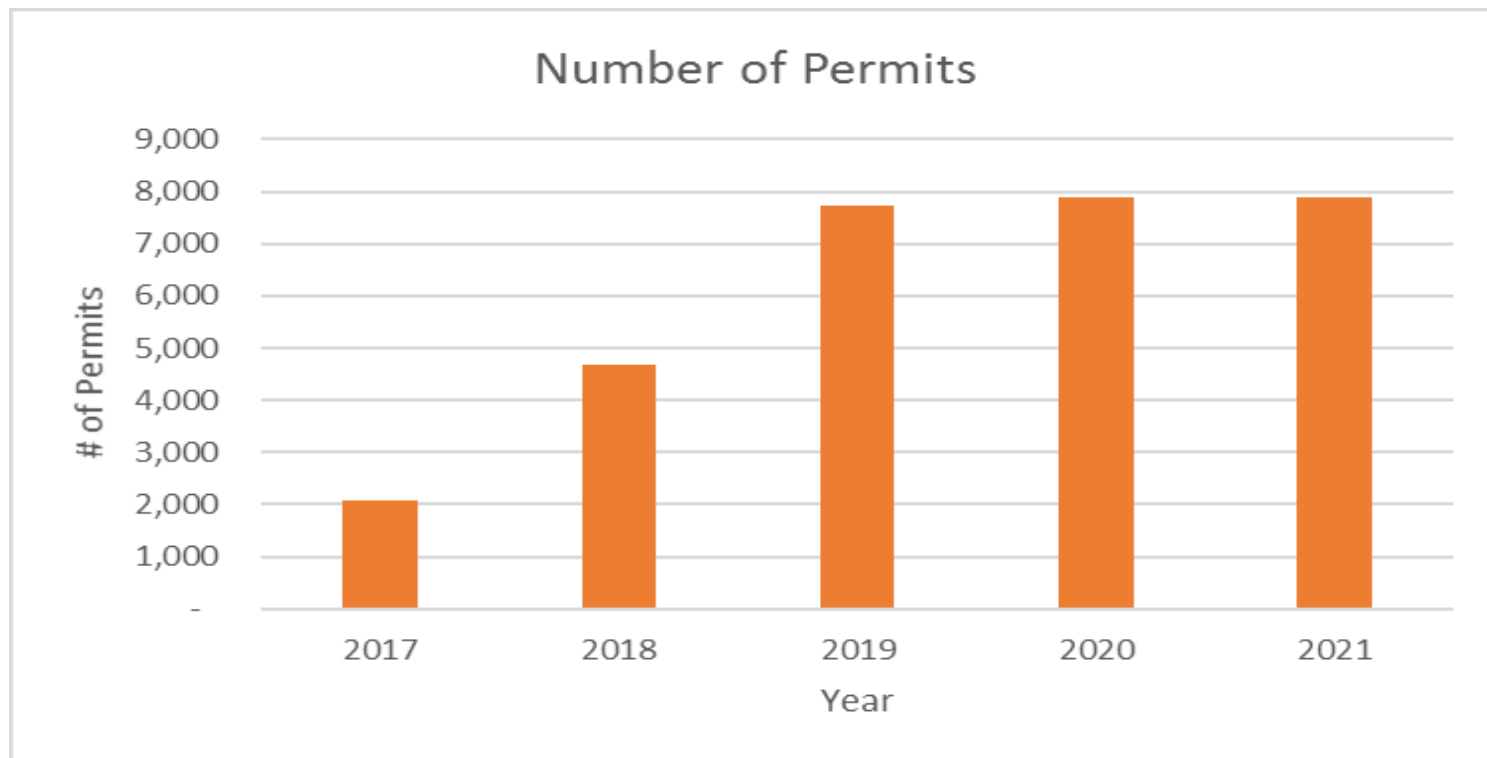
## Bell Work Plan

Bell has indicated they will be re-building up to five neighborhoods in 2019, each consisting of approximately 500 homes. We are currently waiting for a roll out plan for future years. Our projected volumes do not at this time include Bell's plans beyond 2019.



## Projected Permit Volumes

Permit applications to place infrastructure within the City's municipal road and boulevard network.



**2,080 permits (base year) to 7,900 permits per year  
(Rogers projected average for 7 years)**

## Resource Implications

- With the increase (2,080 to 7,900) in permit applications current staffing levels in the Operations will be unable to maintain the service levels agreed to in the MAAs with the Telecommunication Companies.
- **Rogers:** To be able to process the additional volume of 6,000 extra permits, 5 additional contract / temporary staff are required for the duration of the Rogers upgrade project. Total cost of \$ 332,000.
- **Bell:** Additional resources are to be determined once the City receives Bell's future plans.
- **Costs of additional resources will be fully recovered.**

## Funding Agreements

- Staff will require telecommunication companies undertaking such projects to enter into a funding agreement with the City to cover the cost of reviewing increased permit volumes.
- Staff has negotiated the first funding agreement with Rogers whereby they would pay the City \$165,000 per year to fund two additional contract staff.
- The remaining resource costs will be recovered from increased permit volumes from Rogers. ( \$332,000 - \$165,000 = \$167,000 from increased permits.)

## Financial Impacts / Projected Permit Fees

Year	Permit Fees	# of Permits
2017	\$183,632	2,080
2018	\$227,000	4,666
2019	\$394,000	7,726
2020	\$450,000	7,900
2021	\$450,000	7,900

Projected fees are based on Roger's upgrade project with Bell's information to be determined post 2019.

<b>Total incremental <u>costs</u> for increased volume</b>	\$332,000	
<b><u>Cost Recovery Sources</u></b>		
<b>Less Revenue : Funding Agreement</b>	\$ 165,000	
<b>Less Revenue: Increased Permits *</b>	\$ 167,000	
<b>(Total Incremental increase of \$265,000)</b>		

## Community Implications

- Construction activities will bring increased levels of noise, equipment and debris
- Occasional obstruction of driveways / roadways will occur
- Additional vaults and pedestals will be installed on street boulevards





## Communication Plan

- Distribution of notifications to homes and businesses in affected areas prior to construction
- Construction notification sign boards at entrances to areas of work
- Emails to customers in the area
- Telecommunications construction hotline phone number for residents to call
- Project information to be included on the City's web page
- Maps of construction progress to be distributed regularly to City staff and Councillors

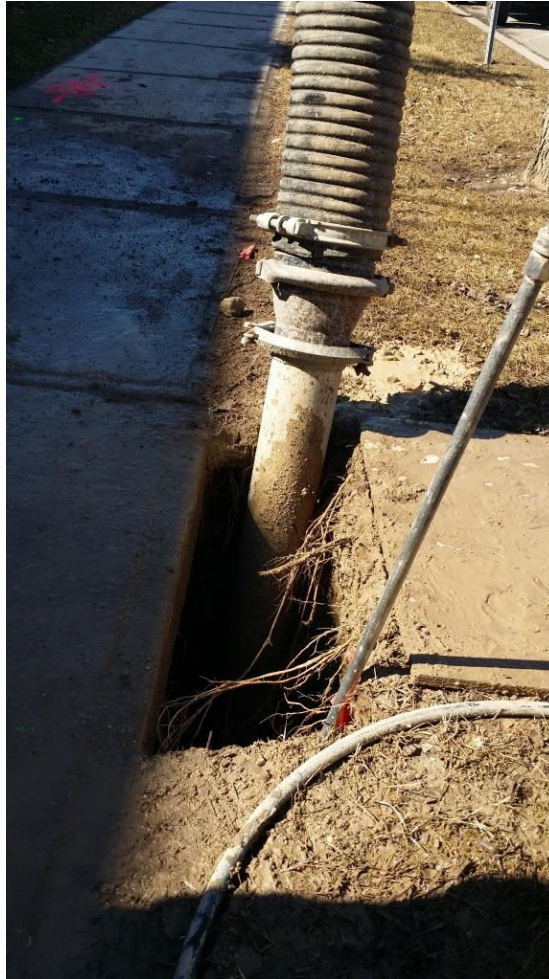
# Construction Methods

## Directional Bore



# Construction Methods (Cont'd)

## Vacuum Excavation





# Construction Methods (Cont'd)

## Pit



## Recommendations

- That the staff report entitled, Telecommunication Company Activities in the City of Markham be received;
- That the Mayor and Clerk be authorized to execute funding agreements between the City and telecommunication companies to cover the costs to meet service levels as a result of increased permit applications relating to infrastructure upgrade projects, as outlined in this report, provided that the form and content of such agreements are satisfactory to the Commissioner of the Community and Fire Services and the City Solicitor; and

## Recommendations (Cont'd)

- That 5 additional two year contract staff be hired at the cost of approximately \$332,000 per year, with costs being funded through amounts paid to the City pursuant to a funding agreement and through permit fees recovered from increased permit review applications; and,
- That the Treasurer and Director of Operations be authorized to hire additional temporary staff to address the legislated time requirements for permit review during the period of increased volumes with the costs of such fully recovered through amounts paid to the City pursuant to funding agreement(s) and through permit fees recovered from increased permit review applications;



## Recommendations (Cont'd)

- That Staff be authorized and directed to do all things necessary to give effect to this resolution.



Report to: General Report

Meeting Date: April 8, 2019

**SUBJECT:** Telecommunication Company Activities in the City of Markham

**PREPARED BY:** Tracey Anastacio, Utility Coordinator, Utilities and Survey, Operations, Ext 2150  
Robert Penner, Manager, Utilities and Survey, Operations, Ext 4550

**REVIEWED BY:** Morgan Jones, Director, Operations, Ext 4857

**RECOMMENDATION:**

- 1) That the staff report entitled, Telecommunication Company Activities in the City of Markham be received;
- 2) That the Mayor and Clerk be authorized to execute funding agreements between the City and telecommunication companies to cover the costs to meet service levels as a result of increased permit applications relating to infrastructure upgrade projects, as outlined in this report, provided that the form and content of such agreements are satisfactory to the Commissioner of the Community and Fire Services and the City Solicitor; and
- 3) That 5 additional two year contract staff be hired at the cost of approximately \$332,000 per year, with costs being funded through amounts paid to the City pursuant to a funding agreement and through permit fees recovered from increased permit review applications; and,
- 4) That the Treasurer and Director of Operations be authorized to hire additional temporary staff to address the legislated time requirements for permit review during the period of increased volumes with the costs of such fully recovered through amounts paid to the City pursuant to funding agreement(s) and through permit fees recovered from increased permit review applications;
- 5) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**PURPOSE:**

This report seeks to:

To obtain Council authority for the City to enter into funding agreements with telecommunication companies to cover the costs to meet service levels as a result of increased permit applications relating to infrastructure upgrade projects and to enable the provision of resources to meet legislated timelines for permit issuance.

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**BACKGROUND:**

The City has entered into municipal access agreements (“MAAs”) with telecommunication companies that have a statutory right to utilize the City’s boulevard and road networks referred to as “rights-of-way” (“ROW”) pursuant to the Telecommunications Act. The Utilities & Survey Division within the Operations Department review and approve requests from such telecommunication companies to place infrastructure within the City’s ROW. Activities include negotiating MAAs, permit review, pre/post inspections and response to construction activity inquiries.

MAA’s document the conditions that must be adhered to by both the City and the telecommunication companies when dealing with requests to work within the City’s ROW. MAA’s describe conditions of consent, manner of work, emergency work, warranties, indemnification and liability, term, fees, service levels and insurance.

The three major telecommunication companies are Rogers, Bell and Telus. Rogers and Bell are investing heavily in their infrastructure throughout the City of Markham to increase network stability, reliability and performance. This will allow telecommunication companies to meet their customers’ increased digital data demand and provide next generation products (fibre/5G) and services to the City of Markham residents and businesses. The telecommunication upgrades will involve City-wide construction within City ROW including open trenching and directional boring under roads, sidewalks, driveways and boulevards.

Rogers started a seven-year City-wide upgrade in the fall of 2018. As a direct result, application submission volumes from Rogers reached record highs in 2018 almost doubling the quantity received in 2017. It is projected that application numbers will further increase in 2019. At the same time Bell will be initiating some upgrade work in 2019 although at a smaller volume. Telus activities are expected to remain at normal levels.

**DISCUSSION:****Impacts to the City of Markham**

The proposed infrastructure upgrades will help to ensure that residents and businesses have access to leading edge telecommunications technology. This will help to make the City continue its reputation as an attractive place to live and do business. Smart City initiatives will be easier to implement with the new technologies available.

The investment by the telecommunication companies will result in job creation in the construction industry within the GTA and Markham.

Construction activities related to the proposed infrastructure upgrades will disturb neighborhoods, occasionally obstruct driveways/ roadways, periodically affect ROW encroachments, (i.e. heated/decorative driveways, sprinkler systems and landscaping) and expose residents to increased levels of noise, equipment, and debris. Above and below ground equipment such as vaults and pedestals will be installed as part of the system implementation. Residents are likely to be concerned and may be upset with the construction activities or location of the new equipment.

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The MAA's stipulate that the service levels to process and respond to permit applications of the type Rogers is requiring is 15 business days. With Roger's increased work that has started in the fall of 2018, current staffing levels in the Utilities and Survey Division within the Operations Department are unable to maintain these service levels and there is currently a backlog of permits to review. Therefore, additional contract staff will be required to manage the increased workload.

Increases in locate requests, as built plan requests, resident inquiries and unintentional residential service connection damages are anticipated due to the increased construction activities relating to the proposed infrastructure upgrades.

### Impact Reduction Strategies

Although not all impacts can be avoided, staff are working with the telecommunication companies to ensure that measures are taken to reduce construction and permit related impacts when and where possible.

Staff have met with Rogers and Bell to discuss their upcoming work and to establish plans to address any potential impacts. Some of the current items that are in place or being implemented are:

- 1) Project Coordination:  
The Utilities and Survey Division will review applications against the City's work map prior to approval to ensure telecommunications' proposed work do not conflict with the City's work. The City's inspector will complete pre-inspections to identify site issues with existing infrastructure and to protect the City's assets.
- 2) Communication Plan:  
Telecommunications companies are distributing notifications to the affected areas prior to construction by a) mail and doorknockers; b) area sign boards; and c) emails to customers in the area. City staff are tracking project progress on a City map that is distributed weekly to City Departments and will include Council members in the spring 2019. Project information (i.e. Roger's communication, mapping off work underway) will be added to the City's web page.
- 3) Issue Resolution:  
Telecommunications companies have been requested to provide a construction hotline (phone number and e-mail addresses) which staff can direct residents and businesses to for resolution. Additionally, when completing work, telecommunication companies must abide by the terms and conditions in both their MAA with the City and the permit specific notes/instructions added by the City during the application review process. The MAA addresses such things as restoration requirements, manner of work, tree protection etc. Permit notes/instructions address specific concerns relating to the proposed work.

## 4) Equipment Placement:

Telecommunication companies are looking for strategic places to place equipment that will have the least impact to the surrounding areas (i.e. ROW adjacent to side lots, between lot lines). The companies are reaching out to residents who may be impacted by equipment and making them aware of the pending equipment placement. The Utility and Survey Division reviews proposed locations prior to construction and requests revisions when equipment is not in the optimal location.

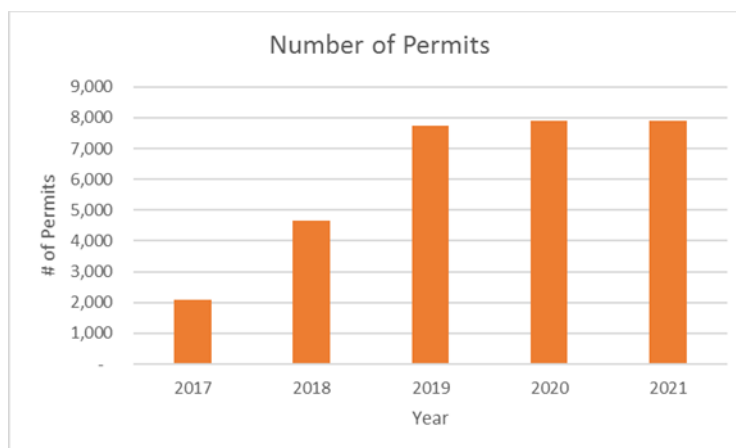
## 5) Funding Agreements:

Rogers has offered to assist in covering the costs of additional resources for the Utility and Survey division to keep up with the increased level of work relating to the City-wide upgrades.

Staff will implement or adjust impact reduction strategies as required on an ongoing basis.

### **Determining Resource Requirements**

The large telecommunication companies have reached out to the City and indicated that quantity of applications will increase in 2019 and future years. Utilizing the projected increases provided from the companies, staff are anticipating increases in applications as follows:



The total applications anticipated compared to other years are:

	2017	2018	2019*	2020*	2021*
# of Level 1 permits	1,863	4,176	6,876	7,000	7,000
# of Level 2 & 3 permits	217	490	850	900	900
<b>Total # of permits</b>	<b>2,080</b>	<b>4,666</b>	<b>7,726</b>	<b>7,900</b>	<b>7,900</b>
Permit Revenues	\$ 183,632	\$ 227,000	\$ 394,000	\$ 450,000	\$ 450,000

\* Projected permits/revenues

Staff anticipate that the City will experience heavy increases in permit applications until 2020 as the infrastructure upgrade project rolls out with a stabilization realized in 2021 to

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2023 as projects are underway. Decreases in permit applications are anticipated in 2024 and 2025 as projects wrap up.

With the projected increase in applications, permit recoveries are projected to increase to \$394,000 in 2019 and possibly to \$450,000 in 2020 and 2021.

Staff project it will require 9,906 hours to process the 2019 workload, which is substantially beyond the capacity of the City's existing resources (3,450 hours from 3 existing staff). It is recommended that the Utilities and Survey Division and Waterworks increase their staffing levels to enable the City to meet the MAA service levels and ensure sufficient resources are in place to reduce and manage impacts to the City and residents. Operations is proposing to start with the following additional temporary staff (for two year contracts) and will adjust to meet permit volumes as required:

- 1) Three full time contract staff for Utility & Survey Division for permit review, inspection and administration (\$249,800/year including benefits);
- 2) One Career Edge staff for Utility & Survey Division for Basic permit review, mapping and digital records (\$50,700/year) and
- 3) One Co-op Student for Waterworks for managing the increased locate requests. (\$31,500/year including benefits)

Total additional funds required for the proposed increase in staffing is approximately \$332,000 per year.

The additional contract staffing was not requested during the 2019 budget process as staff were in the process of understanding the impact of the increased workload and negotiating with Rogers to seek additional funding over the standard fees contained in the existing MAAs. The operating budget impacts will be included as part of the 2020 budget process.

Sustainability and Asset Management will not experience a workload increase to provide engineering drawings as the Utility & Survey Division is accepting this responsibility for these projects.

#### Telecommunication Funding Agreement

Telecommunication companies have reached out to the City and offered to assist in partially covering the cost of additional staff for the duration of their projects. Staff in consultation with other departments and other municipalities will prepare a funding agreement that will outline the terms and expectations between the telecommunication company and the City for the telecommunication company to fund the additional staffing resources required to facilitate the proposed infrastructure upgrades.

The first funding agreement will be with Rogers to cover two full time contract staff for the Utility & Survey Division initially for two years. The agreement will include an option to negotiate payment by Rogers for additional City resources. In discussions Utility & Survey Division has had with representatives with Rogers, Rogers has agreed to enter into a funding agreement which would entail the payment of \$165,000 per year to



the City. This would reduce the anticipated additional staff yearly cost from \$332,000 to \$167,000. The remaining \$167,000 will be offset from recovery of fees from the additional Rogers permit applications.

Staff are required to obtain Council authority prior to entering into agreements of this nature. Staff recommend that authority to execute funding agreements be delegated in order to respond to increased workload relating to infrastructure upgrades by telecommunications companies more efficient and streamlined. Staff recommends that the Mayor and Clerk be authorized to execute funding agreements with telecommunication companies, to provide funding to the City to help meet increased permit applications relating to infrastructure upgrade projects, as outlined in this report, provided that the form and content of such agreement are satisfactory to the Commissioner of Community and Fire Services, and the City Solicitor.

#### **FINANCIAL CONSIDERATIONS AND TEMPLATE: (external link)**

	a	b	c=b-a	
	Actual 2018	Projection 2019	2019 Incr. vs. 2018	
Permit Revenues: Rogers	133,000	300,000	167,000	A
Permit Revenues: Others	94,000	94,000	-	
Total Permit Revenues	227,000	394,000	167,000	

Funding Agreement: Rogers		165,000	165,000	B
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Total Incremental Funding from Rogers (C=A+B)			332,000	C
Cost of 5 Additional Staff			(332,000)	D
Incremental Staffing Cost (D=C+D)			-	

As shown in the table above, the cost of the additional staff will be fully recovered from the funding agreement with Rogers and incremental Rogers permit revenues.

The 2019 operating budget for permit revenues is \$216,088.

#### **Operating Budget and Life Cycle Impact**

Incremental personnel expenses associated with the additional temporary staff will be offset by incremental revenues in 2019 and will be incorporated as of the 2020 budget process. There is no impact to the Life Cycle Reserve Study.

#### **HUMAN RESOURCES CONSIDERATIONS**

Potential impacted departments have been consulted and required resources are detailed in the Additional Resource Costs section above.

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

The recommendations of this report align with the strategic focus for a Safe & Sustainable Community through the ongoing management of the City's ROW ensuring the telecommunications companies are utilizing the ROW to reduce negative impacts to others and to protect future ROW use.

**BUSINESS UNITS CONSULTED AND AFFECTED:**

Finance, Legal, Human Resources, Environmental Services and Sustainability and Asset Management have reviewed this report and their comments have been incorporated.

**RECOMMENDED BY:**

Morgan Jones  
Director, Operations

Brenda Librecz  
Commissioner, Community & Fire Services

Joel Lustig  
Treasurer

Trinela Cane  
Commissioner, Corporate Services



Report to: General Committee

Meeting Date: April 8, 2019

**SUBJECT:** Possible Appointment of Markham's Alternate Member for Regional Council

**PREPARED BY:** Kimberley Kitteringham, City Clerk, ext. 4729  
Josh Machesney, Elections & Committee Coordinator, ext. 2211

### **RECOMMENDATION:**

1. That the report entitled "Possible Appointment of Markham's Alternate Member for Regional Council" be received; and,
2. That the City Clerk notify the Regional Clerk of the appointment of Markham's Alternate Member for York Region Council for the 2018-2022 term of Council should Markham City Council choose to do so; and further,.
3. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

### **PURPOSE:**

This report provides information regarding the amendment to the Municipal Act, 2001 (the "Act") which permits Markham City Council to appoint an Alternate Member of Regional Council who would attend Regional Council meetings when the Mayor, Deputy Mayor, or any of the three Regional Councillors is unable to attend a meeting for any reason.

### **BACKGROUND:**

The Modernizing Ontario's Municipal Legislation Act, 2017 contains a number of amendments to the Act, including permitting lower-tier municipalities to appoint one alternate member to attend an upper-tier council meeting when a Councillor who is both a member of the lower-tier municipality and upper-tier municipality is unable to attend for any reason (Section 268 of the Act). This legislative amendment was sought by municipalities who wanted to ensure they continued to have representation on their upper-tier council in the event their local Councillor(s) was absent or unable to attend an upper-tier Council meeting for any reason.

The following conditions apply to the appointment of an alternate Member:

1. The Alternate Member must be a Member of the lower-tier municipality.
2. There can only be one Alternate Member appointed per municipality.
3. The appointment is for the term of Council.
4. Municipalities cannot appoint another Alternate to act in place of the appointed Alternate Member.

The appointed Alternate Member is able to attend Regional Council meetings only. The appointed Alternate Member may not attend Committee of the Whole meetings.

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To date, the Town of Stouffville and Township of King have appointed an Alternate Member to York Region Council. The Region of York has developed procedures for Alternate Members of Regional Council to address issues of indemnification, remuneration, and notification as well as the powers and duties of Alternate Members (see **Appendix “A”**) and are summarized below:

1. Indemnification

Alternate Members will receive the same indemnification coverage as incumbent Members. The Region’s Indemnification By-law provides that Members of Regional Council are entitled to reimbursement for legal expenses related to actions or proceedings as well as expenses incurred in obtaining legal advice to determine whether the Member has a pecuniary interest in a matter which is the subject of consideration by Regional Council.

2. Remuneration

Alternate Members are entitled to mileage reimbursement in accordance with the Region’s Reimbursement for the Use of Personal Vehicles Policy. Mileage is calculated based on the shorter distance between the Alternate Member’s home and the Region’s Administrative Centre or the Alternate Member’s municipal office and the Region’s Administrative Centre.

3. Notification Processes

The City will be required to notify the Regional Clerk in the event that Markham City Council appoints an Alternate Member. The incumbent Council Member shall notify the Regional Clerk, in writing, as soon as reasonably possible when an Alternate Member will be attending a meeting of Regional Council in place of an incumbent Member. It is the responsibility of the incumbent Council Member to notify the Alternate Member that they are to attend a Regional Council meeting in their place. In situations where no prior notice has been given, the Alternate Member shall, at the time they attend the Regional Council meeting, provide the Regional Clerk with written confirmation that they are acting as an Alternate Member for that Council meeting.

Alternate Members will receive hard copy agendas, including confidential materials, for any Council meeting for which notice of their attendance was provided. If notice of their attendance has not been provided, they shall receive hard copy agendas at the time they attend the Council meeting and confirm they are acting as an Alternate Member.

4. Meeting Administration

The Alternate Member shall not take their seat unless they have first taken their declaration of office. This is not required for subsequent meetings they might attend. Alternate Members must only be used when the Regional Council Member is unable to attend an entire Council meeting. The Alternate Member shall have all the powers and duties of a Regional Council Member, including the power to make motions and vote, and the duty to abide by the Region’s Procedural By-law and Code of Conduct. The Alternate Member’s powers and duties as a Regional Council Member extend only to the time they are present at the Council meeting.

**OPTIONS/ DISCUSSION:**

The City of Markham has five Councillors on York Region Council. In accordance with the Municipal Act, one of Markham's local Councillors may be appointed as the Alternate Member of Regional Council. Markham City Council is not obligated under the Act to appoint an Alternate Member, and may choose not to do so. If Markham City Council wish to do so, it is recommended that the appointment be done by resolution of Council. Should such a resolution be adopted, the City Clerk will notify the Regional Clerk (in writing) of the appointment of the Alternate Member.

**FINANCIAL CONSIDERATIONS**

Not applicable.

**HUMAN RESOURCES CONSIDERATIONS**

Not applicable.

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

Not applicable.

**BUSINESS UNITS CONSULTED AND AFFECTED:**

Not applicable.

**RECOMMENDED BY:**

Kimberley Kitteringham

Trinela Cane

**ATTACHMENTS:**

Appendix "A" – Region of York - Procedures for Alternate Members of Regional Council

Clause 24 in Report No. 1 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on January 25, 2018.

## 24

### Establishing Procedures for Alternate Members of Council

Committee of the Whole recommends adoption of the following recommendations contained in the report dated January 18, 2018 from the Commissioner of Corporate Services:

1. Council support the use of alternates in the Towns of Aurora, East Gwillimbury, Whitchurch-Stouffville and the Township of King.
  2. Council approve the Procedures for Alternate Members of Council as shown in Attachment 1.
  3. Council approve an amendment to Indemnification By-Law No A-0263-1999-064 to provide reimbursement of legal expenses for Alternate Members of Council in accordance with the bylaw.
  4. The Regional Clerk circulate this report to the Clerks of the local municipalities.
- 

Report dated January 18, 2018 from the Commissioner of Corporate Services now follows:

## 1. Recommendations

It is recommended that:

1. Council support the use of alternates in the Towns of Aurora, East Gwillimbury, Whitchurch-Stouffville and the Township of King.
2. Council approve the Procedures for Alternate Members of Council as shown in *Attachment 1*.
3. Council approve an amendment to Indemnification By-Law No A-0263-1999-064 to provide reimbursement of legal expenses for Alternate Members of Council in accordance with the bylaw.



## Establishing Procedures for Alternate Members of Council

4. The Regional Clerk circulate this report to the Clerks of the local municipalities.

### 2. Purpose

This report presents a process for accommodating alternate members of Council who may be appointed by local municipal councils under new provisions in the *Municipal Act*. The purpose is to provide clarity to all parties and reduce disruption to Council.

### 3. Background

Regional Council has previously discussed alternate members in the context of those municipalities with only one Regional Council Member

In both this and the previous term, Regional Council has broadly considered its overall composition and representation. During this consideration, there was discussion, but no formal position, on how the Towns of Aurora, East Gwillimbury and Whitchurch-Stouffville and the Township of King might benefit from legislative amendments to permit them to use alternates in the event their single member was unable to attend a meeting. This would ensure that each Town was duly represented at meetings.

The *Modernizing Ontario's Municipal Legislation Act, 2017* amended the *Municipal Act* in several ways, including to permit local municipalities to appoint alternates for their members of Regional Council

Following municipal consultation, the province enacted the *Modernizing Ontario's Municipal Legislation Act, 2017*, which contained a number of amendments to the *Municipal Act* in areas such as accountability and transparency, financial sustainability and governance. Council submitted comments in response to the consultation at its [October 15, 2015](#) meeting. Council received additional updates on the proposed legislation on [April 20, 2017](#) and [June 29, 2017](#).

The amendments have different implementation dates but the provision relating to alternates came into effect on January 1, 2018. The provision permits a local municipality to appoint one of its members to act in place of any of its Regional Council members when any of those members are unable to attend a Regional Council meeting for any reason. It does not apply to Committee of the Whole, Board or other meetings.

## Establishing Procedures for Alternate Members of Council

The new legislation contains parameters for the appointment of alternates

Local municipalities are able to appoint an alternate member of Regional Council in accordance with the following provisions:

1. There can only be one alternate member appointed per municipality
2. The appointment is for the term of Council
3. Municipalities cannot appoint another alternate to act in place of the appointed alternate member.

### 4. Analysis and Implications

The authority to appoint alternate members resides with the local municipalities

Each of the nine local municipalities has the option to appoint one of its members to act as an alternate if any of their Regional members are unable to attend any meeting for any reason. The alternate is appointed for the term of Council.

Although each of the nine local municipalities is authorized to appoint an alternate it might be prudent to start with the Towns of Aurora, East Gwillimbury and Whitchurch-Stouffville and the Township of King should they so desire. This aligns with previous discussion at Regional Council about the use of alternates as a way to ensure those municipalities with only one member are always represented at Regional Council meetings. It also allows the opportunity to tune and streamline related procedures while the use of alternates is at a relatively small scale.

Regional Council has no role in the appointment of alternates but it can establish procedures for accommodating alternates at Regional Council meetings.

Establishing procedures for alternate members helps to ensure the ongoing effectiveness of Regional Council meetings

There are several things to consider in relation to alternate members of Regional Council. For example, each alternate will need to make their declaration of office before they are permitted to first take their seat as an alternate member of Council.

Additionally, it is important to establish notification requirements from the Clerk or incumbent member so that Regional Council knows when an alternate will be attending a Council meeting. This helps to ensure the Regional Clerk's Office can

## Establishing Procedures for Alternate Members of Council

provide the alternate with the agenda, reports and other material being considered at the meeting and also minimizes potential disruption at the start of a meeting.

Consideration has also been given to appropriate remuneration, administrative processes, indemnification and in-meeting procedures.

*Attachment 1* sets out procedures to address these matters. Additionally alternates will be provided with a general orientation to allow them to effectively transition into their new role.

Alternate Members of Council will receive the same indemnification coverage as incumbent Members

The Indemnification Bylaw provides certain coverage and reimbursement to members of Regional Council and employees for expenses incurred as a result of acting in such capacity. Members of Regional Council are entitled to reimbursement for legal expenses relating to actions or proceeding as well as expenses incurred in obtaining legal advice to determine whether the member has a pecuniary interest in a matter which is the subject of consideration by Regional Council. The bylaw should be amended to ensure coverage for Alternate Members of Council for matters relating to their capacity when serving as members of Regional Council.

### 5. Financial Considerations

Financial considerations will be minimal since alternates are proposed to only receive mileage for the meetings they attend. Mileage will be calculated based on the shorter of the distance between the alternate member's home and the Region's Administrative Centre or the alternate member's municipal office and the Region's Administrative Centre from the relevant local municipal office to the Region's Administrative Centre. This is in accordance with the Region's Reimbursement for the Use of Personal Motor Vehicles which also applies to Council Members. Mileage will be paid as set out in the Canada Revenue Agency's tax-exempt kilometre limit.

### 6. Local Municipal Impact

Local municipalities have the power to appoint alternates for their Regional Council Members. However, Council might choose to initially support alternates for the four local municipalities with only one Regional Council Member.

## Establishing Procedures for Alternate Members of Council

Alternates can attend Regional Council meetings if the elected member is unable to attend for any reason. Should a local municipality appoint an alternate, the attached procedures will help inform the alternate and ensure they have a relatively smooth transition into their new role. Once adopted, these procedures will be shared with the local municipal clerks.

### 7. Conclusion

Regional Council has previously discussed the hypothetical use of alternates in the Towns of Aurora, East Gwillimbury and Whitchurch-Stouffville and the Township of King as they each only have one Regional Council member.

On January 1, 2018, local municipalities received powers through the *Municipal Act* to appoint alternates from their local councils to fill the role of a Regional Council Member should that member be unable to attend a Regional Council meeting for any reason. Council might consider encouraging the use of alternates only in the four municipalities with a single elected member.

Although Regional Council has no role in the appointment process it can adopt procedures to help accommodate alternate members. Proposed procedures are set out in *Attachment 1* and cover such things as notice requirements prior to an alternate's attendance, remuneration and in-meeting procedures. The procedures will ensure that alternates are transitioned smoothly into their role on Regional Council and will minimize disruption as the Region works with the local municipalities to implement the new *Municipal Act* provisions.

The Region's Indemnification Bylaw covers certain expenses occurred by Members of Council while acting in such capacity. The Bylaw should be amended to permit the same coverage for alternate Members when they are acting in such capacity.

For more information on this report, please contact Christopher Raynor, Regional Clerk at 1-877-464-9675 ext. 71300.

The Senior Management Group has reviewed this report.

January 18, 2018

Attachments (1)

#8120988

Accessible formats or communication supports are available upon request

## **Attachment 1**

### **Procedures for Alternates to Regional Council**

This Procedure relates to alternates to Regional Council who are appointed by local municipalities under section 268 of the *Municipal Act* when they are required to attend a Regional Council meeting. Alternates are only able to attend Regional Council meetings. This excludes Committee of the Whole, standing committee or other meetings.

#### **Remuneration**

1. Alternate members shall be entitled to mileage reimbursement in accordance with the Region's Reimbursement for the Use of Personal Vehicles Policy.
2. Mileage shall be calculated based on the shorter of the distance between the alternate member's home and the Region's Administrative Centre or the alternate member's municipal office and the Region's Administrative Centre.

#### **Notification processes**

3. A local municipality shall notify the Regional Clerk in the event that its council appoints an alternate member of Regional Council.
4. The Regional Clerk shall keep a record of all appointed alternate members which shall be available to the public.
5. The local Clerk or incumbent Council Member shall notify the Regional Clerk, in writing, as soon as reasonably possible when an alternate shall be attending a meeting of Regional Council.
6. Each local municipality will be responsible for notifying its alternate member that they are to attend any Regional Council meeting.
7. In situations where no prior notice has been given the alternate member shall at the time they attend a Regional Council meeting, provide the Regional Clerk, or designate, with written confirmation that they are acting as an alternate for that Council meeting.
8. Alternate members shall receive hard copy agendas, including confidential material, for any Council meeting for which notice of their attendance was provided. If no notice was provided they shall receive hard copy agendas at the time they attend the Council meeting and confirm they are acting as an alternate member.

## Meeting Administration

9. No alternate member shall take their seat unless they have first taken their declaration of office. This is not required for subsequent meetings they might attend.
10. Alternate members must only be used when the Regional Council Member is unable to attend an entire Council meeting.
11. The alternate member shall have all the powers and duties of a Regional Council Member, including the power to make motions and vote and the duty to abide by the Region's Procedure Bylaw and Code of Conduct, as applicable.
12. The alternate member's powers and duties as a Regional Council Member extend only to the time they are present at the Council meeting.
13. Regional Council minutes shall note the absence of the incumbent member and the attendance of the alternate member.
14. Where both an alternate member and the Regional Council Member attend a Council meeting the Regional Council Member shall assume their seat. The alternate member may attend as a spectator.

#8017756





Report to: General Committee

Meeting Date: April 8, 2019

**SUBJECT:** Flood Control Program - Disaster Mitigation and Adaptation Fund (DMAF)

**PREPARED BY:** Prathapan Kumar, Senior Manager, Infrastructure, Ext. 2989  
Robert Muir, Manager, Stormwater, Ext. 2894

**RECOMMENDATION:**

- 1) That the Report entitled “Flood Control Program – Disaster Mitigation & Adaptation Fund (DMAF)” be received; and
- 2) That Council approve the shared funding allocation between the Government of Canada and City of Markham as follows:

Government of Canada Share (40%) (A)	\$48,640,000.00
City of Markham Share (60%) (B)	\$72,960,000.00
<b>Total Funding (C) = (A) + (B)</b>	<b>\$121,600,000.00</b>

- 3) That the Mayor and Clerk be authorized to execute the Disaster Mitigation & Adaptation Fund (DMAF) Agreement (and any related documents), in a form and content satisfactory to the City Solicitor and the Commissioner of Community & Fire Services, and that the Commissioner of Community & Fire Services (or designate) be authorized to act as an authorized signing officer for the City under the Agreement (including for the purpose of submitting required reports and confirmations); and
- 4) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**EXECUTIVE SUMMARY:**

Not Applicable

**PURPOSE:**

The purpose of this report is to inform Council that the City of Markham has been notified that the following three Flood Control Projects have been approved by Infrastructure Canada to receive funding from the Disaster Mitigation & Adaptation Fund (DMAF):

1. West Thornhill Flood Control Implementation – Phases 3 & 4 with the project cost of \$62.5 million;
2. Don Mills Channel with the project cost of \$56.0 million; and
3. Thornhill Community Centre (\$1.1M) and Glynnwood Storm Sewer Upgrades (\$2.0M) with the project cost of \$3.1 million

Markham will receive \$48.64 million of Federal funding over 10 years, which represents 40% of the total project cost of \$121.6 million. Markham’s share will be 60% amounting to \$72.96 million.

**BACKGROUND:****Disaster Mitigation & Adaptation Fund (DMAF)**

The Disaster Mitigation & Adaptation Fund (DMAF) is a national, competitive, merit based contribution program that will invest \$2 billion over 10 years to help communities build the infrastructure they need to better withstand natural hazards such as floods, wildfires, earthquakes and droughts. DMAF is part of the federal government's Investing in Canada infrastructure plan, which is providing more than \$180 billion over 12 years for public transit projects, green infrastructure, social infrastructure, trade and transportation routes, and rural and northern communities.

On January 10, 2019, the City submitted an application for DMAF eligible funding for the following three projects:

1. West Thornhill Flood Control Implementation – Phases 3 & 4;
2. Don Mills Channel; and
3. Thornhill Community Centre/ Glynnwood Storm Sewer upgrades

On March 11, 2019, the City was informed by Infrastructure Canada that the above three projects have been approved for funding. Subject to the terms and conditions of the Agreement, the federal government will provide up to a maximum of 40% toward the total eligible costs of the projects. The City is required to contribute the balance of the project cost (60%) as submitted in the application.

**OPTIONS/ DISCUSSION:**

The City has been informed that the DMAF application for the three Flood Control Projects have been approved for eligible funding. One of the conditions of the funding is that the projects are to be completed within 10 years. This will require the City to advance the completion of the Don Mills Channel, which is currently scheduled for 2030, to 2027. All other aspects of the program schedule are to remain as per the existing implementation schedule.

**Flood Control Projects – Implementation Schedule:**

<b>Project</b>	<b>Proposed Implementation Schedule</b>
<b>1. West Thornhill</b>	
Phase 3A	2020 - 2021
Phase 3B	2021 - 2022
Phase 3C	2022 - 2023
Phase 4A	2021 - 2022
Phase 4B	2023 - 2024
Phase 4C	2024 - 2025
Phase 4D	2025 - 2026
<b>2. Don Mills Channel</b>	
Property Acquisition	2019
SWM Pond	2021 - 2022
Culverts Upgrade	2023 - 2027

<b>3A. Thornhill Community Centre</b>	
Flood Proofing	2020 - 2021
<b>3B. Glynnwood Storm Sewer Upgrades</b>	2022 - 2025

**FINANCIAL CONSIDERATIONS**

The total project costs of \$121.6 million for the three Flood Control Projects will be on a cost-shared basis of 40% with the Government of Canada and 60% funded by the City of Markham.

Government of Canada Share (40%) (A)		\$48,640,000.00
City of Markham Share (60%) (B)		<u>\$72,960,000.00</u>
<b>Total Funding (C) = (A) + (B)</b>		<b>\$121,600,000.00</b>

The City's funding portion in the amount of \$72.96 million will be funded from the Stormwater Fee. The DMAF grant will contribute to mitigate larger fee increases for the Stormwater Fee and at the same time accelerate the timelines for key projects.

**HUMAN RESOURCES CONSIDERATIONS**

Not Applicable

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

The Flood Control program is aligned with the City's goal to provide better quality services to the public and is consistent with the "Building Markham's Future Together" strategic priority on "Growth Management" and the "Environment" as it considers sustainability on the built environment.

**BUSINESS UNITS CONSULTED AND AFFECTED:**

The Finance Department has been consulted for both input and review of this report.

**RECOMMENDED BY:**

Phoebe Fu  
Director of Environmental Services

Brenda Librecz  
Commissioner, Fire & Community Services

**ATTACHMENTS:**

None



Report to: General Committee

Meeting Date: April 8, 2019

**SUBJECT:** Flood Control Program and Stormwater Fee Update  
**PREPARED BY:** Mark Visser, ext. 4260  
 Rob Grech, ext. 2357

**RECOMMENDATION:**

1. That the report “Flood Control Program and Stormwater Fee Update” be received; and,
2. That an annual stormwater fee continue to be imposed on all property within the municipal boundaries of the City of Markham, save and except those noted in the Stormwater Fee By-law 2020-XXX as outlined in Appendix “A” to this staff report; and,
3. That the annual stormwater fee for Residential properties be increased in year 2020 from \$47 to \$50 per property; and further be increased by \$1 per year, each year thereafter; and,
4. That the annual stormwater fee rate for Non-Residential properties be increased in year 2020 by \$2 per \$100,000 of current value assessment (CVA); and further be increased by 2% per year, each year thereafter; and,
5. That the annual stormwater fee rate for Vacant Land properties be increased in year 2020 by \$2 per \$100,000 of current value assessment (CVA) and further be increased by 2% per year, each year thereafter; and,
6. That the Treasurer continue to be authorized to adjust the annual stormwater fee rate for both Non-Residential and Vacant Land properties to compensate for the average annual change in City-wide CVA; and,
7. That the annual stormwater fee levied continue to be included as a separate line item on the final tax bill of the property; and,
8. That the City continue to allocate \$2,000,000 per year of Federal Gas Tax funding to the Flood Control Program;
9. That By-law 2015-130 be repealed in its entirety and replaced with the Stormwater Fee By-law 2020-XXX as outlined in Appendix “A” to this staff report; and,
10. That staff report back to Council in 2024 with any required update to the annual Stormwater Fees, for implementation in 2025, to ensure that the Flood Control Program is adequately funded; and,

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11. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**EXECUTIVE SUMMARY:**

In February 2013, Council approved a long-term, 30-year, Flood Control Program which sets funding requirements to achieve level of service improvements for drainage systems.

Staff utilized three principles to develop the fee methodology:

- Ability to pay
- Equity / fairness (relationship to runoff)
- Ease of administration and communication

In 2014, Council approved the implementation of a stormwater fee of \$47 for residential properties, and the fee was included on property tax final installment bills beginning in 2015.

In 2015, Council approved the implementation of a stormwater fee of \$29 per \$100,000 current value assessment (CVA) for Non-Residential and Vacant Land properties, which was included on tax bills beginning in 2016. Council authorized the treasurer to adjust the Non-Residential and Vacant Land annual stormwater fee to compensate for the average change in the City CVA. As a result, the 2019 rate is \$26 per \$100,000 CVA.

At the time of fee implementation, the program costs were estimated at \$234M - \$288M (2014 dollars). Staff is to review and adjust the fee every 5 years to ensure the program is adequately funded. The review will include and evaluation of factors that may contribute to changes in the rate, including the costs of the program, the growth of the City, value changes in CVA, and inflation.

Program implementation is currently on schedule, and project status is summarized in Appendix 'B'. The following changes to the original program have been made:

- Implementation of a new Private Plumbing Protection Rebate Program, initiated in 2018;
- Acceleration of West Thornhill Phase 4A construction to 2021;
- Acceleration of the Markham Village/Unionville Flood Protection study, beginning in 2018.

Staff updated Flood Control Program cost estimates in 2018 for all phases of the Flood Control Program, resulting in an increase from the \$234M-\$288M range (2014 Dollars), used to set the original Stormwater Fees, to \$367M-\$382M (2018 Dollars). Taking into account the offset of the \$6.5M Canadian Water and Wastewater Fund (CWWF) and \$48.6M Disaster Mitigation and Adaptation Fund (DMAF) grant funding obtained, and that original fees were set based on a \$288M (2014 Dollars) funding amount, there is an estimated revenue shortfall of \$24M-39M (2018 Dollars) for the 30 year program.

In order to eliminate the funding shortfall, staff recommend stormwater fee increases of \$3 for residential properties and \$2 per \$100,000 CVA for non-residential and vacant land

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properties in 2020, along with subsequent annual increases of \$1/year for residential properties and 2% per year for non-residential and vacant land properties. These fees, in combination with the annual \$2M allocation of the Federal Gas Tax grant (as approved by Council in 2013), are necessary in order to ensure the Flood Control Program is fully funded over the 30-year time frame of the initiative.

The above changes are reflected in By-law 2020-XXX, a by-law to repeal and replace Stormwater Fee By-law 2015-130, which is included as Appendix “A” to this staff report.

The City will continue to use the tax billing system for the billing and collection of the annual stormwater fees, and it is recommended that the City continue to allocate \$2,000,000 per year of Federal Gas Tax funding to the Flood Control Program.

**PURPOSE:**

The purpose of this report is to:

- To provide a status update on the City of Markham 30 year Flood Control Program and its funding requirements.
- Obtain Council endorsement of By-law 2020-XXX, a by-law to repeal and replace Stormwater Fee By-law 2015-130 as outlined in Appendix “A” to this staff report.

**BACKGROUND:**

In February 2013, Council approved a long-term, 30-year, Flood Control Program which sets funding requirements to achieve level of service improvements for drainage systems. Council also identified City-wide fees and Federal Gas Tax Funds as the funding sources for the program. The adoption of City-wide fees recognizes that proposed improvements will contribute to overall community benefits.

In June 2013, Council directed Staff to develop an implementation plan for the long-term flood control strategy and a City-wide fee structure based on runoff contribution. In November 2013, Council approved a City-wide Stormwater Fee structure consisting of flat and variable fees. The approved fee structure allocates fees to residential and non-residential property categories in proportion to City-wide runoff potential. The proportion of high-runoff surfaces City-wide is 60% residential and 40% non-residential.

Staff utilized three principles to develop the fee methodology:

- Ability to pay
- Equity / fairness (relationship to runoff)
- Ease of administration and communication

On November 17, 2014, Council approved the implementation of a stormwater fee of \$47 for residential properties, and the fee was included on property tax final installment bills beginning in 2015. At that time, the program costs were estimated at \$234M - \$288M (2014 dollars).



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On May 26, 2015, Council approved the following:

- That billing of annual stormwater fee for Non-Residential and Vacant Land properties commence in 2016 at a rate of \$29 per \$100,000 of current value assessment (CVA).
- That the Treasurer be authorized to adjust the annual stormwater rate for Non-Residential and Vacant Land properties to compensate for the average change in the City CVA.
- That any property with a CVA of less than \$100,000 shall not have a stormwater fee imposed upon it.

Based on the average changes in CVA, the Stormwater Fee rate for non-residential and vacant land property is \$26 per \$100,000 CVA for 2019.

The following process for updating the fee was included in a Staff report in May of 2015: “The Stormwater Fee will be reviewed every 5 years. At the time of the review, Staff will evaluate those factors that may contribute to changes in the rate, including the costs of the program, the growth of the City, value changes in CVA, and inflation. Staff will make changes to the fee to ensure the flood control program is adequately funded.”

In September 2017, the City obtained a funding grant of \$6.5M for West Thornhill 2B from the Ministry of Infrastructure of Ontario through the Clean Water and Wastewater Fund (CWWF).

Also in September 2017, Council approved the following changes to the Flood Control Program:

- Implementation of a new Private Plumbing Protection Rebate Program, to be initiated in 2018;
- Acceleration of West Thornhill Phase 4A construction to 2021;
- Acceleration of the Markham Village/Unionville Flood Protection study, beginning in 2018.

In March 2019, the City’s application for funding from the Disaster Mitigation and Adaptation Fund (DMAF) was approved for the full grant request in the amount of \$48.6M for the Don Mills Channel, West Thornhill Phases 3 & 4 and Thornhill Community Centre from Infrastructure Canada. . Staff will submit a separate report on the grant seeking Council authority to execute an agreement with Infrastructure Canada.

## **OPTIONS/ DISCUSSION:**

### **A) Project status and Implementation Timeline**

The Citywide Flood Control Program includes projects that range from major capital improvements to the storm system, to educational programs and subsidies for residents to improve their private plumbing systems. Outside of the Citywide Flood Control Program, Environmental Services also compliments flood mitigation through its Downspout Disconnection program, erosion control program, and coordinates sanitary sewer improvements along with stormwater pipe upgrades. These various initiatives range from

a private/local level, to large infrastructure improvements to provide a comprehensive flood mitigation program.

The award of the \$48.6M DMAF grant from Infrastructure Canada has allowed the City to expedite the completion of the Don Mills Channel project by 3 years, with the planned completion of the project now scheduled for 2027.

A summary of the project status and comparison of original and updated schedule for all phases of the Flood Control Program and other complimentary programs are provided below. Location maps have been included in Appendix 'B'.

**Table 1 Flood Control Program - Project Status and Implementation Status**

Area	Original Implementation Schedule	Current Implementation Schedule	Status
<b>West Thornhill</b>			
Phase 1A: Bayview Glen Area	2014 - 2015	2014 - 2015	Completed as of Nov. 2016; Maintenance completion Nov. 2017
Phase 1B: Bayview Glen Area	2015 - 2016	2015 - 2016	Substantially completed as of Aug. 2016; Maintenance completion Aug. 2018
Phase 1C: Canadiana Road	2016	2016	Substantially completed as of Dec. 2016; Maintenance completion Dec. 2018;
Phase 2A: Grandview Area	2016 - 2017	2016 - 2017	Substantially completed as of Dec 2016; Maintenance completion Dec. 2018
Phase 2B: Grandview Area (Park & Proctor Ave)	2017-2018	2017 - 2018	Substantially completed as of Dec. 2017; Maintenance completion Dec. 2019
Phase 2C: Grandview Area	2018-2019	2018 - 2019	Construction commencement: Jun. 2018
Phase 2D: Grandview Area	2020-2021	2019 - 2020	Construction commencement: April 2019
Phase 3: Clark Ave/ Henderson Area	2021-2022	2020 - 2022	Design – 90% complete
Phase 4: Royal Orchard Area	2023-2025	2021 & 2023 – 2025	Design – 30% complete
<b>Don Mills Channel</b>			
Woodbine/Denison	2018-2030	2018-2027	Environmental Assessment – 100% Complete Property acquisition – 50% complete
<b>City Wide Program</b>			
Private Plumbing Protection Rebate Program	N/A	2018-2020	Program Implementation Underway
Markham Village/Unionville	2030-2044	2018-2030	Environmental Assessment – 30% Complete
Other City Wide Areas	2030-2044	2030-2044	Not Initiated

### B) Stormwater Fee Review

Staff updated Flood Control Program cost estimates in 2018 for all phases of the Flood Control Program, resulting in an increase from the \$234M-\$288M range (2014 Dollars), used to set the original Stormwater Fees, to \$367M-\$382M (2018 Dollars). Taking into account the offset of the \$6.5M CWWF and \$48.6M DMAF grant funding obtained, and that original fees were set based on a \$288M (2014 Dollars) funding amount, there is an estimated revenue shortfall of \$24M-\$39M (2018 Dollars) for the 30 year program.

The primary drivers in these Flood Control Program cost increases include:

- Project advancement from planning level estimates, and Municipal Class Environmental Assessment concept estimates, to more defined preliminary and final design costs estimates:
  - Changes to the scope and extent of the work occur when more is known about the site conditions
- Detail design would include more information on size/technical specifications of what will be built including actual site conditions that were unforeseen during detailed design
- Inflation / construction market escalation
- Implementation schedule changes affecting borrowing costs

Staff are recommending an initial increase of \$3 per residential property in 2020, followed by \$1/year increases thereafter. Similarly, non-residential properties would have \$2 per \$100,000 CVA increase in 2020 with 2% annual increases thereafter. As the stormwater rates have not increased since they were implemented, the proposed increases are less than inflation over that period.

Table 2 illustrates the proposed stormwater fee increases:

**Table 2 – Recommended Stormwater Fee Update**

	Initial Increase in 2020	Incremental Annual Increases after 2020
Residential Increase	\$3	\$1/year
Non-Residential Increase	\$2/\$100,000 CVA	2%/year

This rate update would allow the City to collect funds equal to the estimated program costs. The City would incur borrowing costs associated with a negative reserve balance (reaching \$55M in 2027). These negative balances may be funded through internal borrowing. The DMAF grant will contribute to mitigate larger fee increases and at the same time accelerate the timelines for key projects.

Examples of fees for various property types under this option are shown in Table 3.

**Table 3 Proposed Stormwater Fees for Various Property Types (\$)**

Type (CVA Value)	2019 (Existing)	2020 (New)	2021 (New)	2022 (New)	2023 (New)	2024 (New)
Residential	\$47	\$50	\$51	\$52	\$53	\$54
Non-Residential (\$0.5M CVA)	\$130	\$140	\$143	\$146	\$149	\$152
Non-Residential (\$1M CVA)	\$260	\$280	\$286	\$291	\$297	\$303
Non-Residential (\$2M CVA)	\$520	\$560	\$571	\$583	\$594	\$606
Non-Residential (\$5M CVA)	\$1,300	\$1,400	\$1,428	\$1,457	\$1,486	\$1,515
Non-Residential (\$10M CVA)	\$2,600	\$2,800	\$2,856	\$2,913	\$2,971	\$3,031
Non-Residential (\$20M CVA)	\$5,200	\$5,600	\$5,712	\$5,826	\$5,943	\$6,062
Non-Residential (\$50M CVA)	\$13,000	\$14,000	\$14,280	\$14,566	\$14,857	\$15,154
Non-Residential (\$425M CVA)	\$110,500	\$119,000	\$121,380	\$123,808	\$126,284	\$128,809

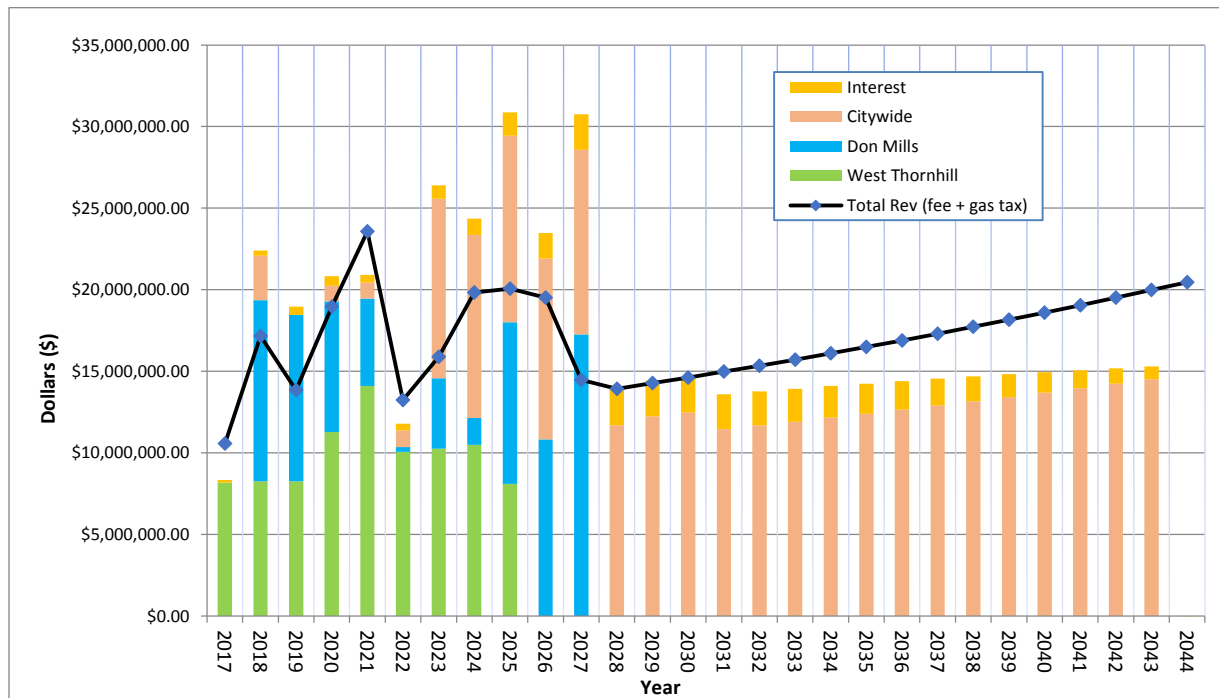
The proposed non-residential stormwater fee equates only 1.5% (industrial) to 1.7% (commercial) of the total tax bill for Non-Residential type properties. The average impact of the proposed fee *increase* is less than 1 cent per square foot per year.

The annual stormwater fee will continue to be imposed on all properties within the municipal boundaries of the City of Markham, save and except those noted in the Stormwater Fee By-law 2020-XXX as outlined in Appendix “A” to this staff report.

### FINANCIAL CONSIDERATIONS

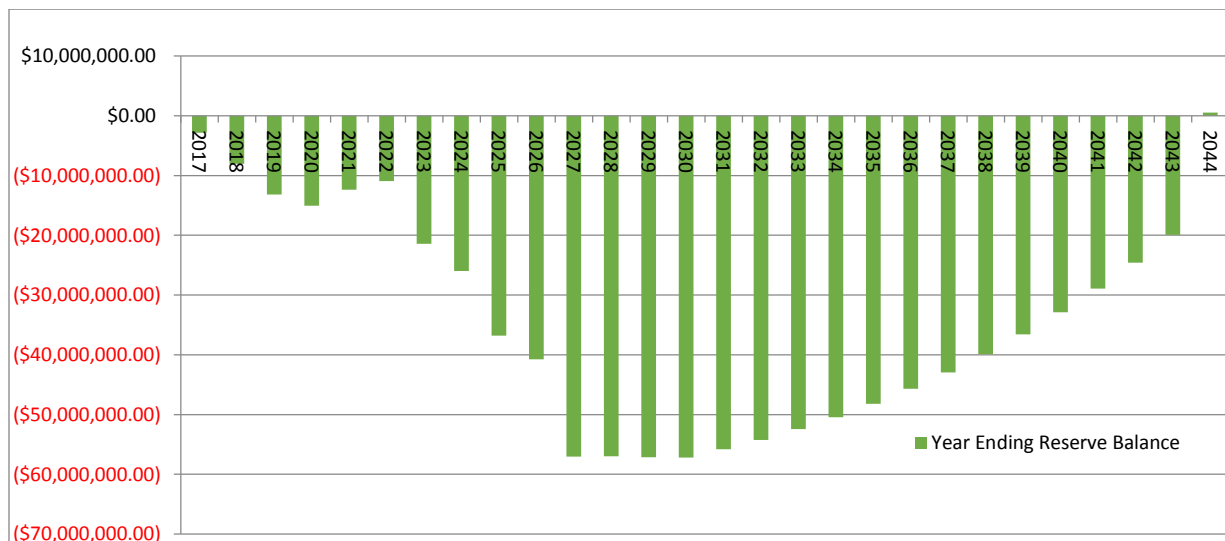
Staff recommend stormwater fee increases of \$3 for residential properties and \$2 per \$100,000 CVA for non-residential and vacant land properties in 2020, along with annual increases of \$1/year for residential properties and 2% per year for non-residential and vacant land properties. These fees, in combination with the annual \$2M allocation of the Federal Gas Tax grant (as approved by Council in 2013), are necessary in order to ensure the Flood Control Program is fully funded over the 30-year time frame of the initiative.

As staff are endeavoring to complete the work in a timely manner, much of the work will be undertaken in advance of the City receiving the stormwater fee revenue. The following graph noted below illustrates the forecasted expenditures and the projected revenue (note: the fluctuation in revenue between 2018 and 2027 is related to the timing of the \$6.5M CWWF grant, and \$48.6M DMAF grant):



**Figure 1 Stormwater Revenue/Expense Trending**

As a result of the accelerated expenditures, the Stormwater Fee Reserve is projected to be in a negative balance throughout the duration of the Flood Control program, with a peak negative balance of approximately \$57M:



**Figure 2 Stormwater Reserve Balance**

Currently, the City is managing the negative reserve balance through internal borrowing. As the reserve continues to move into a further negative position, there may be a need for external borrowing.

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The City will continue to use the tax billing system for the billing and collection of the annual stormwater fees. The 2020 Stormwater Fee increase of \$3/property from \$47 to \$50/year per residential property will be reflected on the final tax bill in June 2020. The 2020 Stormwater Fee increase of \$2/\$100,000 CVA for non-residential properties will be reflected on the final tax bill in September 2020.

The Stormwater Fee will be reviewed by staff every 5 years and staff will report back to Council in 2024 with any required changes to Stormwater Fees, for implementation in 2025, to ensure that the Flood Control Program is adequately funded. Staff will evaluate those factors that may contribute to changes in the rate including cost of the program, the growth of the City, value changes in CVA, and inflation.

It is recommended that the Treasurer continue to be authorized to adjust the annual stormwater rate for Non-Residential and vacant land properties to compensate for the average change in the City CVA.

It is recommended that the City continue to allocate \$2,000,000 per year of Federal Gas Tax funding to the Flood Control Program.

**HUMAN RESOURCES CONSIDERATIONS**

Not Applicable.

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

The Flood Control Program is aligned with our objectives to provide better quality services to the public and is consistent with “Building Markham’s Future Together” strategic plan’s goal of a *Safe & Sustainable Community*. .

**BUSINESS UNITS CONSULTED AND AFFECTED:**

Not Applicable

**RECOMMENDED BY:**

Phoebe Fu, Director, Environmental Services

Brenda Librecz, Commissioner, Fire & Community Services

Joel Lustig, Treasurer

Trinela Cane, Commissioner, Corporate Services

**ATTACHMENTS:**

Appendix ‘A’ – Stormwater Fee By-Law 2020-XXX

Appendix ‘B’ – Flood Control Program Location Maps



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**APPENDIX A****Bylaw 2020-XXX**

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**A by-law to repeal and replace Stormwater Fee By-law 2015-130**

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**Whereas** Section 11 of the *Municipal Act, 2001*, S.O. 2001, c.25, as amended, (the “Municipal Act”) authorizes The Corporation of the City of Markham (the “City”) to exercise authority over drainage and flood control matters; and,

**Whereas** Section 391 of the Municipal Act authorizes the City to pass bylaws imposing fees or charges on persons for services or activities provided or done by or on behalf of it; and,

**Whereas** the Council for the City deems it necessary and desirable to implement a stormwater Flood Control Program for purposes of the safety and well-being of persons, and the City’s economic and environmental well-being; and,

**Whereas** the Council for the City deems it necessary and desirable to create a separate Stormwater Fee to fund capital projects to improve the storm drainage system;

**Now Therefore** the Council for The Corporation of the City of Markham enacts as follows:

**1. Definitions**

In this Bylaw:

- (a) “City” means The Corporation of the City of Markham;
- (b) “Council” means the Council of The Corporation of the City of Markham;
- (c) “MPAC” means the Municipal Property Assessment Corporation;
- (d) “Property” means any real property within the geographical boundary of the City of Markham;
- (e) “Property Owner” means an individual, partnership or corporation who owns Property;
- (f) “Property” means Property within the geographical boundary of the City of Markham classified by the MPAC;

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- (g) “Residential Property” means Property within the geographical boundary of the City of Markham classified as Residential by the MPAC;
  - (h) “Non-Residential Property” means Property within the geographical boundary of the City of Markham classified as Non-Residential by the MPAC;
  - (i) “Vacant Land” means Property within the geographical boundary of the City of Markham classified as Land without structures or outbuildings by the MPAC;
  - (j) “Stormwater” means surface and rain water, melted snow and ice, and uncontaminated water when discharged to the stormwater drainage system from freshwater swimming pools, underground drains, foundation drains and groundwater;
  - (k) “Stormwater Fee” means the amount charged under this Bylaw based upon the rate and class of the Property;
  - (l) “Treasurer” means the Treasurer of the City or his/her delegate;
  - (m) “Tax Bill” means the property tax bill under the Municipal Act sent to Property Owners by the City;
  - (n) “Flood Control Program” means the City-wide upgrade of storm drainage systems as approved in Class Environmental Assessment or other remediation studies.
2. THAT an annual Stormwater Fee be imposed on all property within the City of Markham, save and except those noted as exempt in this bylaw to fund a long-term Flood Control Program which includes construction of storm drainage system capital projects and administration of the stormwater program.
  3. THAT the annual Stormwater Fee for Residential properties be increased in year 2020 from \$47 to \$50 per property; and further be increased by \$1 per year, each year thereafter; AND,
  4. THAT the annual Stormwater Fee rate for Non-Residential properties be increased in year 2020 by \$2 per \$100,000 of current value assessment (CVA) and further be increased by 2% per year, each year thereafter; AND
  5. THAT the annual Stormwater Fee rate for Vacant Land properties be increased in year 2020 by \$2 per \$100,000 of current value assessment (CVA) and be increased by 2% per year, each year thereafter; AND

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6. THAT the Treasurer continue to be authorized to adjust the annual stormwater fee rate for both Non-Residential and Vacant Land properties to compensate for the average annual change in City-wide CVA; AND
  7. THAT any Property with a total CVA of less than \$100,000, as determined by MPAC is exempt from this by-law and shall not have a Stormwater Fee imposed upon it; AND
  8. THAT any Property owned by the City is exempt from this by-law and shall not have a Stormwater Fee imposed upon it; AND
  9. THAT any Property owned by a District School Board or School Authority as defined under the Ontario *Education Act*, as amended, is exempt from this by-law and shall not have a Stormwater Fee imposed upon it; AND
  10. THAT the annual Stormwater Fee levied by this by-law be included as a separate line item on the final tax bill of the property; AND
  11. THAT the Stormwater Fee levied by this by-law be due and payable in conjunction with the tax bill installments of the property; AND
  12. THAT payment of the Stormwater Fee be paid to the Treasurer at the Municipal Offices, 101 Town Centre Boulevard, Markham, Ontario, L3R 9W3; AND
  13. THAT By-law 2015-130 be repealed in its entirety and replaced with the Stormwater Fee By-law as outlined in Appendix "A" to this staff report; and further
  14. THAT this by-law come into force and effect on the date it is passed.

**READ A FIRST, SECOND, AND THIRD TIME AND PASSED ON THIS XX DAY  
OF XX**

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Kimberley Kitteringham  
City Clerk

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Frank Scarpitti  
Mayor

**APPENDIX B: LOCATION MAPS**