



## **Revised Electronic General Committee Meeting**

### **Agenda**

Meeting No. 5  
April 20, 2020, 9:00 AM  
Live streamed

**Note:** Members of the General Committee will be participating in the meeting remotely.

Due to COVID-19, our facilities are closed to the public.  
Access is not permitted to the Markham Civic Centre and Council Chamber.

Members of the public will be permitted to submit written deputations by email  
to [clerkspublic@markham.ca](mailto:clerkspublic@markham.ca)

Members of the public who wish to make a virtual deputation please  
email [clerkspublic@markham.ca](mailto:clerkspublic@markham.ca) providing full name, contact information and item they  
wish to speak to.

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<https://pub-markham.escribemeetings.com/>



## Electronic General Committee Revised Agenda

### Revised Items are Italicized.

Meeting Number: 5  
April 20, 2020, 9:00 AM - 1:00 PM  
Live streamed

Please bring this General Committee Agenda to the Council meeting on April 28, 2020.

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	Pages
1. CALL TO ORDER	
2. DISCLOSURE OF PECUNIARY INTEREST	
3. APPROVAL OF PREVIOUS MINUTES	
3.1 MINUTES OF THE MARCH 2, 2020 GENERAL COMMITTEE (16.0)	13
1. That the minutes of the March 2, 2020 General Committee meeting be confirmed.	
4. DEPUTATIONS	
5. PRESENTATIONS - FINANCE & ADMINISTRATIVE ISSUES	
5.1 2019 CONSOLIDATED FINANCIAL STATEMENTS (7.0)	23
Note: Mr. Kevin Travers, Lead Audit Engagement Partner, KPMG LLP, will be in attendance to give a presentation.	
S. Skelcher, ext. 3880 and K. Soneji, ext. 2681	
1. That the presentation titled “2019 Consolidated Financial Statements” be received; and,	
2. That the report titled “2019 Consolidated Financial Statements” be received; and,	
3. That Council approve the draft Consolidated Financial Statements of The Corporation of the City of Markham (the City), including Community Boards, Business Improvement Areas (BIAs) , and Investment in Markham Enterprises Corporation (MEC), for the fiscal	



year ended December 31, 2019; and,

4. That Council authorize Staff to publish the final audited Statements for the fiscal year ended December 31, 2019 upon receiving the Independent Auditors' Report; and,
5. That the KPMG LLP Audit Findings Report for the year ended December 31, 2019 be received; and,
6. That this matter be forwarded to Council for adoption on April 28, 2020; and further,
7. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

## **5.2 COVID-19 IMPACTS TO SERVICES (12.2.6)**

97

A. Taylor, ext. 4705

1. That the presentation entitled "COVID-19 Impacts to Services" be received.

## **6. COMMUNICATIONS**

### **6.1 YORK REGION COMMUNICATIONS (13.4)**

129

**Note: Questions regarding Regional correspondence should be directed to Chris Raynor, Regional Clerk.**

**The following York Region Communications are available on-line only.**

1. That the following communications from York Region be received for information purposes:
  - a. Potential Development Charge Bylaw Amendment and Interest Policy
  - b. Regional Fire Service
  - c. Response to the Ontario Ministry of Health's Discussion Paper on Public Health Modernization
  - d. Response to Ontario Ministry of Health's Discussion Paper on Emergency Health Services Modernization
  - e. 2019 Drinking Water Systems Report
  - f. Water and Wastewater Master Plan Update Project Plan and Progress
  - g. 2019 Integrated Management System Update Report for Water, Wastewater and Waste Management

- h. Bylaw 2020-07 Regional Municipality of York
- i. Community Benefits Charges – Proposed Regulatory Framework;  
and,
- 2. That the following communication from York Region be received for information and that the City of Markham provide comments by June 30, 2020:
  - a. Draft York Region Climate Change Action Plan

## **7. PETITIONS**

## **8. CONSENT REPORTS - FINANCE & ADMINISTRATIVE ISSUES**

- |            |  |            |
|------------|--|------------|
| <b>8.1</b> | <b>MINUTES OF THE JANUARY 20, 2020 ADVISORY COMMITTEE ON ACCESSIBILITY (16.0)</b>  | <b>349</b> |
|            | 1. That the minutes of the January 20, 2020 Advisory Committee on Accessibility meeting be received for information purposes.                                |            |
| <b>8.2</b> | <b>MINUTES OF THE JANUARY 15, 2020 AND FEBRUARY 19, 2020 ANIMAL CARE COMMITTEE (16.0)</b>  | <b>352</b> |
|            | 1. That the minutes of the January 15, 2020 and February 19, 2020 Animal Care Committee meeting be received for information purposes.                        |            |
| <b>8.3</b> | <b>MINUTES OF THE JANUARY 15, 2020 CANADA DAY CELEBRATION ORGANIZING COMMITTEE (16.0)</b>  | <b>366</b> |
|            | 1. That the minutes of the January 15, 2020 Canada Day Celebration Organizing Committee meeting be received for information purposes.                        |            |
| <b>8.4</b> | <b>MINUTES OF THE MARCH 20, 2019 GERMAN MILLS MEADOW AND NATURAL HABITAT LIAISON COMMUNITY CENTRE BOARD (16.0)</b>   | <b>373</b> |
|            | 1. That the minutes of the March 20, 2019 German Mills Meadow & Natural Habitat Liaison Community Centre Board meeting be received for information purposes. |            |
| <b>8.5</b> | <b>MINUTES OF THE JANUARY 16, 2020 MARKHAM ENVIRONMENTAL ADVISORY COMMITTEE (16.0)</b>   | <b>377</b> |
|            | 1. That the minutes of the January 16, 2020 Markham Environmental Advisory Committee meeting be received for information purposes.                           |            |
| <b>8.6</b> | <b>MINUTES OF THE FEBRUARY 5, 2020 MARKHAM – MILLIKEN CHILDREN’S FESTIVAL ORGANIZING COMMITTEE (16.0)</b>  | <b>383</b> |

1. That the minutes of the February 5, 2020 Markham-Milliken Children's Festival Organizing Committee meeting be received for information purposes.

**8.7 MINUTES OF THE NOVEMBER 14, 2019 AND JANUARY 9, 2020 MARKHAM TRAIN STATION COMMUNITY CENTRE BOARD OF MANAGEMENT (16.0)** 388

1. That the minutes of the November 14, 2019 and January 9, 2020 Markham Train Station Community Centre Board of Management meeting be received for information purposes.

**8.8 MINUTES OF THE JANUARY 13, 2020 AND FEBRUARY 3, 2020 RACE RELATIONS COMMITTEE (16.0)** 394

1. That the minutes of the January 13, 2020 and February 3, 2020 Race Relations Committee meeting be received for information purposes.

**8.9 MINUTES OF THE JANUARY 14, 2020 AND FEBRUARY 11, 2020 SENIORS ADVISORY COMMITTEE (16.0)** 400

1. That the minutes of the January 14, 2020 and February 11, 2020 Seniors Advisory Committee meeting be received for information purposes.

**8.10 MINUTES OF THE FEBRUARY 3, 2020 VICTORIA SQUARE COMMUNITY CENTRE BOARD (16.0)** 411

1. That the minutes of the February 3, 2020 Victoria Square Community Centre Board meeting be received for information purposes.

**8.11 MINUTES OF THE NOVEMBER 19, 2019 WASTE DIVERSION COMMITTEE (16.0)** 416

1. That the minutes of the November 19, 2019 Waste Diversion Committee meeting be received for information purposes.

**8.12 2019 YEAR-END RESULTS OF OPERATIONS (7.0)** 420

S. Skelcher, ext. 3880 and J. Pak, ext. 2514

1. That the report titled "2019 Year-End Review of Operations" be received; and,
2. That the City's 2019 net favourable variance of \$3.04M be transferred to the Corporate Rate Stabilization Reserve; and further,
3. That Staff be authorized and directed to do all things necessary to give

effect to this resolution.

**8.13 DEVELOPMENT CHARGES DECEMBER 31, 2019 RESERVE BALANCES AND ANNUAL ACTIVITY OF THE ACCOUNTS (7.11) 450**

H. Mistry, ext. 2659 and K. Ross, ext. 2126

1. That the report titled “Development Charges December 31, 2019 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.

**8.14 DEVELOPMENT CHARGE INTEREST POLICY (7.11) 462**

M. Visser, ext. 4260 and K. Ross, ext. 2126

1. That the report entitled “Development Charge Interest Policy” be received; and,
2. That the “Development Charge Interest Policy”, attached as Appendix A, be adopted by Council; and further,
3. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**8.15 STAFF AWARDED CONTRACTS FOR THE MONTH OF FEBRUARY 2020 (7.12) 474**

A. Moore, ext. 4711

1. That the report entitled “Staff Awarded Contracts for the Month of February 2020” be received; and,
2. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**8.16 060-T-20 THORNHILL COMMUNITY CENTRE PARKING LOT LIGHT POLES REPLACEMENT (7.12) 490**

K. Waker, ext. 2636

1. That the report entitled “Tender 060-T-20 Thornhill Community Centre Parking Lot Light Poles Replacement” be received; and,
2. That the contract for be awarded to the lowest priced bidder, CM Lighting Maintenance Ltd., in the amount of \$151,113.60, inclusive of HST; and,
3. That the estimated cost of \$18,000 (including HST) for temporary light towers starting from January 2020 until completion of project in October 1, 2020 along with the above tender award for a total cost of

\$169,113.60 be funded from the Life Cycle Replacement & Capital Reserve; and further,

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

**8.17 AWARD OF CONSTRUCTION TENDER 014-T-20 BAYVIEW GLEN NORTH AND LAURELEAF ROAD CAST IRON WATERMAIN REPLACEMENT (7.12)**

493

P. Kumar, ext. 2989 and F. Chan, ext. 3189

1. That the report entitled “Award of Construction Tender 014-T-20 Bayview Glen North and Laureleaf Road Cast Iron Watermain Replacement” be received; and,
2. That the contract for Tender 014-T-20 Bayview Glen North and Laureleaf Road Cast Iron Watermain Replacement be awarded to the lowest priced Bidder, Sam Rabito Construction Ltd. in the amount of \$5,656,644.04, inclusive of HST; and,
3. That a 3% contingency in the amount of \$169,699.32 inclusive of HST, 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,
4. That the construction award in the amount of \$5,826,343.36 (\$5,656,644.04 + \$169,699.32) be funded from the capital project 053-6150-20257 “CI Watermain Replacement – Construction & CA” with budget available of \$5,447,381.00; and,
5. That the shortfall of \$378,962.36 be funded through Waterworks Stabilization/Capital Reserve; and further,
6. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**8.18 AWARD OF CONTRACT 023-R-20 PLUMBING SERVICES FOR VARIOUS CITY OF MARKHAM LOCATIONS ON AN AS REQUIRED BASIS (7.12)**

498

J. Ramsaran, ext. 3526 and F. Chan, ext. 3189

1. That the report “Award of Contract #023-R-20 Plumbing Services for various City of Markham locations on an as required basis” be received; and,
2. That the contract be awarded to the highest ranked / lowest priced bidder, Saunders Plumbing and Heating Inc. in the estimated annual amount of \$120,000.00 inclusive of HST; and,
3. That Staff be authorized to extend the contract for three (3) additional years (2021-2023) in the estimated annual amount of \$120,000 inclusive of HST, subject to supplier performance; and,

4. That the contract be funded from various City Departments' operating budgets on an as-required basis; and,
5. That the award amounts in 2021 to 2023 be subject to Council approval of the respective annual operating budgets and that the award amounts be amended to reflect changes to the various departments' budget accounts as approved by Council during the annual budget process; and further,
6. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

## 9. **CONSENT REPORTS - ENVIRONMENT & SUSTAINABILITY ISSUES**

### 9.1 **ANNUAL WATER QUALITY REPORT (JANUARY-DECEMBER 2019) (5.3)**

501

H. Frantzke, ext. 2449

1. That as the COVID-19 declared emergency suspended General Committee gatherings, Council acknowledge that the report titled "Annual Water Quality Report (January-December 2019)" was delivered to Council through a Monday March 30, 2020 email from Brenda Librecz Commissioner, Community and Fire Services to meet provincial regulation 170/03 (under the Safe Drinking Water Act, 2002); and,
2. That as Council resumes the report titled "Annual Water Quality Report (January-December 2019)" as required by Schedule 22 of Ontario Regulation 170/03, under the *Safe Drinking Water Act, 2002*, enclosed herein be officially received; and,
3. That the Annual 2019 Regulatory Water Quality Report (Attachment "A"), containing information for the Ministry of the Environment, Conservation and Parks (MECP) on water supply and quality as required by Section 11 of Ontario Regulation 170/03, under the *Safe Drinking Water Act, 2002*, be received; and,
4. That Council acknowledge that staff posted the Annual 2019 Detailed Regulatory Water Quality Report on the City's website and that it has been made available electronically and in hard copy version by February 28, 2020 as per regulations; and further,
5. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

### 9.2 **YORK REGION DISTRICT SCHOOL BOARD – FLATO MARKHAM THEATRE SHARED FACILITY AGREEMENT (6.2)**

516

R. England, ext. 2674

1. That the report entitled, “York Region District School Board – Flato Markham Theatre Shared Facility Agreement” be received; and,
2. That the Mayor and Clerk be authorized to execute an agreement, including any amendments to the agreement, between the City and York Region District School Board (“YRDSB”) for the shared use, operation, maintenance and repair of portions of the Unionville High School site, the Flato Markham Theatre and the Markham Civic Centre site, provided the form of such agreement is satisfactory to the Commissioner of Corporate Services and the City Solicitor; and,
3. That Staff be authorized to increase the Operating Budget by \$44,000 to reimburse YRDSB for utility costs based on metered heating and cooling usage at the Theatre; and further,
4. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

## 10. PRESENTATIONS - FINANCE & ADMINISTRATIVE ISSUES

### 10.1 ***CITY OF MARKHAM COMMENTS ON BILL 108 PROPOSED REGULATORY MATTERS – COMMUNITY BENEFITS AUTHORITY, DEVELOPMENT CHARGES ACT AND BUILDING CODE ACT (7.0)***

524

K. Ross, ext. 2126

1. That the report entitled, “*City of Markham Comments on Bill 108 Proposed Regulatory Matters – Community Benefits Authority, Development Charges Act and Building Code Act*”, dated April 20, 2020, be received; and,
2. That this report, including the recommendations from the City of Markham on Bill 108 Proposed Regulatory Matters, be forwarded to the Minister of Municipal Affairs and Housing and to the Regional Municipality of York; and,
3. That the City of Markham supports the following:
  - a. The proposal for the regulation under the *Development Charges Act, 1997*;
  - b. The community benefits proposed to be included within the community benefits charge regulation;
  - c. The proposal for a public notice to be provided prior to the enactment of a community benefits by-law;
  - d. The proposed application of an interest rate on refunds in the event of a successful appeal to a community benefits by-law; and,
  - e. The proposal to add the community benefits charge authority to the applicable law list under the Building Code; and,
4. That the City of Markham request that the Province:

- a. Provide municipalities with wide latitude to determine what community facilities can be supported through community benefits charges;
  - b. Amend the Community Benefits Charge legislation to allow a municipality to require the conveyance of parkland in lieu of payment of a community benefits charge;
  - c. Implement an escalating Community Benefits Charge collection limit tied to density to allow municipalities to be able to provide a minimum of 0.8 hectares of parkland per 1,000 residents, and that the maximum limit of the Community Benefits Charge eligible to be collected be set at 50% of the value of the fully developed land;
  - d. Given the ongoing emergency situation and scale of work required to implement a Community Benefits Charge regime, increase the timeline for implementation of a Community Benefits Charge by-law be the later of, (1) two years from the date the community benefits regulation comes into effect or, (2) the expiration of the current Development Charge by-laws;
  - e. Allow municipalities to fully recover the capital cost of Development Charges without the requirement of preparing a background study until the development charge by-law is next updated; and,
  - f. Allow municipalities to utilize the community benefits charge by-law and the parkland dedication provisions of the *Planning Act* for specific types of developments, i.e. allow the municipality to specify the types of development that would be subject to a CBC vs. parkland dedication provisions; and further,
5. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

## 10.2 COVID-19 - FINANCIAL IMPACT UPDATE (7.0)

571

J. Lustig, ext. 4715

- 1. That the presentation entitled COVID-19 – Financial Impact Update be received; and,
- 2. That the by-law amendments on the April 20<sup>th</sup> General Committee agenda be considered at the April 28<sup>th</sup> Council meeting; and,
- 3. That the City Treasurer report back to General Committee in May providing a financial forecast based on various scenarios; and further,
- 4. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

## 11. REGULAR REPORTS - FINANCE & ADMINISTRATIVE ISSUES



**11.1 DESTINATION MARKHAM CORPORATION UPDATE / ANNUAL  
GENERAL MEETING (AGM) MATTERS (7.0)**

583

C. Kakaflikas, ext. 6590, S. Manson, ext. 7514 and L. Riegel, ext. 3582

1. That the report “Destination Markham Corporation Update / Annual General Meeting Matters” be received; and,
2. That the Mayor and City Clerk be authorized to execute an Agreement between the City of Markham and Destination Markham Corporation, substantially in the form attached to the report as “Attachment 1”, subject to the form and content of the agreement being satisfactory to the Chief Administrative Officer and the City Solicitor; and,
3. That Destination Markham Corporation By-Law No. 1, substantially in the form attached to the report as “Attachment 2”, be approved; and,
4. That the following eight (8) individuals be appointed to the Board of Directors of Destination Markham Corporation, to serve as independent Directors for a term of four (4) years: Ms. Aarti Patel, Mr. Chuck Thibeault, Mr. David Miller, Mr. Herman Grad, Mr. Hiren Prabhakar, Ms. Kate Seaver, Mr. Shafik Jiwani, and Ms. Susan Mandryk; and,
5. That the following four (4) members of Council be appointed to the Board of Directors of Destination Markham Corporation, to serve as non-independent Directors for the term of Council: Mayor Frank Scarpitti, Councillor Andrew Keyes, Councillor Amanda Collucci, and Councillor Khalid Usman; and,
6. That KPMG be approved as the auditor for Destination Markham Corporation; and,
7. That the Mayor and City Clerk be authorized to execute operational agreements of mutual interest, as required, between the City of Markham and Destination Markham Corporation, subject to the form and content of such agreements being satisfactory to the Chief Administrative Officer and the City Solicitor; and further,
8. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**12. REGULAR REPORTS - COMMUNITY SERVICES ISSUES**

**12.1 RESPONSE TO YORK REGION – FIRE REGIONALIZATION (7.15)**

609

A. Taylor, ext. 4705 and B. Librecz, ext. 7761

1. That Council not support proceeding with a Regional Fire Service study; and,
2. That Staff recommend that we continue current efforts with Richmond Hill and Vaughan, in particular the creation of a shared

communications centre that will enable further joint/shared opportunities to achieve efficiencies and to improve services to our residents and businesses.

13. MOTIONS

14. NOTICES OF MOTION

15. 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".*

15.1 YORK REGION - MANDATED REVIEW OF REGIONAL COUNCIL COMPOSITION (13.4)

620

1. That the communication dated February 27, 2020 from York Region regarding Mandated Review of Regional Council Composition be received for information purposes; and,
2. That the City of Markham provides its consent by May 15, 2020 to a bylaw changing the size of Regional Council by increasing the number of members from the City of Vaughan from four to five.

16. ANNOUNCEMENTS

17. 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 Minutes

**Meeting Number: 4**

**March 2, 2020, 9:30 AM - 3:00 PM**

**Council Chamber**

Roll Call	Mayor Frank Scarpitti	Councillor Alan Ho
	Deputy Mayor Don Hamilton	Councillor Reid McAlpine
	Regional Councillor Jack Heath	Councillor Karen Rea
	Regional Councillor Joe Li	Councillor Andrew Keyes
	Regional Councillor Jim Jones	Councillor Amanda Collucci
	Councillor Keith Irish	Councillor Isa Lee
Regrets	Councillor Khalid Usman	
Staff	Andy Taylor, Chief Administrative Officer	Bryan Frois, Chief of Staff
	Trinela Cane, Commissioner, Corporate Services	Kimberley Kitteringham, City Clerk
	Brenda Librecz, Commissioner of Community & Fire Services	Alex Moore, Manager of Purchasing & Accounts Payable
	Arvin Prasad, Commissioner Development Services	Sandra Skelcher, Senior Manager, Financial Planning & Reporting
	Claudia Storto, City Solicitor and Director of Human Resources	Hristina Giantsopoulos, Elections & Council/Committee Coordinator
	Joel Lustig, Treasurer	Michael Killingsworth, Deputy City Clerk, By-Law Enf., Lic & Reg Srv

### 1. CALL TO ORDER

The General Committee Meeting convened at the hour of 9:35 AM with Regional Councillor Jack Heath in the Chair.

### 2. DISCLOSURE OF PECUNIARY INTEREST

There were none disclosed.

### 3. APPROVAL OF PREVIOUS MINUTES

**3.1 MINUTES OF THE FEBRUARY 18, 2020 GENERAL COMMITTEE (16.0)**

Moved by Deputy Mayor Don Hamilton

Seconded by Councillor Andrew Keyes

1. That the minutes of the February 18, 2020 General Committee meeting be confirmed.

**Carried**

**4. DEPUTATIONS**

Deputations were provided for the following item:

9.1 Licensing Of Private Transportation Companies (PTCs) And Associated Amendments To The Mobile Licensing By-Law.

Please refer to the individual item for the deputation details.

**5. COMMUNICATIONS****5.1 YORK REGION COMMUNICATIONS (13.4)**

The Committee inquired on whether the City of Markham already has a similar by-law with respect to parking. Staff provided confirmation that it does.

Moved by Deputy Mayor Don Hamilton

Seconded by Councillor Karen Rea

1. That the communication dated January 30, 2020 from York Region regarding 2020-03 Amendment to Parking By-law be received for information purposes.

**Carried**

**6. PETITIONS**

There were no petitions.

**7. PRESENTATIONS - FINANCE & ADMINISTRATIVE ISSUES****7.1 2019 UNITED WAY CAMPAIGN CHEQUE PRESENTATION (12.2.6)**

Arvin Prasad, Commissioner, Development Services, addressed the Committee to announce that the City's 2019 United Way Campaign raised over \$110,000 through payroll deductions, staff events, Mayor's Coffee Cart, silent auction, and a 5K walk. The Commissioner thanked staff and Members of Council for their

participation in these events. The Commissioner also acknowledged and thanked the Co-Chairs of the Campaign: Amanda Samara, Administrative Assistant Building Standards Department, Crystal Thorne, Administrative Assistant, Engineering/Policy & Research, and Cassandra Hunter, Supervisor, Community Program for their contributions that led to a very successful campaign.

The Mayor addressed the Committee to congratulate and thank the Co-Chairs for their tremendous fund raising efforts and to staff and Members of Council for their contributions to the campaign results. He noted that public service goes beyond serving the public and thanked the United Way for their continued work in the community.

Mr. Prasad introduced Samantha Cooke, Manager, Corporate Donor Relations, United Way Greater Toronto, to present her with the cheque. Ms. Cooke addressed the Committee to thank the Co-Chairs and the Committee for their generosity.

The Committee acknowledged that this is the first time the City has raised a six-figure amount for the United Way.

## **8. CONSENT REPORTS - FINANCE & ADMINISTRATIVE ISSUES**

### **8.1 MINUTES OF THE OCTOBER 23, 2019 MARKHAM – MILLIKEN CHILDREN’S FESTIVAL ORGANIZING COMMITTEE (16.0)**

Moved by Mayor Frank Scarpitti

Seconded by Councillor Isa Lee

1. That the minutes of the October 23, 2019 Markham-Milliken Children’s Festival Organizing Committee meeting be received for information purposes.

**Carried**

### **8.2 MINUTES OF THE JANUARY 27, 2020 MARKHAM PUBLIC LIBRARY BOARD (16.0)**

Moved by Mayor Frank Scarpitti

Seconded by Councillor Isa Lee

1. That the minutes of the January 27, 2020 Markham Public Library Board meeting be received for information purposes.

**Carried**

### **8.3 AWARD OF CONSTRUCTION TENDER 217-T-19 WEST THORNHILL – PHASE 3A STORM SEWER AND WATERMAIN REPLACEMENT (7.12)**

Moved by Mayor Frank Scarpitti

Seconded by Councillor Isa Lee

1. That the report entitled “Award of Construction Tender 217-T-19 West Thornhill – Phase 3A Storm Sewer and Watermain Replacement” be received; and,
2. That the contract for Tender 217-T-19 West Thornhill – Phase 3A Storm Sewer and Watermain Replacement be awarded to the lowest priced Bidder, Memme Excavation Company Limited in the amount of \$14,249,313.97, inclusive of HST; and,
3. That a 10% contingency in the amount of \$1,424,931.40 inclusive of HST, be established to cover any additional construction costs and that authorization to approve expending of this contingency amount up to the specified limit be in accordance with the Expenditure Control Policy; and,
4. That the construction award in the amount of \$15,674,245.37 (\$14,249,313.97 + \$1,424,931.40) be funded from the following capital projects:
  - (a) 058-6150-20252-005 “West Thornhill Flood Control Implementation - Phase 3A Construction”; and,
  - (b) 053-5350-20258-005 “Cast Iron Watermain Replacement – West Thornhill Phase 3A” as outlined under the financial considerations section in this report; and,
5. That the remaining funds in project #20252 “West Thornhill Flood Control Implementation - Phase 3A Construction” in the amount \$298,433.98 will not be required from the Stormwater Fee Reserve and the budget remaining in project #20258 “Cast Iron Watermain Replacement – West Thornhill Phase 3A” in the amount of \$3,623.66 will be returned to the original funding source; and,
6. That a 5-year moratorium be placed on any major servicing and utility installation along restored areas including Morgan Avenue (Yonge St. to Henderson Ave.), Henderson Avenue (Glen Cameron Rd. to 60m north of Clark Ave.) and Clark Avenue (from Henderson Ave. to Johnson St.) and Vanwood Road; and further,
7. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**Carried**

#### **8.4 2019 SUMMARY OF REMUNERATION AND EXPENSES FOR COUNCILLORS AND APPOINTEES TO BOARDS (7.0)**

The Committee congratulated and thanked staff on the format of the report and that it included a full listing of remuneration and expenses for Members of Council.

There was discussion on remuneration amounts that reflect on a T4 slip versus those on the summary report. Staff provided clarification on how the remuneration figures were determined and that T4 are prepared on a cash basis and that the report figures were determined on an accrual basis.

Moved by Deputy Mayor Don Hamilton

Seconded by Councillor Alan Ho

1. That the report titled “2019 Summary of Remuneration and Expenses for Councillors and Appointees to Boards” be received; and,
2. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**Carried**

### **9. REGULAR REPORTS - FINANCE & ADMINISTRATIVE ISSUES**

#### **9.1 LICENSING OF PRIVATE TRANSPORTATION COMPANIES (PTCs) AND ASSOCIATED AMENDMENTS TO THE MOBILE LICENSING BY-LAW (2.0)**

**Note: Report attached.**

Michael Killingsworth, Deputy City Clerk, By-Law Enforcement, Licensing and Regulatory Services, addressed the Committee and delivered a PowerPoint presentation entitled, Licensing of Private Transportation Companies (PTCs) & Associated Amendments to Mobile Business Licensing By-Law 2012-92.

Marty Gray, Manager of Public Policy of Uber Canada addressed the Committee to thank the Committee and staff for the opportunity to be involved and contribute to the development of the proposed policy. He provided his overall support and offered to continue to work with the City on the phased-in implementations to meet the objective of all services.



Vasilis (Bill) Sakorafas addressed the Committee to express his concerns over taxicab licensing fees, requirements and accessibility vehicle costs. He added that the City should decrease fees to level the playing field with PTCs.

The Committee thanked staff for the presentation and congratulated them on the report. There were inquiries about the use of Personal Identification Numbers (PINs), criminal record checks, vehicle inspections, and enterprise type licensing across neighbouring municipalities.

The Committee further discussed the following relative to the presentation and proposed policy:

- Possible discussion with York Region Transit in relation to accessible transportation;
- Costs associated with making vehicles accessible and incentives to licence them;
- Future increase in aging population and increase in demand for accessible transportation;
- Importance of providing accessible transportation;
- Provincial funding opportunities for accessible vehicles;
- Experience for accessibility vehicle drivers;
- Costs associated with acquiring accessibility vehicles and licenses;
- Use and administration of the City of Toronto accessibility levy per PTC trip;
- The creation of a separate Mobile Business Licence category for accessible transportation;
- Consideration of a social enterprise project to collaborate with groups to meet needs of people with accessibility needs;
- Minimum experience requirements for PTC drivers;
- Taxicab versus Taxicab Broker fees and the effects on revenue in current environment;
- Effects of the proposed policy on Taxicabs and PTCs;
- Use of security cameras both inward and outward facing and passenger consent;

- Consideration of jurisdictions with respect to Markham fees and those for Richmond Hill and Vaughan;
- Revenue as a cost recovery initiative;
- Responsibility for driver training;
- Fare prices, and consideration of senior discounts;
- Inclusion of 6 to 12 passenger mini-vans in the By-Law;
- Consideration of shared school bus/vehicle use between the hours of 10:00 AM and 2:00 PM;
- Identification of underground PTCs;
- Enforcement of illegal (underground) PTCs;
- Physical taxi inspections versus PTC inspections;
- Consideration of Presto card use for fare payment and tracking;
- City's role in business licensing of PTCs;
- Licensing of airport limousines in Markham;
- Flat rate fees versus per kilometer trips;
- Multiple drivers per license and drivers with multiple licenses;
- Consideration of designated pick up and drop off areas for PTCs at high traffic venues;
- Consideration of shuttles to and from venues to help decrease number of cars on the road;
- Inclusion of the Hong Kong model with respect to shuttle service regulation in research;
- Ride starting point and municipality where trip will count;
- The percentage of shared PTC services, i.e. Uber Eats; and,
- Consider May 1, 2020 for implementation of the proposed amendments.

The Committee requested that staff report back in the spring of 2021 on revenue, cost of licensing taxicabs and PTCs, service and enforcement management to reassess the proposed amendments as required.

There were additional requests for staff to invite all previous delegates on this topic to the March 31, 2020 Council Meeting and report back to Council on March 31, 2020 with information on the City of Toronto ride levy for an accessibility fund, accessibility licensing requirements, licensing fees, ride rates, and potential revenue.

Staff addressed the Committee and noted that the transportation industry has evolved over the years and suggested that the amendments will ensure that an equitable service is available to all residents and provides for a choice to taxicab owners, drivers and PTCs. Mr. Killingsworth added that this is a baseline year to measure the success of the proposed amendments and that there will be continuous monitoring of taxicab and PTC licensing, ride revenue, service levels, regulatory compliance and enforcement.

Staff provided the following information relative to The Committee's inquiries:

- PINs are an additional layer of safety for users;
- PTCs provide details on driver criminal record checks;
- The City can request inspection reports at random intervals;
- There is ongoing collaboration with neighbouring municipalities towards cross municipality licensing;
- User and vehicle safety;
- Further consideration on accessible transportation availability, licensing and incentives;
- Ride fares, levy's and per trip fees;
- Kiss n' ride areas to assist with traffic control at high volume locations and times; and,
- The City undertakes business licensing under the guidance of the *Municipal Act*.

Moved by Councillor Karen Rea

Seconded by Deputy Mayor Don Hamilton

1. That the report entitled “Licensing of Private Transportation Companies (PTCs) and Associated Amendments to the Mobile Licensing By-law” be received; and,

2. That the proposed amendments to the Mobile Licensing By-law 2012-92 to add a Schedule 8 (relating to the regulation of Private Transportation Companies (PTCs)) attached as **Appendix “F”** be adopted; and,
3. That the proposed amendments to Schedule 6 of the Mobile Licensing By-law 2012-92 (relating to the Licensing, Regulation and Governing of Taxicab Brokers, Owners and Drivers) attached as **Appendix “G”** be adopted; and,
4. That the proposed amendments to Schedule 4 of the Mobile Licensing By-law 2012-92 (relating to the Licensing and Regulation of Owners and Drivers of Limousines) attached as **Appendix “H”** be adopted; and,
5. **That staff provide a memo to Members of Council at the March 31, 2020 meeting with additional information on the City of Toronto ride levy for an accessibility fund, accessibility licensing requirements, licensing fees, ride rates, and potential revenue, and further;**
6. That staff be authorized and directed to do all things necessary to give effect to this resolution.

**Carried**

## **10. MOTIONS**

There were no motions.

## **11. NOTICES OF MOTION**

There were no notices of motion.

## **12. 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".*

There was no new or other business.

## **13. ANNOUNCEMENTS**

There were no announcements.

## **14. ADJOURNMENT**

General Committee adjourned at 12:36 PM.

Moved by Deputy Mayor Don Hamilton

Seconded by Councillor Alan Ho

That the General Committee Meeting adjourn at 12:36 PM.

**Carried**



Report to: General Committee

Meeting Date: April 20, 2020

**SUBJECT:** 2019 Consolidated Financial Statements  
**PREPARED BY:** Sandra Skelcher, Senior Manager, Financial Planning and Reporting  
 Kishor Soneji, Senior Accountant

**RECOMMENDATION:**

- 1) That the presentation titled “2019 Consolidated Financial Statements” be received; and,
- 2) That the report titled “2019 Consolidated Financial Statements” be received; and,
- 3) That Council approve the draft Consolidated Financial Statements of The Corporation of the City of Markham (the City), including Community Boards, Business Improvement Areas (BIAs) , and Investment in Markham Enterprises Corporation (MEC), for the fiscal year ended December 31, 2019; and,
- 4) That Council authorize Staff to publish the final audited Statements for the fiscal year ended December 31, 2019 upon receiving the Independent Auditors’ Report; and,
- 5) That the KPMG LLP Audit Findings Report for the year ended December 31, 2019 be received; and,
- 6) That this matter be forwarded to Council for adoption on April 28, 2020; and further,
- 7) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**EXECUTIVE SUMMARY:**

KPMG LLP has completed an audit of the Consolidated Financial Statements of the City of Markham and has expressed an unqualified opinion that the Statements present fairly, in all material respects, the consolidated financial position of the City.

The audited Statements are a report card on the financial position, health and strength of the City. The 2019 financial results continue to demonstrate Markham’s strong leadership and excellence in financial planning and fiscal prudence.

Following approval, the audited Statements will be included in the 2019 Annual Report which will be published on the City’s website and will be distributed to Council upon completion.

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**PURPOSE:**

The purpose of this report is to obtain Council adoption of the 2019 Statements and to seek authority to publish the audited financial information as required by the Municipal Act (*the Act*).

**BACKGROUND: 2019 Consolidated Financial Statements**

This report and its appendices are prepared in accordance with *the Act* as follows:

- *Section 286 (1)* requires the Treasurer to report the financial affairs of the municipality to Council.
- *Section 294 (1)* requires a municipality to prepare, for each fiscal year, annual financial statements in accordance with generally accepted accounting principles (GAAP) for local governments as recommended, from time to time, by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPAC).
- *Section 296 (1)* requires a municipality to appoint an auditor, licensed under the Public Accounting Act, who is responsible for annually auditing the accounts and transactions of the municipality and its local boards and expressing an opinion on the financial statements of these bodies based on the audit.

PSAB issues recommendations and reporting requirements that serve the public's interest by strengthening accountability in the public sector through the development, recommendation, and acceptance of accounting and financial reporting standards.

The Statements reflect the financial position of the City, the operating results, and how the City financed its activities and met its cash requirements. Additionally, the Statements confirm that the resources were obtained and used consistent with the Council-approved budgets.

The City engaged the external audit firm KPMG LLP, Chartered Accountants to audit the Statements as at December 31, 2019 and their accompanying Notes to Financial Statements (Notes). The Notes comprise a summary of significant accounting policies and other explanatory information. The audit is conducted in accordance with Canadian Generally Accepted Auditing Standards to obtain reasonable assurance as to whether the Statements are free from material misstatement.

The Statements include the City's wholly owned investment in MEC, including MEC's shares in Alectra Inc. (Alectra) of 15% (2018: 15.73%) and Markham District Energy Inc. (MDE) of 100%.

**DISCUSSION:****CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Balance Sheet)**  
**(Appendix A – Page 1)**

The Statement of Financial Position outlines the City's financial assets, financial liabilities and non-financial assets. The outcome of the statement shows an Accumulated Surplus at year end of \$4,698.86M, an increase of \$92.27M (2.0%) over 2018.

	<b>\$ in millions</b>		
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>Incr. / (Decr.)</u></b>
Financial Assets	813.62	854.07	(40.45)
Financial Liabilities	<u>336.75</u>	<u>364.55</u>	<u>(27.80)</u>
<b>Net Financial Assets</b>	<b>476.87</b>	<b>489.52</b>	<b>(12.65)</b>
Non-Financial Assets	<u>4,221.99</u>	<u>4,117.07</u>	<u>104.92</u>
<b>Accumulated Surplus</b>	<b><u>4,698.86</u></b>	<b><u>4,606.59</u></b>	<b><u>92.27</u></b>

**Financial Assets**

Financial assets are the resources controlled by the organization as a result of past events and from which future economic benefits are expected. Financial assets include cash and other assets expected to be converted to cash, sold or consumed either within a year or in the operating cycle. These assets are continually turned over in the course of normal business activities.

The City ended the year with financial assets totalling \$813.62M, a decrease of \$40.45M (-4.7%) from 2018.

**Cash and investments** decreased in 2019 from \$389.14M to \$344.48M (\$44.66M, -11.5%).

The decrease in cash outflows was driven by an increase in spending on capital projects in 2019 compared to 2018 (net \$78.1M). This was partially offset by a one-time increase in federal gas tax funding (\$10.2M), an increase in the Markham Enterprises Corporation (MEC) dividend (\$6.8M), property taxes (\$5.8M) and municipal accommodation tax revenue (\$3.7M).

The average rate of return on investments in 2019 was 3.40% (2018: 3.12%), an increase of 28 basis points over 2018.

**Property taxes receivable** increased from \$25.59M to \$26.65M (\$1.06M, 4.1%) related to increased property taxes levied in 2019.

**Accounts receivable** increased from \$59.03M to \$61.02M (\$1.99M, 3.4%) in 2019 due to an increase in receivables from the Region of York for shared projects.



**Investment in MEC** increased by \$1.16M (0.3%) in 2019.

This increase in investment includes the equity pick-up for 2019 of \$10.81M and gain on the merger of Guelph Municipal Holdings Inc. with Alectra Inc. of \$0.66M. This was offset by a reduction in dividends of \$8.46M and a reduction in share capital of \$1.85M.

A summary of the overall change in the City's investment in MEC is shown in the following chart:

	<b>\$ in millions</b>		
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>Incr. / (Decr.)</u></b>
Equity in MEC, January 1, 2019	380.32	362.16	18.16
Gain on merger of Guelph Municipal Holdings with Alectra Inc.	0.66	-	0.66
Equity pick-up for the year	10.81	21.33	(10.52)
Increase / (Decrease) in share capital	(1.85)	(1.54)	(0.31)
Dividend paid by MEC to City	(8.46)	(1.63)	(6.83)
<b>Equity in MEC, December 31, 2019</b>	<b><u>381.48</u></b>	<b><u>380.32</u></b>	<b><u>1.16</u></b>

### **Financial Liabilities**

Financial liabilities are financial obligations to outside organizations or other individuals that are the result of transactions or events that occurred on or before the end of the accounting period.

Financial liabilities were \$336.75M at the end of 2019, a decrease of \$27.80M (-7.6%) from 2018.

**Accounts payable and accrued liabilities** increased in 2019 from \$148.52M to \$151.24M (\$2.72M, 1.8%).

There was an increase of \$11.90M in amounts accrued for payments owed to vendors for completion of capital works, refundable deposits and to Destination Markham Corp. for its share of municipal accommodation tax revenue collected in 2019. These were offset by a \$9.20M decrease in the net amount owed to the Region for water purchases and shared projects.

**Deferred revenues** decreased from \$172.85M to \$142.61M (\$30.24M, -17.5%) in 2019. Decreases included \$18.87M in development charges, \$14.35M in parkland cash-in-lieu and \$6.03M in funds from developers for capital projects. These were offset by increase in the federal gas tax and section 37 funds of \$9.01M.

**Employee future benefits liabilities** were nominally increased by \$.045M as per actuarial valuations for the current year end.

**Long-term liabilities** decreased from 11.53M to \$10.80M (-\$0.73M, -6.3%) in recognition of payments toward long-term loans from the Federation of Canadian Municipalities (FCM) and Canada Mortgage & Housing Corporation (CMHC).

**Non-Financial Assets**

Non-financial assets are assets with physical, rather than cash value. They include tangible capital assets (TCA) such as land & buildings, inventories of supplies such as salt and sand, as well as prepaid expenses.

Non-financial assets totalled \$4,221.99M at the end of 2019, an increase of \$104.92M (2.5%), which is almost entirely (99.6%) related to the addition of tangible capital assets. The major assets purchased, acquired through development or put into service following construction completion in 2019 were land, roads, stormwater & waterworks infrastructure and parks & pathways.

**CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS****(Income Statement)****(Appendix A – Page 2)**

This statement accounts for the City's consolidated revenues and expenses from operations, and includes other accounting adjustments such as the value of contributed assets from developers (\$41.64M), deferred revenues earned (\$65.54M), the equity pick up from MEC (\$11.48M) and the amortization of TCA in the accounting period (\$78.19M). The major components of the statement are illustrated in the chart below.

The year-over-year decrease in revenues of \$32.20M was driven by less contributions from developers (\$86.49M) and a reduction in the equity pick up from MEC (\$9.85M), partially offset by an increase in deferred revenue earned (\$45.00M).

The expense increase of \$26.95M in 2019 compared to 2018 was mainly in the areas of transportation services (\$14.41M) and environmental services (\$13.32M). Amortization expenses and contracted services for water/wastewater, winter maintenance and road repairs were the major contributors.

	<b>\$ in millions</b>		
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>Incr. / (Decr.)</u></b>
Revenues	529.21	561.41	(32.20)
Less Expenses	<u>436.94</u>	<u>409.99</u>	<u>26.95</u>
<b>Annual Surplus</b>	<b>92.27</b>	<b>151.42</b>	<b>(59.15)</b>
Accumulated Surplus, Beginning of Year	<u>4,606.59</u>	<u>4,455.17</u>	<u>151.42</u>
Accumulated Surplus, End of Year	<b><u>4,698.86</u></b>	<b><u>4,606.59</u></b>	<b><u>92.27</u></b>

**The accumulated surplus** of \$4,698.86M consists of individual operating fund surpluses, equity in MEC, reserves and reserve funds, etc. as outlined in the following table:

	<u>\$ in millions</u>		
	<u>2019</u>	<u>2018</u>	<u>Incr. / (Decr.)</u>
Operating fund surplus (excl. waterworks)	3.04	3.58	(0.54)
Waterworks	1.98	0.52	1.46
Community Boards and BIAs	<u>0.44</u>	<u>0.37</u>	<u>0.07</u>
<b>Operating Surplus Total</b>	<b>5.46</b>	<b>4.47</b>	<b>0.99</b>
Equity in Markham Enterprises Corporation	381.48	380.32	1.16
Invested in Tangible Capital Assets and Other	4,181.86	4,071.19	110.67
Reserves and Reserve Funds	<u>130.06</u>	<u>150.61</u>	<u>(20.55)</u>
<b>Total Accumulated Surplus</b>	<b><u>4,698.86</u></b>	<b><u>4,606.59</u></b>	<b><u>92.27</u></b>

**Operating Fund Surplus**

The 2019 year-end results of operations are also on today's General Committee agenda. Council authority to transfer the operating surplus of \$3.04M to reserves is included in the report. Combining this with a surplus of \$1.98M from Waterworks operations, \$0.44M from the Community Boards and BIAs, results in the Operating Surplus Total of \$5.46M as noted above.

**Equity in Markham Enterprises Corporation**

This represents the value of the City's investment in MEC of \$381.48M as detailed in the Financial Assets section on page 4 of this report.

**Invested in Tangible Capital Assets and Other**

The investment in tangible capital assets and other totaled \$4,181.86M.

This represents the net book value of TCA such as land, buildings, equipment and infrastructure and other adjustments at the year end.

**Reserves and Reserve Funds**

The Reserves and Reserve Funds represent the means by which the City keeps track of monetary resources set aside by Council for specific, future purposes. The inflows into these funds are largely from the operating budget and the outflows are generally to fund capital projects, employee future benefit needs and other initiatives as directed by Council. The Reserves and Reserve Funds totalled \$132.04M at the close of 2019, a decrease of \$18.57M from 2018.

The \$132.04M total Reserve and Reserve Funds plus the \$112.78M Deferred Reserve Funds are fully funded, as illustrated in the comparison to the total cash and investments below.

	<u>\$ in millions</u>
<b>A. Total Cash &amp; Investments</b>	<b>344.48</b>
Reserves	173.53
Reserve Funds	(43.47)
Deferred Reserve Funds (DCs, Parkland cash-in-lieu, Gas Tax & Section 37)	<u>112.78</u>
<b>B. Total Reserves, Reserve Funds &amp; Deferred Reserve Funds</b>	<b><u>242.84</u></b>
<b>A. - B.</b>	<b><u>101.64</u></b>

**Reserves** totalled \$173.53M, an increase of \$5.95M over 2018. The net increase was the result of the following changes to Reserves:

	<b>\$ in millions</b>		
<b>Reserves</b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>Incr. / (Decr.)</u></b>
Building fee	11.16	13.60	(2.44)
Capital gains	4.16	4.16	0.00
Corporate rate stabilization	22.53	21.13	1.40
Development fee	0.36	1.18	(0.82)
Facility ramp up	19.53	14.86	4.67
Firefighters sick leave benefits	6.78	6.34	0.44
Insurance	4.06	3.93	0.13
Long-term disability benefit	21.98	21.09	0.89
Waterworks	82.16	80.40	1.76
Other	0.81	0.89	(0.08)
<b>Total Reserves</b>	<b><u>173.53</u></b>	<b><u>167.58</u></b>	<b><u>5.95</u></b>

**Reserve Funds** decreased by \$26.50M from 2018. The decrease was a result of the following changes to the Reserve Funds:

	<b>\$ in millions</b>		
<b>Reserve Funds</b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>Incr. / (Decr.)</u></b>
Environmental land acquisition	10.33	9.84	0.49
Land acquisition	(215.24)	(164.93)	(50.31)
Library infrastructure	6.37	6.22	0.15
Life cycle replacement and capital	120.80	100.83	19.97
Non-DC growth	9.06	6.55	2.51
Post retirement benefits	14.57	14.23	0.34
Workplace Safety & Insurance Board	4.33	4.23	0.10
Other	6.31	6.06	0.25
<b>Total Reserve Funds</b>	<b><u>(43.47)</u></b>	<b><u>(16.97)</u></b>	<b><u>(26.50)</u></b>

## Communication

Section 295 (1) of the Act requires municipalities to annually communicate to its ratepayers, the results of the municipality's year end. The financial statements will be published on the City's website upon receipt of the final audited version from KPMG LLP and will form an important part of the City's 2019 Annual Report publication.

For the past eighteen consecutive years, the City has received the Government Finance Officers Association (GFOA) 'Canadian Award for Financial Reporting'. The award provides recognition for excellence in governmental accounting and financial reporting. The receipt of this award signifies that Markham delivered a comprehensive annual financial report that demonstrates full transparency and disclosure over and above the minimum requirements of Generally Accepted Accounting Principles. Upon receiving the

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Independent Auditors' Report, the 2019 Annual Report will again be submitted to the GFOA.

**RECOMMENDED BY:**

Joel Lustig  
Treasurer

Trinela Cane  
Commissioner, Corporate Services

**ATTACHMENTS:**

2019 Consolidated Financial Statements Presentation

Appendix A – 2019 Consolidated Financial Statements

Appendix B – 2019 Audit Findings Report



# **2019 Consolidated Financial Statements**

## **Presentation to General Committee**

**April 20, 2020**



# Agenda

1. Introduction
2. Requirements
3. Audit Summary
4. Financial Results Discussion
5. Presentation by Mr. Kevin Travers, Partner, KPMG LLP-Audit Findings Report



# 1. Introduction

The Financial Statements are a report card on the financial position, health and strength of the City.

- reflect the financial position of the organization, the operating results, and how the City financed its activities and met its cash requirements
- confirm that the resources were obtained and used consistent with the budgets approved by Council

Statements consolidate the financial activities of:

- City of Markham
- Community Boards and Business Improvement Areas (BIAs)
- City's investment in Markham Enterprises Corporation





## 2. Requirements

- We are required by The *Municipal Act* to :
  - ✓ prepare annual financial statements in accordance with Canadian Generally Accepted Accounting Principles (GAAP) for governments as recommended by the Public Sector Accounting Board (PSAB),
  - ✓ have the financial statements audited by a licensed auditor,
  - ✓ report the financials to Council, and
  - ✓ publish the statements



### 3. Audit Summary

- Schedule:
  - KPMG audit team was onsite one week in November 2019 performing interim and preliminary year end work.
  - The team continued the audit of the financial records of the City and associate corporations over a six week period this year:
    - onsite from February 24<sup>th</sup> until March 16<sup>th</sup>
    - remotely from March 17<sup>th</sup> to March 2
- No adjustments or differences were communicated to Management
- Clean audit opinion



## 4. Financial Results

### Consolidated Statement of Financial Position (Balance Sheet)

	\$ in millions		
	<u>2019</u>	<u>2018</u>	<u>Incr. / (Decr.)</u>
Financial Assets	813.62	854.07	(40.45)
Financial Liabilities	<u>336.75</u>	<u>364.55</u>	<u>(27.80)</u>
<b>Net Financial Assets</b>	<b>476.87</b>	<b>489.52</b>	<b>(12.65)</b>
Non-Financial Assets	<u>4,221.99</u>	<u>4,117.07</u>	<u>104.92</u>
<b>Accumulated Surplus</b>	<b><u>4,698.86</u></b>	<b><u>4,606.59</u></b>	<b><u>92.27</u></b>



## 4. Financial Results

### Consolidated Statement of Financial Position (Balance Sheet) cont'd.

#### ❖ Financial Assets decreased by \$40.45M

Financial Assets	Incr. / (Decr.)	Significant change drivers
Cash & investments	\$(44.66 M)	<ul style="list-style-type: none"><li>• Increased spending on projects \$78.1M</li><li>• Offsets:<ul style="list-style-type: none"><li>- Increase in Gas tax funds \$10.2M</li><li>- MEC dividend \$6.8M</li><li>- Property taxes collected \$5.8M</li><li>- MAT revenues \$3.7M</li></ul></li></ul>
Accounts receivable	\$1.99 M	<ul style="list-style-type: none"><li>• Increased receivable for Region of York for shared project agreements</li></ul>
Investment in MEC	\$1.16 M	<ul style="list-style-type: none"><li>• Equity pick up \$10.81M</li><li>• Gain on merger with Guelph Municipal Holdings Inc. \$0.66M</li><li>• Offset by reduction in share capital (\$1.85M) and dividends paid (\$8.46M)</li></ul>



## 4. Financial Results

### Consolidated Statement of Financial Position (Balance Sheet) cont'd.

#### ❖ Financial Liabilities decreased by \$27.80M

Financial Liabilities	Incr. / (Decr.)	Significant change drivers
Accounts payable & accrued liabilities	\$2.72 M	• Increase in amounts owed to vendors as a result of completion of capital works, refundable deposits & to Destination Markham Corp. \$10.31M
		• Offset by decrease in net amount owed to the Region for water purchases and shared projects \$9.77M
Deferred revenues	(\$30.24 M)	• Inflows \$65.09M • Outflows (\$95.34M) - higher project spending
Long term liabilities	\$(0.73) M	• Scheduled payments for FCM & CMHC loans



## 4. Financial Results

### Consolidated Statement of Financial Position (Balance Sheet) cont'd.

#### ❖ Non-Financial Assets increased by \$104.92M

Non-Financial Assets	Incr. / (Decr.)	Significant change drivers
Tangible Capital Assets (TCA)	\$104.49 M	<ul style="list-style-type: none"><li>• Land, Infrastructure, parks/pathways</li></ul>
Prepaid expenses and inventories	\$0.43 M	<ul style="list-style-type: none"><li>• Winter control inventory</li><li>• Prepaid computer software licenses &amp; maintenance agreements</li></ul>



## 4. Financial Results

### Consolidated Statement of Operations and Accumulated Surplus (Income Statement)

	<u>\$ in millions</u>		
	<u>2019</u>	<u>2018</u>	<u>Incr. / (Decr.)</u>
Revenues	529.21	561.41	(32.20)
Less Expenses	<u>436.94</u>	<u>409.99</u>	<u>26.95</u>
<b>Annual Surplus</b>	<b>92.27</b>	<b>151.42</b>	<b>(59.15)</b>
Accumulated Surplus, Beginning of Year	<u>4,606.59</u>	<u>4,455.17</u>	<u>151.42</u>
Accumulated Surplus, End of Year	<u><b>4,698.86</b></u>	<u><b>4,606.59</b></u>	<u><b>92.27</b></u>



## 4. Financial Results

### Details of Accumulated Surplus

	\$ in millions		
	<u>2019</u>	<u>2018</u>	<u>Incr. / (Decr.)</u>
Operating fund surplus (excl. waterworks)	3.04	3.58	(0.54)
Waterworks	1.98	0.52	1.46
Community Boards and BIAs	<u>0.44</u>	<u>0.37</u>	<u>0.07</u>
<b>Operating Surplus Total</b>	<b>5.46</b>	<b>4.47</b>	<b>0.99</b>
Equity in Markham Enterprises Corporation	381.48	380.32	1.16
Invested in Tangible Capital Assets and Other	4,181.86	4,071.19	110.67
Reserves and Reserve Funds	<u>130.06</u>	<u>150.61</u>	<u>(20.55)</u>
<b>Total Accumulated Surplus</b>	<b><u>4,698.86</u></b>	<b><u>4,606.59</u></b>	<b><u>92.27</u></b>





## **5. Presentation of the Audit Findings Report**

**Kevin Travers, Partner, KPMG LLP**

Consolidated Financial Statements of

**THE CORPORATION OF  
THE CITY OF MARKHAM**

December 31, 2019

## **INDEPENDENT AUDITORS' REPORT**

*To be provided following Council adoption of the financial statements.*

**THE CORPORATION OF THE CITY OF MARKHAM**  
**Consolidated Statement of Financial Position**  
**December 31, 2019 with comparative figures for 2018**  
**(All dollar amounts are in \$000)**

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	<b>Note</b>	<b>2019</b>	<b>2018</b>
<b>FINANCIAL ASSETS</b>			
Cash and investments	<b>4</b>	<b>\$344,476</b>	\$389,141
Property taxes receivable	<b>5</b>	<b>26,653</b>	25,591
Accounts receivable		<b>61,016</b>	59,026
Investment in Markham Enterprises Corporation	<b>6</b>	<b>381,477</b>	380,312
		<b>\$813,622</b>	\$854,070
<b>FINANCIAL LIABILITIES</b>			
Accounts payable and accrued liabilities	<b>7</b>	<b>\$151,241</b>	\$148,524
Deferred revenues	<b>8</b>	<b>142,603</b>	172,847
Employee future benefits liabilities	<b>9</b>	<b>32,103</b>	31,649
Long-term liabilities	<b>10</b>	<b>10,800</b>	11,530
		<b>\$336,747</b>	\$364,550
<b>NET FINANCIAL ASSETS</b>		<b>\$476,875</b>	\$489,520
<b>NON-FINANCIAL ASSETS</b>			
Tangible capital assets	<b>11</b>	<b>\$4,217,849</b>	\$4,113,357
Inventories of supplies		<b>2,032</b>	1,503
Inventories of land - heritage estates		<b>86</b>	86
Prepaid expenses		<b>2,021</b>	2,119
		<b>\$4,221,988</b>	\$4,117,065
Contingency	<b>16</b>		
Contractual rights	<b>20</b>		
Subsequent event	<b>21</b>		
<b>ACCUMULATED SURPLUS</b>	<b>14</b>	<b>\$4,698,863</b>	\$4,606,585

The accompanying notes are an integral part of these financial statements.

**THE CORPORATION OF THE CITY OF MARKHAM**  
**Consolidated Statement of Operations and Accumulated Surplus**  
**For the year ended December 31, 2019 with comparative figures for 2018**  
**(All dollar amounts are in \$000)**

	Note	2019		2018	
		Budget (note 18)	Actual	Actual	
Revenues					
Property taxes		\$161,759	\$162,536	\$156,737	
User charges	12	196,694	189,080	192,852	
Government transfers	13	12,443	15,573	11,158	
Contributions from developers and others		1,525	41,637	128,130	
Investment income		23,352	23,284	15,726	
Tax penalties		4,158	4,811	4,482	
Gain on sale of tangible capital assets		-	128	873	
Deferred revenue earned		46,435	65,543	20,543	
Equity pick up from Markham Enterprises Corporation	6	-	11,476	21,327	
Other		5,793	15,149	9,578	
TOTAL REVENUES		\$452,159	\$529,217	\$561,406	
Expenses					
General government		\$55,742	\$53,259	\$52,289	
Protection to persons and property		53,661	52,041	49,254	
Transportation services		70,482	75,509	61,103	
Environmental services		153,377	159,498	146,179	
Recreation and cultural services		89,958	85,622	88,324	
Planning and development services		17,684	10,986	12,803	
Other		34	24	34	
TOTAL EXPENSES		\$440,938	\$436,939	\$409,986	
ANNUAL SURPLUS		\$11,221	\$92,278	\$151,420	
ACCUMULATED SURPLUS, BEGINNING OF YEAR		4,606,585	4,606,585	4,455,165	
ACCUMULATED SURPLUS, END OF YEAR		14	\$4,617,806	\$4,698,863	\$4,606,585

The accompanying notes are an integral part of these financial statements.

**THE CORPORATION OF THE CITY OF MARKHAM**  
**Consolidated Statement of Change in Net Financial Assets**  
**For the year ended December 31, 2019 with comparative figures for 2018**  
**(All dollar amounts are in \$000)**

	2019		2018
	Budget	Actual	Actual
<b>Annual surplus</b>	<b>\$11,221</b>	<b>\$92,278</b>	\$151,420
Acquisition of tangible capital assets including capital work in progress	(102,953)	(182,824)	(185,230)
Amortization of tangible capital assets	78,565	78,188	76,384
Disposal/write-down of tangible capital assets	-	144	754
	<b>(\$13,167)</b>	<b>(\$12,214)</b>	\$43,328
Acquisition of inventories of supplies	-	(2,032)	(1,503)
Acquisition prepaid expenses	-	(2,021)	(2,119)
Consumption of inventories of supplies	-	1,503	1,263
Use of prepaid expenses	-	2,119	1,790
<b>Change in net financial assets</b>	<b>(\$13,167)</b>	<b>(\$12,645)</b>	\$42,759
Net financial assets, beginning of year	<b>489,520</b>	<b>489,520</b>	446,761
Net financial assets, end of year	<b>\$476,353</b>	<b>\$476,875</b>	\$489,520

The accompanying notes are an integral part of these financial statements.

**THE CORPORATION OF THE CITY OF MARKHAM**  
**Consolidated Statement of Cash Flows**  
**For the year ended December 31, 2019 with comparative figures for 2018**  
**(All dollar amounts are in \$000)**

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	2019	2018
<b>CASH PROVIDED BY (USED IN):</b>		
<b>OPERATING ACTIVITIES</b>		
Annual surplus	\$92,278	\$151,420
Add (deduct) items not involving cash		
Amortization of tangible capital assets	78,188	76,384
Disposal of tangible capital assets	144	754
Change in employee future benefits and other liabilities	454	696
Equity pick up in Markham Enterprises Corporation	(11,476)	(21,327)
Contributed tangible assets	(39,796)	(120,344)
Change in non-cash assets and liabilities		
Property taxes receivable	(1,062)	355
Accounts receivable	(1,990)	9,625
Accounts payable and accrued liabilities	2,717	5,798
Long term liabilities	(730)	(706)
Deferred revenue	(30,244)	46,571
Inventories of supplies	(529)	(240)
Prepaid expenses	98	(329)
<b>Net change in cash from operating activities</b>	<b>\$88,052</b>	<b>\$148,657</b>
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	(143,028)	(64,886)
<b>Net change in cash from capital activities</b>	<b>(\$143,028)</b>	<b>(\$64,886)</b>
<b>INVESTING ACTIVITIES</b>		
Dividend from Markham Enterprises Corporation	8,460	1,634
Decrease in share capital of Markham Enterprises Corporation	1,851	1,540
<b>Net change in cash from investing activities</b>	<b>\$10,311</b>	<b>\$3,174</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(\$44,665)</b>	<b>\$86,945</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>389,141</b>	<b>302,196</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>\$344,476</b>	<b>\$389,141</b>
<b>Supplementary information:</b>		
Interest paid	387	412
Interest received	9,468	9,075

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**THE CORPORATION OF THE CITY OF MARKHAM**  
**Notes to the Consolidated Financial Statements**  
**Year ended December 31, 2019**  
**(All dollar amounts are in \$000)**

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## **1. SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of The Corporation of The City of Markham (the City) are prepared by management in accordance with Canadian public sector accounting standards, as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA Canada). Significant accounting policies adopted by the City are as follows:

### **a) Reporting Entity**

These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations, local boards and committees accountable for the administration of their financial affairs and resources, to the City, and which are owned or controlled by the City, including the following:

- City of Markham Public Library Board
- Old Markham Village Business Improvement Area
- Unionville Business Improvement Area

Inter-entity transactions and balances are eliminated on consolidation.

### **b) Investment in Markham Enterprises Corporation**

Markham Enterprises Corporation (MEC) and its subsidiaries are accounted for on a modified equity basis, consistent with the Canadian public sector accounting standards as recommended by PSAB for government business enterprises. Under the modified equity basis of accounting, the business enterprise's accounting principles are not adjusted to conform to those of the City, and inter-organizational transactions and balances are not eliminated. The City recognizes its equity interest in the annual income or loss of MEC in its consolidated statement of operations and accumulated surplus with a corresponding increase or decrease in its investment asset account. Any dividends that the City may receive from MEC are reflected as reductions in the investment asset account.

### **c) Accounting for Region and School Board Transactions**

The property taxes, other revenues, expenses, assets and liabilities with respect to the operations of the Regional Municipality of York (the Region) and the York Region District School Boards (School Boards) are not reflected in the municipal fund balances of these financial statements.

### **d) Trust Funds**

Trust funds and their related operations administered by the municipality are not consolidated, but are reported separately on the "Trust Funds Statement of Financial Position" and the "Trust Funds Statement of Operations and Fund Balances".

### **e) Basis of Accounting**

Revenues are recorded in the period in which the transactions or events occurred that gave rise to the revenue.

Expenses are the cost of goods and services acquired in the period whether or not payment has been made or invoices received.



**THE CORPORATION OF THE CITY OF MARKHAM**  
**Notes to the Consolidated Financial Statements**  
**Year ended December 31, 2019**  
**(All dollar amounts are in \$000)**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**f) Government Transfers**

Government transfers are recognized in the financial statements in the period in which the events giving rise to the transfer occurred, providing that the transfers are authorized, any eligibility criteria and stipulations have been met, and reasonable estimates of the amounts can be made.

**g) Deferred Revenue**

Funds received for specific purposes are accounted for as deferred revenue until the City discharges the obligation, which led to receipt of the funds.

**h) Property Taxes and Related Revenues**

Property tax billings are prepared by the City based on assessment rolls compiled by the Municipal Property Assessment Corporation (MPAC). Property tax rates are established annually by City Council, incorporating amounts to be raised for local services and amounts that the City is required to collect on behalf of the Region and School Boards for education purposes. Realty taxes are billed based on the assessment rolls provided by MPAC.

A normal part of the assessment process is the issuance of supplementary assessment rolls that provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the City determines the property taxes applicable and issues supplementary tax bills. Assessments and the related property taxes are subject to appeal. Any supplementary billing adjustments made necessary by the determination of such changes will be recognized in the fiscal year they are determined and the impact shared with the Region and School Boards as appropriate.

The City is entitled to collect interest and penalties on overdue property taxes. These revenues are recorded in the period the interest and penalties are levied.

**i) Employee Future Benefits**

The City accounts for its participation in the Ontario Municipal Employee Retirement System (OMERS), a multi-employer public sector pension fund, which is accounted for as a defined contribution plan. Vacation entitlements are accrued for as entitlements are earned. Sick leave benefits are accrued where they are vested and subject to pay out when an employee leaves the City's employment. Other employee future benefits are accrued in accordance with the projected benefit method prorated on service and management's best estimate of salary escalation and retirement ages of employees. Actuarial valuations, where necessary for accounting purposes, are performed triennially. The discount rate used to determine the accrued benefit obligation was determined by reference to market interest rates at the measurement date on high-quality debt instruments with cash flows that match the timing and amount of expected benefit payments. Unamortized actuarial gains or losses are amortized on a straight-line basis over the expected average remaining service life of the related employee groups.

Unamortized actuarial gains or losses for event-triggered liabilities, such as those determined as claims related to Workplace Safety and Insurance Board (WSIB) are amortized over the average expected period during which the benefits will be paid. The cost of plan amendments is accounted for in the period they are adopted.

**THE CORPORATION OF THE CITY OF MARKHAM**  
**Notes to the Consolidated Financial Statements**  
**Year ended December 31, 2019**  
**(All dollar amounts are in \$000)**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Management, on approval from City Council, has set aside funds specifically for the financing of future costs.

**j) Investment Income**

Investment income is reported as revenue in the period earned. Investment income earned on obligatory reserve funds is added to the fund balance and forms part of the respective deferred revenue and/or obligatory reserve funds balance.

**k) Non-Financial Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

**(i) Tangible Capital Assets**

Tangible capital assets are recorded at cost which includes amounts that are directly attributed to acquisition, construction, development or betterment of the asset. The cost, less residual value of the tangible capital assets, excluding land, are amortized on a straight-line basis over their estimated useful lives in number of years as follows:

<b>Asset</b>	<b>Useful Life - Years</b>
Buildings and building improvements	40
Equipment	5 – 20
Furniture & fixtures	10 – 15
Infrastructure	10 – 100
Library materials, furniture & fixtures	7 – 10
Park & pathways	10 – 60
Vehicles	7 – 9
Waterworks equipment & infrastructure	7 – 100

Amortization is prorated to six months in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

**(ii) Contributions of Tangible Capital Assets**

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue. Tangible capital assets conveyed from developers are recorded at the estimated engineering value at time of registration.

**(iii) Works of Art and Cultural and Historic Assets**

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

**(iv) Interest Capitalization**

Interest is capitalized whenever external debt is issued to finance the construction of tangible capital assets.

**THE CORPORATION OF THE CITY OF MARKHAM**  
**Notes to the Consolidated Financial Statements**  
**Year ended December 31, 2019**  
**(All dollar amounts are in \$000)**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(v) Inventories of Supplies**

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost.

**(vi) Inventories of land**

Inventories of heritage land held for sale and are recorded at cost.

**l) Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenditures during the period. Actual results could differ from these estimates.

**m) Budget Figures**

The approved operating and capital budgets for 2019 are reflected on the Consolidated Statement of Operations and Accumulated Surplus and on the Consolidated Statement of Change in Net Financial Assets. The Capital budget is on a project-oriented basis, the costs of which may be carried but over one or more years and, therefore, may not be comparable with the current year actual amounts. The budget presented in these financial statements has been reconciled to the approved budgets to reflect the accrual basis of accounting (Note 18).

**n) Segment Disclosure**

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. The City has provided definitions of the segments used and presented financial information in segmented format in Note 17.

**o) Liability for Contaminated Sites**

Under PS 3260, contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. This standard relates to sites that are not in productive use and sites in productive use where an unexpected event resulted in contamination. The City adopted this standard on a prospective basis.

Contaminated sites are defined as the result of contamination being introduced that exceeds an environmental standard. A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- an environmental standard exists
- contamination exceeds the environmental standard
- the organization is directly responsible or accepts responsibility for the liability
- future economic benefits will be given up, and
- a reasonable estimate of the liability can be made.

**THE CORPORATION OF THE CITY OF MARKHAM**  
**Notes to the Consolidated Financial Statements**  
**Year ended December 31, 2019**  
**(All dollar amounts are in \$000)**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**p) Newly Adopted Accounting Standard**

Effective January 1, 2019, the City has adopted following standard issued by PSAB:

- (i) PS 3430 Restructuring Transactions, requires that assets and liabilities in restructuring transactions to be measured at their carrying amount. It also prescribes financial statement presentation and disclosure requirement.

The adoption of this standard has not resulted in additional note disclosures. There are no restructuring transactions to disclose for 2019.

**q) Future Accounting Pronouncements**

These standards and amendments were not effective for the year ended December 31, 2019, and have therefore not been applied in preparing these consolidated financial statements. Management is currently assessing the impact of the following accounting standards updates on the future consolidated financial statements.

- (i) PS 1201, Financial Statement Presentation, was issued in June, 2011. This standard requires entities to present a new statement of remeasurement gains and losses separate from the consolidated statement of operations and accumulated surplus. This new statement includes unrealized gains and losses arising from remeasurement of financial instruments and items denominated in foreign currencies and any other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. This section is effective for fiscal years beginning on or after April 1, 2021 (the City's December 31, 2022 year-end) and applies when PS 3450, Financial Instruments, and PS 2601, Foreign Currency Translation, are adopted.
- (ii) PS 3450, Financial Instruments, establishes the standards on accounting for and reporting all types of financial instruments including derivatives. The effective date of this standard has recently been deferred and is now effective for fiscal periods beginning on or after April 1, 2021 (the City's December 31, 2022 year-end).
- (iii) PS 2601, Foreign Currency Translation, establishes the standards on accounting for and reporting transactions that are denominated in a foreign currency. The effective date of this standard has been deferred and is now effective for fiscal periods beginning on or after April 1, 2021 (the City's December 31, 2022 year-end). Earlier adoption is permitted. A public sector entity adopting this standard must also adopt the new financial instruments standard.
- (iv) PS 3400, Revenue, establishes a single framework to categorize revenues to enhance the consistency of revenue recognition and its measurement. This section is effective for fiscal years beginning on or after April 1, 2022 (the City's December 31, 2023 year-end).
- (v) PS 3280, Asset Retirement Obligation, addresses the recognition, measurement, presentation and disclosure of legal obligations associated with retirement of tangible capital assets in productive use. This section is effective for fiscal year beginning on or after April 1, 2021 (the City's December 31, 2022 year-end).

**THE CORPORATION OF THE CITY OF MARKHAM**  
**Notes to the Consolidated Financial Statements**  
**Year ended December 31, 2019**  
**(All dollar amounts are in \$000)**

## **2. OPERATIONS OF SCHOOL BOARDS AND THE REGION OF YORK**

Further to Note 1, requisitions were made by the Region and School Boards requiring the City to collect property taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are summarized as follows:

	<b>School Boards</b>	<b>Region of York</b>	<b>2019</b>	<b>2018</b>
Taxation	<b>\$ 242,690</b>	<b>\$ 325,708</b>	<b>\$ 568,398</b>	<b>\$ 543,368</b>
Payment in lieu of taxes	<b>327</b>	<b>968</b>	<b>1,295</b>	<b>977</b>
Supplementary taxes	<b>2,638</b>	<b>3,319</b>	<b>5,957</b>	<b>5,962</b>
<b>Amount requisitioned and transferred</b>	<b>\$ 245,655</b>	<b>\$ 329,995</b>	<b>\$ 575,650</b>	<b>\$ 550,307</b>

## **3. PENSION AGREEMENTS**

The City makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of its employees. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of credited service and average earnings. Employees contribute between 9.0% and 15.9% of their salary and the City matches the employee contribution.

Total OMERS contributions amounted to \$24,512 (2018 - \$22,930) of which \$12,256 (2018 - \$11,465) represented the City's portion and \$12,256 (2018 - \$11,465) represented employees portion

Since OMERS is a multi-employer pension plan, the City does not recognize any share of the pension plan deficit of \$3.4 billion as of 2019 (2018 - \$4.2 billion) based on the fair market value of the Plan's assets, as this is a joint responsibility of all Ontario municipalities and their employees.

## **4. CASH AND INVESTMENTS**

	<b>2019</b>	<b>2018</b>
Cash	<b>\$ 138,544</b>	<b>\$ 169,044</b>
Investments	<b>205,932</b>	<b>220,097</b>
	<b>\$ 344,476</b>	<b>\$ 389,141</b>

Cash balance includes investments in the amount of \$10,000 (2018 - \$12,169) which have a maturity date of less than three months. Investments consist of authorized investments pursuant to the provisions of the Municipal Act and include short-term instruments of various financial institutions, government bonds, and Treasury Bills. Investments, which are reported at cost for money market and face value for bonds, had a market value of \$213,099 (2018 - \$217,695) at the end of the year. For the year 2019, the average rate of return earned was 3.40% (2018 - 3.12%).

**THE CORPORATION OF THE CITY OF MARKHAM**  
**Notes to the Consolidated Financial Statements**  
**Year ended December 31, 2019**  
**(All dollar amounts are in \$000)**

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**5. PROPERTY TAXES RECEIVABLE**

The balance in property taxes receivable, including penalties and interest, is comprised of the following:

	<b>2019</b>	<b>2018</b>
Current year	\$ <b>21,710</b>	\$ 20,029
Arrears prior years	<b>5,944</b>	6,563
	<b>27,654</b>	26,592
Less: Allowance for uncollectible taxes	<b>(1,001)</b>	(1,001)
	\$ <b>26,653</b>	\$ 25,591

The Municipal Property Assessment Corporation (MPAC) is responsible for the valuation of the current value assessment (CVA) of all properties in Ontario. MPAC determines the CVA for all properties and provides it annually to municipalities in the form of an Assessment Roll, which the municipalities use to calculate property taxes for each individual property.

The Province of Ontario introduced a four-year property assessment cycle in 2009, which included a mandatory phase-in of reassessment increases for all properties. The Province chose to repeat the four-year assessment cycle and therefore, for the 2017 through 2020 tax years, all properties are assessed and taxed based on their CVA as of the valuation date of January 1st, 2016. The 2020 taxation year marks the fourth and last year of the current phase-in cycle.

The City of Markham's property tax revenue and property tax receivables rely on the stability of the assessment roll, which is subject to annual assessment appeals that create an amount of uncertainty related to the amount of property tax receivables. This financial uncertainty continues to illustrate the requirement of the provision allowance, which was established in the amount of \$1,001 (2018 - \$1,001). Further, as a result of an initiative by the Chair of the Assessment Review Board (ARB), a commitment was made by the ARB to address the regular and systemic backlog of all property assessment appeals.

**6. INVESTMENT IN MARKHAM ENTERPRISES CORPORATION**

Markham Enterprises Corporation (MEC) is wholly owned by the City of Markham. MEC owns 100% of Markham District Energy Inc. (MDE) and 15.00% of Alectra Inc. (2018 – 15.73%).

On January 1, 2019, Alectra Inc. amalgamated with Guelph Hydro Electric Systems Inc. ("GHESI"). Alectra Inc. issued 485,000 Class G Common Shares to Guelph Municipal Holdings Inc. ("GMHI") in consideration for all the issued and outstanding shares of GHESI. This common shares issuance by Alectra Inc. represents an effective 4.6% interest in its aggregate issued and outstanding classes of common shares. The new shareholder ownership structure as a result of this merger is as follows: Barrie Hydro Holdings – 8.4%, Enersource Corporation – 29.6%, Hamilton Utilities Corporation – 17.3%, Markham Enterprises Corporation – 15%, St. Catharines Hydro Inc. – 4.6%, Vaughan Holdings Inc. – 20.5% and GMHI – 4.6%.

**THE CORPORATION OF THE CITY OF MARKHAM**  
**Notes to the Consolidated Financial Statements**  
**Year ended December 31, 2019**  
**(All dollar amounts are in \$000)**

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**6. INVESTMENT IN MARKHAM ENTERPRISES CORPORATION (continued)**

The following consolidated financial statements of Markham Enterprises Corporation include the financial information of its subsidiaries Markham District Energy Inc. and Alectra Inc. for the period from January 1, 2019 to December 31, 2019.

	<b>2019</b>	2018
<b>Assets</b>		
Current	<b>21,811</b>	18,717
Capital	<b>127,105</b>	117,879
Investment in Alectra Inc.	<b>309,255</b>	316,007
Other	<b>1,778</b>	1,778
Total Assets	<b>459,949</b>	454,381
<b>Liabilities</b>		
Current	<b>9,617</b>	8,674
Other	<b>57,878</b>	54,418
Long Term	<b>10,977</b>	10,977
Total Liabilities	<b>78,472</b>	74,069
<b>Shareholder's Equity</b>		
Common shares	<b>96,065</b>	97,916
Promissory notes payable	<b>79,184</b>	79,184
Retained earnings and contributed Surplus	<b>206,228</b>	203,212
Total Shareholder's Equity	<b>381,477</b>	380,312
Total Liabilities and Shareholder's Equity	<b>459,949</b>	454,381
<b>Results of Operations</b>		
Revenues	<b>37,030</b>	45,667
Operating expenses	<b>25,020</b>	24,340
Gain on acquisition of GHESI	<b>657</b>	-
<b>Net Income</b>	<b>12,667</b>	21,327
Impact of adoption of IFRS 16 on retained earnings	<b>(1,191)</b>	-
Net equity pick up in Markham Enterprises Corporation	<b>11,476</b>	21,327
(Decrease) in share capital	<b>(1,851)</b>	(1,540)
Dividend	<b>(8,460)</b>	(1,634)
Net Change in Equity in Markham Enterprises Corporation	<b>1,165</b>	18,153
Opening shareholder's equity	<b>380,312</b>	362,159
Closing shareholder's equity	<b>381,477</b>	380,312

**THE CORPORATION OF THE CITY OF MARKHAM**  
**Notes to the Consolidated Financial Statements**  
**Year ended December 31, 2019**  
**(All dollar amounts are in \$000)**

**7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Accounts payable and accrued liabilities include financial obligations to outside organizations and individuals as a result of transactions and events on or before the end of the accounting period. They are the result of contracts, agreements and legislation in force at the end of the accounting period that require Markham to pay for goods and services acquired or provided prior to the accounting date. A breakdown of the accounts payable and accrued liabilities is as follows:

	<b>2019</b>	<b>2018</b>
Trade accounts payable	\$ 53,416	\$ 44,829
Payable to other governments	71,279	80,479
Payroll liabilities	6,873	7,983
Accrued liabilities	19,673	15,233
	<b>\$ 151,241</b>	<b>\$ 148,524</b>

**8. DEFERRED REVENUE**

Deferred revenue represents user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed. The following is the current status of the deferred revenue:

	<b>Opening balance</b>	<b>Inflows</b>	<b>Revenue earned</b>	<b>Closing balance</b>
Development charges	\$57,277	\$24,457	\$43,322	\$ 38,412
Parkland cash-in-lieu	65,050	7,076	21,431	50,695
Federal Gas tax	8,368	20,085	13,321	15,132
Section 37 funds	6,215	2,792	537	8,470
Other	-	323	253	70
	<b>136,910</b>	<b>54,733</b>	<b>78,864</b>	<b>112,779</b>
Deferred revenue and deposits	35,937	10,360	16,473	29,824
	<b>\$ 172,847</b>	<b>\$ 65,093</b>	<b>\$ 95,337</b>	<b>\$ 142,603</b>

**9. EMPLOYEE FUTURE BENEFITS LIABILITIES**

	<b>2019</b>	<b>2018</b>
Long-term disability	\$ 5,903	\$ 5,877
Post-employment benefits	13,050	13,184
Vacation pay - City	2,938	2,792
Vacation pay - Library	161	125
Vested sick leave benefits	6,214	6,142
Workplace Safety & Insurance Board	3,837	3,529
	<b>\$ 32,103</b>	<b>\$ 31,649</b>



**THE CORPORATION OF THE CITY OF MARKHAM**  
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**(All dollar amounts are in \$000)**

**9. EMPLOYEE FUTURE BENEFITS LIABILITIES (continued)**

**a) Long-Term Disability Benefits (LTD)**

The City provides long-term disability benefits to eligible employees. At the year end, the accrued liability of \$5,903 (2018 – \$5,877) represents the actuarial valuation of benefits to be paid on the history of claims with employees. The City has established a long-term disability reserve to reduce future impact of these obligations. The accrued benefit liability and the net benefit cost for the fiscal year were determined by an actuarial valuation for December 2017.

**b) Post-Employment Benefits**

The City provides for post-employment benefits (extended health and dental benefits) to eligible retiring employees to age 65. The City recognizes these post-employment costs as they are earned during the employee's tenure of service. The benefit liability at December 31, 2019 is \$13,050 (2018 – \$13,184). The accrued benefit liability and the net benefit cost for the fiscal year were determined by an actuarial valuation for December 2018.

**c) Vested Sick-Leave Benefits**

Under the sick leave benefit plan, which is available only to the City's Firefighters, employees can accumulate unused sick leave and may become entitled to a cash payment when they leave the City's employment. The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on termination, amounted to approximately \$6,214 (2018 - \$6,142). The accrued benefit liability and the net benefit cost for the fiscal year were determined by an actuarial valuation for December 2018.

**d) Workplace Safety and Insurance Board (WSIB) Obligations**

Effective January 1, 1999, the Corporation of the City of Markham became a Schedule II employer under the Workplace Safety and Insurance Act and follows a policy of self-insurance for all its employees. The City remits payments to the WSIB as required to fund disability payments. The estimated future liability relating to WSIB amounted to \$3,837 (2018 - \$3,529) and was determined by an actuarial valuation. A Workplace Safety and Insurance Reserve Fund, funded by annual contributions from the Operating Fund, has been established to protect against any unknown future liability. The accrued benefit liability and the net benefit cost for the fiscal year were determined by an actuarial valuation for December 2016.

Information about the City's self-insured, defined benefit plans is as follows:

	LTD	Post employment benefits	Vested sick- leave	WSIB	2019	2018
Accrued benefit liability, beginning of year	\$ 5,877	\$ 13,184	\$ 6,142	\$ 3,529	\$ 28,732	\$ 28,179
Service cost	888	461	538	260	2,147	2,067
Interest cost	187	455	260	188	1,090	1,124
Benefit payments	(870)	(927)	(761)	(377)	(2,935)	(2,633)
Amortization of actuarial loss(gain)	(179)	(123)	35	237	(30)	(5)
<b>Accrued benefit liability, end of year</b>	<b>\$ 5,903</b>	<b>\$ 13,050</b>	<b>\$ 6,214</b>	<b>\$ 3,837</b>	<b>\$ 29,004</b>	<b>\$ 28,732</b>
Unamortized actuarial (gain) loss	(346)	(1,455)	438	997	(366)	(395)
<b>Accrued benefit obligation, end of year</b>	<b>\$ 5,557</b>	<b>\$ 11,595</b>	<b>\$ 6,652</b>	<b>\$ 4,834</b>	<b>\$ 28,638</b>	<b>\$ 28,337</b>

**THE CORPORATION OF THE CITY OF MARKHAM**  
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**9. EMPLOYEE FUTURE BENEFITS LIABILITIES (continued)**

The actuarial valuations of the plans were based upon a number of assumptions about the future events, which reflect management's best estimates. The following represents the more significant assumptions made:

	<b>LTD</b>	<b>Post employment benefits</b>	<b>Vested sick- leave</b>	<b>WSIB</b>
Expected inflation rate	<b>N/A</b>	<b>2.00%</b>	<b>1.75%</b>	<b>1.75%</b>
Expected level of salary increase	<b>N/A</b>	<b>3.00%</b>	<b>2.75%</b>	<b>3.00%</b>
Interest discount rate	<b>3.50%</b>	<b>4.00%</b>	<b>4.00%</b>	<b>4.00%</b>

**10. LONG-TERM LIABILITIES**

On July 1, 2010 and April 14, 2014, the City received a loan of \$12,000 from Canada Mortgage Housing Corporation (CMHC) and a \$4,000 low-interest loan from Federation of Canadian Municipalities (FCM) respectively through the Region. As a lower-tier municipality the City does not have the ability to borrow long-term funds, and as such the borrowing was done through the Region. The loan received on July 1, 2010 was used to fund the purchase of the Markham District Energy Birchmount plant. The plant was subsequently leased back to Markham District Energy (MDE), a 100% subsidiary of MEC. The loan received on April 14, 2014 was used to fund the cost of Cornell Community Centre.

The loan of \$12,000 is to be amortized over a period of 20 years, at an interest rate of 4.04%. An annual payment to the Region of \$886 consists of principal and interest. The first payment was due July 1, 2011. The loan of \$4,000 is to be amortized over a period of 20 years, at an interest rate of 2%. An annual payment to Region of \$244 consists of principal and interest. The first payment was due October 4, 2014.

Principal payments are repayable annually as follows:

2020	757
2021	784
2022	811
2023	840
2024	870
2025 and thereafter	6,738
<b>Total</b>	<b>10,800</b>

**THE CORPORATION OF THE CITY OF MARKHAM**  
**Notes to the Consolidated Financial Statements**  
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**11. TANGIBLE CAPITAL ASSETS**

	Cost				Accumulated Depreciation				Net Book Value	
	Jan 1, 2019	Additions	Disposals & Adjustments	Dec 31, 2019	Jan 1, 2019	For the year	Disposals & Adjustments	Dec 31, 2019	Balance at Dec,31, 2019	Balance at Dec,31, 2018
Land	2,044,517	81,573	(144)	2,125,946	-	-	-	-	2,125,946	2,044,517
Buildings	410,598	7,716	-	418,314	126,319	9,909	-	136,228	282,086	284,279
Equipment	33,975	2,859	(3,509)	33,325	18,205	3,558	(3,509)	18,254	15,071	15,770
Furniture & fixtures	7,958	170	(66)	8,062	5,692	592	(66)	6,218	1,844	2,266
Infrastructure	1,441,399	59,666	(6,536)	1,494,529	485,769	38,013	(6,536)	517,246	977,283	955,630
Library materials, furniture & fixtures	22,115	1,631	(1,968)	21,778	12,216	2,614	(1,968)	12,862	8,916	9,899
Parks & Pathways	91,321	9,385	(3,804)	96,902	34,847	5,173	(3,804)	36,216	60,686	56,474
Vehicles	16,058	1,500	(764)	16,794	8,598	1,887	(764)	9,721	7,073	7,460
Waterworks equipment & infrastructure	1,053,417	21,802	(948)	1,074,271	344,212	16,442	(948)	359,706	714,565	709,205
<b>Total</b>	<b>5,121,358</b>	<b>186,302</b>	<b>(17,739)</b>	<b>5,289,921</b>	<b>1,035,858</b>	<b>78,188</b>	<b>(17,595)</b>	<b>1,096,451</b>	<b>4,193,470</b>	<b>4,085,500</b>
<b>Capital work in progress</b>	<b>27,857</b>	<b>(3,478)</b>		<b>24,379</b>					<b>24,379</b>	<b>27,857</b>
<b>Grand Total</b>	<b>5,149,215</b>	<b>182,824</b>	<b>(17,739)</b>	<b>5,314,300</b>	<b>1,035,858</b>	<b>78,188</b>	<b>(17,595)</b>	<b>1,096,451</b>	<b>4,217,849</b>	<b>4,113,357</b>

**a) Capital work in progress**

Assets under construction having a value of \$24,379 (2018 - \$27,857) have not been amortized. Amortization of these assets will commence when the asset is put into service.

**b) Contributed Tangible Capital Assets**

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. The value of contribution assets received during the year is \$39,796 (2018 - \$120,344) comprised of land in the amount of \$5,957 (2018 - \$70,344), roads infrastructure in the amount of \$25,683 (2018 - \$38,166) and water and wastewater infrastructure in the amount of \$8,156 (2018 - \$11,834).

**c) Tangible Capital Assets Disclosed at Nominal Values**

Where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value.

**d) Works of Art and Historical Treasures**

The City manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at City sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

**THE CORPORATION OF THE CITY OF MARKHAM**  
**Notes to the Consolidated Financial Statements**  
**Year ended December 31, 2019**  
**(All dollar amounts are in \$000)**

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**12. USER CHARGES**

	<b>2019</b>	<b>2018</b>
Water and sewer billing to ratepayers	<b>\$ 130,470</b>	121,384
Building permits	<b>6,184</b>	11,791
Culture venues	<b>3,772</b>	3,613
Engineering	<b>7,385</b>	10,231
Facility rentals	<b>9,458</b>	9,196
Licenses	<b>1,617</b>	1,808
Landscaping	<b>1,581</b>	3,362
Parking violations	<b>3,493</b>	3,056
Planning	<b>5,922</b>	10,357
Recreation programs	<b>13,901</b>	13,244
Other	<b>5,297</b>	4,810
<b>Total</b>	<b>\$ 189,080</b>	192,852

**13. GOVERNMENT TRANSFERS**

The City recognizes the transfer of government funding as revenue in the year the events giving rise to the transfer occurred. The details of government transfer for the year are:

	<b>2019</b>	<b>2018</b>
Provincial Grant:		
Environmental services	<b>1,297</b>	1,260
Recreation and cultural services	<b>647</b>	658
Planning and development services	<b>308</b>	337
	<b>\$ 2,252</b>	<b>\$ 2,255</b>
Federal Grant:		
General government	<b>13,321</b>	8,903
	<b>\$ 13,321</b>	<b>\$ 8,903</b>
	<b>\$ 15,573</b>	<b>\$ 11,158</b>

**THE CORPORATION OF THE CITY OF MARKHAM**  
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**14. ACCUMULATED SURPLUS**

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2019	2018
City operating fund surplus including library, community boards, and business improvement areas	5,462	4,464
Equity in Markham Enterprises Corporation	381,477	380,312
Invested in tangible capital assets and other	4,181,871	4,071,191
	<b>4,568,810</b>	<b>4,455,967</b>
RESERVES SET ASIDE FOR SPECIFIC PURPOSES BY COUNCIL		
Berczy landscape feature	203	203
Building fee	11,155	13,603
Capital gains	4,160	4,160
Corporate rate stabilization	22,527	21,131
Development fee	364	1,179
Election expenses	231	8
Election rebates	385	675
Facility ramp up	19,535	14,861
Firefighters sick leave benefits	6,776	6,340
Insurance	4,059	3,932
Long-term disability benefits	21,975	21,093
Waterworks	82,159	80,400
Total reserves	<b>173,529</b>	<b>167,585</b>
RESERVE FUNDS SET ASIDE FOR SPECIFIC PURPOSES BY COUNCIL		
Cemetery expenses	120	117
Emerald Ash Borer	387	552
Environmental land acquisition	10,326	9,838
Environmental sustainability fund	95	111
Heritage	339	345
Land acquisition	(215,236)	(164,929)
Library infrastructure	6,366	6,218
Life cycle replacement and capital	120,800	100,832
Museum	19	18
Non-DC growth	9,063	6,549
Post retirement benefits	14,566	14,229
Public art acquisition	3,158	2,723
Stormwater fee	(133)	224
Theatre	879	813
Trees for Tomorrow program	6	29
Workplace Safety & Insurance Board (WSIB)	4,334	4,234
WSIB excess compensation	1,435	1,130
Total reserves fund	<b>(43,476)</b>	<b>(16,967)</b>
<b>Total</b>	<b>4,698,863</b>	<b>4,606,585</b>

**THE CORPORATION OF THE CITY OF MARKHAM**  
**Notes to the Consolidated Financial Statements**  
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**(All dollar amounts are in \$000)**

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## **15. LEASE OBLIGATIONS**

As at December 31, 2019, the City is committed to minimum annual operating lease payments for premises and equipment as follows:

2020	88
2021	89
2022	67
2023	43
2024	43
2025 and thereafter	173
<b>Total</b>	<b>\$ 503</b>

## **16. CONTINGENCY**

### **Unsettled Legal Claims and Potential Other Claims**

The City has been named as the defendant in certain legal actions in which damages have been sought. The outcome of these actions is not determinable at this time and, accordingly, no provision has been made in these financial statements for any liability that may result.

## **17. SEGMENTED INFORMATION**

The City is a diverse municipal government that provides a wide range of services to its citizens. For management reporting purposes, the City's operations and activities are organized functionally based on services provided. Certain allocation methodologies are employed in the preparation of segmented financial information. User charges and other revenues are allocated to the segments based upon the segment that generated the revenue. Government transfers are allocated to the segment based upon the purpose for which the transfer was made. Deferred revenues earned and developer contributions are allocated to General Government.

The segmented information with a brief description of the service area is as follows:

### **a) General Government**

General government service area includes the Office of Mayor and Members of Council, Chief Administrative Officer, Human Resources, Legal, Sustainability Office, Legislative Services, Financial Services, Corporate Communications and Community Engagement, and Information Technology Services. The departments are responsible for general governance and corporate management.

### **b) Protection to Persons and Property**

Protection service area includes Fire and Emergency Services and Building Standards. The departments are responsible to perform fire prevention and protection, fire alarm, building services and other auxiliary services.

**THE CORPORATION OF THE CITY OF MARKHAM**  
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**(All dollar amounts are in \$000)**

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**17. SEGMENTED INFORMATION (continued)**

**c) Transportation Services**

Transportation service area includes Roads, Parking Control and Asset Management. The departments are responsible for road maintenance, hard-top and loose-top maintenance, winter patrol, salt, sanding, snow removal, street lighting and administration of facilities and parking.

**d) Environmental Services:**

Environmental service area includes Waterworks and Waste Management. The departments are responsible for the administration of the sanitary and storm sewer system, distribution of water, and the administration of garbage collection and garbage recycling.

**e) Recreation and Cultural Services**

The recreation and cultural service area includes Park, Recreation services, Culture services and Markham Public Libraries. The departments are responsible for providing and facilitating the development and maintenance of high-quality parks, recreation services and cultural services, and administration of libraries.

**f) Planning and Development Services**

Planning and development services area includes Planning and Urban Design and Engineering. The departments are responsible for administration of land use plans and policies for sustainable development of the City.

**g) Other**

The Legislative Services department is responsible for administration of cemetery maintenance and morgues.

**THE CORPORATION OF THE CITY OF MARKHAM**  
**Notes to the Consolidated Financial Statements**  
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**(All dollar amounts are in \$000)**

**17. SEGMENTED INFORMATION (continued)**

	General Government	Protection to persons and property	Transportation services	Environmental Services	Recreation and Cultural services	Planning and Development	Others	2019	2018
<b>Revenues</b>									
Property taxes	162,536	-	-	-	-	-	-	162,536	156,737
User charges	3,171	7,545	11,689	131,590	27,574	7,511	-	189,080	192,852
Government transfers	13,321	-	-	1,297	647	308	-	15,573	11,158
Contribution from developers and others	41,637	-	-	-	-	-	-	41,637	128,130
Investment income	23,284	-	-	-	-	-	-	23,284	15,726
Tax penalties	4,811	-	-	-	-	-	-	4,811	4,482
Gain on sale of tangible assets	128	-	-	-	-	-	-	128	873
Deferred revenue earned	65,543	-	-	-	-	-	-	65,543	20,543
Equity pick up from Markham Enterprises Corporation	11,476	-	-	-	-	-	-	11,476	21,327
Others	12,388	516	579	761	894	7	4	15,149	9,578
<b>Total</b>	<b>338,295</b>	<b>8,061</b>	<b>12,268</b>	<b>133,648</b>	<b>29,115</b>	<b>7,826</b>	<b>4</b>	<b>529,217</b>	<b>561,406</b>
<b>Expenses</b>									
Salaries, Wages and employee benefits	25,528	47,732	14,558	8,429	47,607	7,727	-	151,581	148,082
Operating Materials and Supplies	12,456	1,140	5,233	5,639	14,373	998	24	39,863	33,206
Contracted Services	13,045	1,285	18,733	118,801	10,556	2,129	-	164,549	149,221
Rents and Financial Expenses	(1,976)	114	182	2,795	717	132	-	1,964	2,306
External Transfers to others	357	-	-	-	50	-	-	407	375
Long Term Debt Charges	387	-	-	-	-	-	-	387	412
Amortization of tangible capital assets	3,462	1,770	36,803	23,834	12,319	-	-	78,188	76,384
<b>Total Expenses</b>	<b>53,259</b>	<b>52,041</b>	<b>75,509</b>	<b>159,498</b>	<b>85,622</b>	<b>10,986</b>	<b>24</b>	<b>436,939</b>	<b>409,986</b>
<b>Annual Surplus/(Deficit)</b>	<b>285,036</b>	<b>(43,980)</b>	<b>(63,241)</b>	<b>(25,850)</b>	<b>(56,507)</b>	<b>(3,160)</b>	<b>(20)</b>	<b>92,278</b>	<b>151,420</b>



**THE CORPORATION OF THE CITY OF MARKHAM**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2019**  
**(All dollar amounts are in \$000)**

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## **18. BUDGET FIGURES**

The budget figures presented in these consolidated financial statements are based on the Council approved 2019 budget. The following table reconciles the approved budget figures as presented in these financial statements using the accrual basis of accounting.

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>Revenues</b>		
Approved operating budget	393,712	378,456
Approved capital budget	124,686	77,715
Transfer from reserve funds	(66,239)	(50,823)
<b>Total revenues</b>	<b>452,159</b>	<b>405,348</b>
<b>Expenses</b>		
Approved operating budget	393,712	378,456
Transfer to reserve funds	(53,178)	(46,004)
Expenses not capitalized	21,733	19,627
Post-employment benefit expenses	106	77
Amortization	78,565	73,756
<b>Total expenses</b>	<b>440,938</b>	<b>425,912</b>
<b>Annual surplus/(deficit)</b>	<b>11,221</b>	<b>(20,564)</b>

## **19. TRUST FUNDS**

Trust funds administered by the City for the benefit of others amounting to \$2,436 (2018 - \$2,431) have not been included in the "Consolidated Statement of Financial Position" nor have their operations been included in the "Consolidated Statement of Operations and Accumulated Surplus". The details of trust funds administered by the City and their Financial Position and Statement of Financial Activities and Fund Balances are as follows:

### **a) Morgan Park Trust Fund**

The T. & G. Morgan Memorial Fund in Markham Village was established in 1918 as a result of the last Will and Testament of George Morgan to hold funds, the interest earned on which can be used to offset certain maintenance costs of Morgan Park. As at December 31, 2019 the balance was \$84 (2018 - \$82).

### **b) Varley-McKay Art Foundation Trust Fund**

The Varley-McKay Art Foundation Trust Fund was established by Council Resolution on December 11, 2001. This trust is funded by the amount received from the Estate of Kathleen G. McKay. Interest earned on these funds is available to the Varley-McKay Art Foundation of Markham to fund art appreciation and development. As at December 31, 2019 the balance was \$1,299 (2018 - \$1,299).

**THE CORPORATION OF THE CITY OF MARKHAM**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2019**  
**(All dollar amounts are in \$000)**

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**19. TRUST FUNDS (continued)**

**c) Markham Environmental Advisory Committee Trust Fund**

The Markham Environmental Advisory Committee (previously the Markham Conservation Committee) Trust Fund was established by Council Resolution on April 15, 1992 to receive donations, grants, subsidies, and other amounts, to be used to cover costs associated with conservation and naturalization programs and projects undertaken by the Markham Environmental Advisory Committee. As at December 31, 2019 the balance was nil (2018 - \$nil).

**d) Cemetery Trust Fund**

The Cemetery Trust Fund was established under the Regulations of the Cemeteries Act to accumulate certain funds from the sale or transfer of an interment right to a purchaser in accordance with the Regulations. These funds are to be held in trust for the care and maintenance of the cemetery. Interest earned on amounts held by the Fund is used towards the maintenance, security and preservation of the cemetery, its grounds, buildings, equipment and markers in accordance with the Regulations. As at December 31, 2019 the balance was \$943 (2018 - \$942).

**e) Older Adults In Action Trust Fund**

Council Resolution established the Older Adults In Action Trust Fund on March 10, 1998 to collect donations for the Club and Older Adult Centre. As at December 31, 2019 the balance was \$10 (2018 - \$10).

**f) Markham History - Research and Publication Trust Fund**

The Markham History – Research and Publication Trust Fund was established by Council Resolution on June 1, 2004 to plan and monitor the implementation of research, writing, digitizing and production of historical media that illuminates various themes in Markham's history. As at December 31, 2019 the balance was \$100 (2018 - \$98).

**20. CONTRACTUAL RIGHTS**

City revenues to be generated in the future, in relation to existing lease agreements are approximately \$27,112. The City has also entered into Provincial funding agreements, whereby the estimated future funding is \$41,733.

<b>Year</b>	<b>Lease agreements</b>	<b>Provincial funding agreements</b>
2020	2,635	9,980
2021	2,597	10,433
2022	2,576	10,433
2023	2,239	10,887
2024	2,277	-
2025 and thereafter	14,788	-
<b>Total</b>	<b>27,112</b>	<b>41,733</b>

**THE CORPORATION OF THE CITY OF MARKHAM**  
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**21. SUBSEQUENT EVENT**

Subsequent to December 31, 2019 the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the US, Canadian, Ontario and local governments, enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions, however, the success of these interventions is not currently determinable. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the City is not known at this time.

**22. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted in the current year.

## Appendix B

# The Corporation of the City of Markham

Audit Findings Report  
for the year ended December 31, 2019

*KPMG LLP*

Chartered Professional Accountants,  
Licensed Public Accountants

April 2020

[kpmg.ca/audit](http://kpmg.ca/audit)



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# Executive summary

## Purpose of this report<sup>1</sup>

The purpose of this Audit Findings Report is to assist you, as a member of Council, in your review of the results of our audit of the consolidated financial statements (“the financial statements”) of the Corporation of the City of Markham (“the City”) as at and for the year ended December 31, 2019. This Audit Findings Report builds on the Audit Plan we presented to the Audit Committee.

### Changes from the Audit Plan

There have been no significant changes regarding our audit from the Audit Planning Report previously presented to management.

### Finalizing the Audit

As of the date of this report, we have completed the audit of the financial statements, with the exception of certain remaining procedures, which include amongst others:

- Completing our discussions with the audit committee / general committee;
- Obtaining evidence of the Council’s approval of the financial statements;
- Final internal quality control review;
- Receipt of the signed management representation letter (to be signed upon approval of the financial statements).

We will update the General Committee, and not solely the Chair, on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures. Our auditors’ report will be dated upon the completion of any remaining procedures.

### Independence

We are independent with respect to the City of Markham, within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any other standards or applicable legislation or regulation.

### Significant accounting policies and practices

There was no change to the significant accounting policies during the year.

The City adopted a new public sector accounting standard in 2019: See page 10 for considerations regarding the implementation of the new standard in the current year financial statements.

<sup>1</sup> This Audit Findings Report should not be used for any other purpose or by anyone other than the General Committee and City Council. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this Audit Findings Report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

### Uncorrected differences

For the City financial statements, we did not identify differences that remain uncorrected. We did not identify any adjustments that were communicated to management and subsequently corrected in the financial statements.

### Control deficiencies and other observations

We did not identify any control deficiencies that we determined to be significant deficiencies in internal control over financial reporting.

### Accounting estimates

Overall, we are satisfied with the reasonability of accounting estimates.

The critical areas of estimates relate to: amortization of tangible capital assets, valuation related to land acquisitions, receivables, and accruals for employee future benefits.

See pages 7 and 8.

### Financial impact of Covid-19

We have discussed the financial impact of Covid-19 on the operations of the City with management, and the City's response to the pandemic. Due to the uncertainty of the future financial impact to the City, management has added a subsequent event to the notes to the financial statements.



# Audit risks and results

We highlight our significant findings in respect of significant financial reporting risks as identified in our discussion with you in the Audit Plan, as well as any additional significant risks identified.

## 1 Presumed Risks Presumed significant risks as prescribed by audit professional standards

### Significant financial reporting risk

Fraud risk from management override of controls

Fraud risk from revenue recognition related to revenue transactions that are not in the normal course of business and deferred revenue

### Our response and significant findings

- As this risk is not rebuttable, our audit methodology incorporated the required procedures in professional standards to address this risk.
  - These procedures included the testing of journal entries and other adjustments, performing a retrospective review of estimates and evaluating the business rationale of significant unusual transactions.
  - We did not identify any issues or concerns regarding management override of controls.
- 
- Our audit methodology incorporated the required procedures in professional standards to address this risk.
  - Our audit approach consisted of evaluating the design and implementation of selected relevant controls. We tested journal entries that meet specific criteria. This criteria was designed during the planning phase of the audit and is based on areas and accounts that are susceptible to manipulation through management override. We also designed search filters that allowed us to identify any unusual journal entries.
  - As part of our audit approach to address the inherent risk of error in revenue recognition, we substantively tested revenues (both recognized and amounts held as deferred at year end) and recalculated management's computation of deferred revenue.
  - We did not identify any issues related to fraud risk associated with revenue recognition.

# Audit risks and results

## Relevant factors affecting our risk assessment

Complexity



### 2 Area of focus

#### Tangible Capital Assets

#### Significant financial reporting risk

Risk of material misstatement related to existence and accuracy of tangible capital assets and accuracy of timing of revenue recognition, particularly related to funds intended for tangible capital asset additions, deferred capital contributions, and contributed assets.

#### Our response and significant findings

- During our substantive testing of tangible capital asset additions, we noted that the City recognized \$186.3M (2018 - \$215.3M) in total additions, which is comprised of \$148.2M (2018 - \$98.7M) of assets capitalized from work in progress ("WIP"), \$36.7M (2018 - \$55.0M) relating to assets capitalized from developer contributions and \$1.43M (2018 - \$61.6M) relating to land purchases/acquisitions.
- We reviewed on a sample basis the additions to tangible capital assets and noted that management has correctly capitalized the additions from work in progress to capital assets and developer contributions land acquisitions.
- In our testing, we reviewed the contributions from developers and others recognized of \$39.8M (2018 - \$120.3M) on the statement of operations and accumulated surplus and noted that management has appropriately recognized the related revenue.
- No exceptions were noted during testing.

# Audit risks and results

## Relevant factors affecting our risk assessment

Complexity



### 3 Area of focus

Deferred Revenue Earned

#### Significant financial reporting risk

Recognition of revenue relating to amounts previously deferred as a result of legislation or contractual agreements.

#### Our response and significant findings

- During our substantive testing, we noted that the City recognized \$65.5M (2018 - \$20.5M) of deferred revenue earned.
- We obtained the deferred revenue continuity schedule and selected samples for testing to determine if the selected amounts had been recognized in the current year in accordance with the appropriate legislation or agreements that the revenues pertain to.
- No exceptions were noted during testing.

# Audit risks and results

## Relevant factors affecting our risk assessment

Related party  
transaction



### 4 Area of focus

Markham Enterprises Corporation ("MEC") Investment

#### Significant financial reporting risk

Accounting for the City's investment in Markham Enterprises Corporation ("MEC")

#### Our response and significant findings

- The City recognizes its investment in MEC using the modified equity method.
- We reviewed the criteria per PS 3070 – Investment in Government Business Enterprises and noted the City's investment in MEC continues to meet the criteria of the section and therefore it is appropriate to continue to record the investment in MEC using the modified equity method of accounting.
- We reviewed the MEC modified equity method calculation. We noted that there are two major components to the calculation. They are: MEC's current year net income / other comprehensive income and MEC's dividend declared and paid to the City. These transactions are disclosed in Note 6 of the financial statements.
- Included in the annual surplus for the City for the year is \$11.5M, which represents 100% of the net income of MEC for the year.
- No exceptions were noted during testing.

# Audit risks and results - estimates with significant risk

Management is required to disclose information in the consolidated financial statements about the assumptions it makes about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to carrying amounts of assets and liabilities within the next financial year. Generally, these are considered to be “estimates with significant risk.”

We believe management’s process for identifying estimates with significant risk is considered adequate.

We have summarized our assessment of the subjective areas.

Expense / Liability	Amount (\$'000s)
Amortization expense	\$ 78,188
Employee future benefits obligation	\$ 32,103

## KPMG comment

### Amortization expense:

- We have reviewed the estimated useful lives of the various additions from work in progress to tangible capital assets and conclude that they are reasonable.
- Fiscal 2019 amortization expense was recalculated and it was determined that management’s calculation of the amortization expense was appropriate.

### Employee future benefits obligation:

- We reviewed actuarial reports regarding estimates related to Employee Future Benefits, and conducted tests of detail to assess the reliability of the information used within the reports.
- We recalculated the accruals based on the information noted above, and did not identify any discrepancies.

# Audit risks and results - estimates with significant risk

Liability	Amount (\$'000s)
Contingent liabilities	See discussion below
KPMG comment	

## Contingent liabilities:

- The Chartered Professional Accountants Handbook PS3300 Contingent Liabilities requires that the City recognize a liability when “...it is likely that a future event will confirm that a liability has been incurred at the date of the financial statements; and the amount can be reasonably estimated.”
- At any point in time, the City is subject to a number of matters which could potentially result in the determination of a contingent liability as defined above, including, but not limited to matters such as legal claims, contract settlement accruals etc.
- We reviewed the City’s assessments of contingent liabilities and the process employed to develop and record the estimated liabilities. Where applicable, we met with the individuals responsible for the process and are satisfied that the methodology used is consistent with the approach taken in prior years and has been appropriately reviewed.
- As these items are resolved, it is possible that the final amounts recorded for these liabilities may change, however the amounts currently recorded represent management’s best estimates of exposure given the information presently available.
- We did not note any issues in the City’s assessment of contingent liabilities and amount of related liabilities that were recorded and reported for the year-ended December 31, 2019.

# Technology in the audit

As previously communicated in our Audit Planning Report, we have utilized technology to enhance the quality and effectiveness of the audit.



## Areas of the audit where Technology and D&A routines were used

Tool	Our results and insights
<b>Journal Entry Analysis</b>	<p>We utilized our proprietary D&amp;A tool, IDEA, to analyze journal entries and apply certain criteria to identify potential high-risk journal entries for further testing.</p> <p>We are satisfied with the results of our testing of specific relevant journal entries.</p>
<b>Data &amp; Analytics Routines</b>	<p>We utilized computer assisted audit techniques to perform testing on amortization expense recorded for the fiscal year based on each individual asset in the asset sub-ledger. This consists of recalculating the expected amortization expense for each asset based on its useful life and number of days in use during the year, and comparing to the total amortization expense recorded in the General Ledger ("GL").</p> <p>We did not identify any issues in regards to the amortization expense. Moreover, we are satisfied with the results of our testing.</p>
<b>Data Extraction &amp; Analytics Tools</b>	<p>We utilized data and analytics in the audit to evaluate the completeness of the journal entry population through a roll-forward of selected accounts. This consists of a summation of all automated and manual journal entries posted in the selected GL accounts during the fiscal year and comparison of the calculated final balances to the account balances as at and for the year ended December 31, 2019 as reported by management.</p> <p>We did not identify any issues in regards to the completeness of journal entries.</p>

# Significant accounting policies and practices



## Initial selections

There were no initial selections of significant accounting policies and practices. The following new other accounting policy was selected and applied during the period as per the requirement of Public Sector Accounting Standards. This accounting policy was applied prospectively for the consolidated financial statements for the year ended December 31, 2019.



## Changes

Changes to significant accounting policies and practices and the impact on the financial statements are disclosed in Note 1(p) to the consolidated financial statements.

Beginning in fiscal 2019, the City is now required to adopt the following new public sector accounting standard (PSAS):

### PS 3430 – Restructuring Transactions

- This section establishes standards on how to account for and report restructuring transactions by both transferors and recipients of asset and/or liabilities, together with related program and operating responsibilities. Individual assets and liabilities received in a restructuring transaction should be recognized by the recipient if they meet the definitions of assets and liabilities and applicable recognition criteria at the restructuring date. Individual assets and liabilities transferred in a restructuring transaction should be derecognized by the transferor if they no longer meet the definition of assets and liabilities and applicable recognition criteria at the restructuring date.
- The City has internal policies to identify and monitor restructuring transactions. Our findings from our review of internal policies and procedures were consistent in this regard. At the completion of the audit, we will obtain from management a signed representation letter indicating that there were no restructuring transactions not identified to us or disclosed in the consolidated financial statements.

As at December 31, 2019 and for the year then ended, the City does not have any restructuring transactions, as defined by the PS3430 to report.



# Uncorrected differences and Corrected Adjustments

Differences and adjustments include disclosure differences and adjustments.

Professional standards require that we request of management that all identified differences be corrected. We have already made this request of management.

## Uncorrected differences

We did not identify differences that remain uncorrected.

## Corrected adjustments

We did not identify any adjustments that were communicated to management and subsequently corrected in the financial statements.

# Current developments and audit trends

## Public Sector Accounting Standards

Title	Details	Link
<b>Public Sector Update – connection series</b>	Public Sector Accounting Standards are evolving – Get a comprehensive update on the latest developments from our PSAB professionals. Learn about current changes to the standards, active projects and exposure drafts, and other items.	Contact your KPMG team representative to sign up for these webinars. <a href="#">Public Sector Minute Link</a>

The following are upcoming changes that will be effective in future periods as they pertain to Public Sector Accounting Standards. We have provided an overview of what these standards are and what they mean to your financial reporting so that you may evaluate any impact to your future financial statements.

Standard	Summary and implications
<b>Asset Retirement Obligations</b> (applicable for the year ending December 31, 2022 with a retrospective application effective December 31, 2020)	<ul style="list-style-type: none"> <li>– A new standard has been approved that is effective for fiscal years beginning on or after April 1, 2021 (the City's 2022 year-end).</li> <li>– The new standard addresses the recognition, measurement, presentation and disclosure of legal obligations associated with retirement of tangible capital assets in productive use. Retirement costs would be recognized as an integral cost of owning and operating tangible capital assets. PSAB currently contains no specific guidance in this area.</li> <li>– The ARO standard would require the public sector entity to record a liability related to future costs of any legal obligations to be incurred upon retirement of any controlled tangible capital assets ("TCA"). The amount of the initial liability would be added to the historical cost of the asset and amortized over its useful life.</li> <li>– As a result of the new standard, the public sector entity would have to: <ul style="list-style-type: none"> <li>○ consider how the additional liability will impact net debt, as a new liability will be recognized with no corresponding increase in a financial asset;</li> <li>○ carefully review legal agreements, senior government directives and legislation in relation to all controlled TCA to determine if any legal obligations exist with respect to asset retirements;</li> <li>○ begin considering the potential effects on the organization as soon as possible to coordinate with resources outside the finance department to identify AROs and obtain information to estimate the value of potential AROs to avoid unexpected issues.</li> </ul> </li> </ul>

Standard	Summary and implications
<b>Revenue</b>	<ul style="list-style-type: none"> <li>— A new standard has been approved that is effective for fiscal years beginning on or after April 1, 2022 (the City's 2023 year-end).</li> <li>— The new standard establishes a single framework to categorize revenues to enhance the consistency of revenue recognition and its measurement.</li> <li>— The standard notes that in the case of revenues arising from an exchange, a public sector entity must ensure the recognition of revenue aligns with the satisfaction of related performance obligations.</li> <li>— The standard notes that unilateral revenues arise when no performance obligations are present, and recognition occurs when there is authority to record the revenue and an event has happened that gives the public sector entity the right to the revenue.</li> </ul>
<b>Financial Instruments and Foreign Currency Translation</b>	<ul style="list-style-type: none"> <li>— New accounting standards, PS3450 <i>Financial Instruments</i>, PS2601 <i>Foreign Currency Translation</i>, PS1201 <i>Financial Statement Presentation</i> and PS3041 <i>Portfolio Investments</i> have been approved by PSAB and are effective for years commencing on or after April 1, 2021 (the City's 2022 year-end).</li> <li>— Equity instruments quoted in an active market and free-standing derivatives are to be carried at fair value. All other financial instruments, including bonds, can be carried at cost or fair value depending on the government's choice and this choice must be made on initial recognition of the financial instrument and is irrevocable.</li> <li>— Hedge accounting is not permitted.</li> <li>— A new statement, the Statement of Re-measurement Gains and Losses, will be included in the financial statements. Unrealized gains and losses incurred on fair value accounted financial instruments will be presented in this statement. Realized gains and losses will continue to be presented in the statement of operations.</li> <li>— Based on stakeholder feedback received, PSAB is considering certain scope amendments to PS 3450 <i>Financial Instruments</i>. An exposure draft with the amendments is expected to be issued in 2020. The proposed amendments are expected to include the accounting treatment of bond repurchases, scope exclusions for certain activities by the federal government, and improvements to the transitional provisions.</li> </ul>
<b>Employee Future Benefit Obligations</b>	<ul style="list-style-type: none"> <li>— PSAB has initiated a review of sections PS3250 <i>Retirement Benefits</i> and PS3255 <i>Post-Employment Benefits, Compensated Absences and Termination Benefits</i>. Given the complexity of issues involved and potential implications of any changes that may arise from this review, the project will be undertaken in phases. Phase I will address specific issues related to measurement of employment benefits. Phase II will address accounting for plans with risk sharing features, multi-employer defined benefit plans and sick leave benefits.</li> <li>— Three Invitations to Comment were issued and have closed. The first Invitation to Comment sought guidance on whether the deferral provisions in existing public sector standards remain appropriate and justified and the appropriateness of accounting for various components of changes in the value of the accrued benefit obligation and plan assets. The second Invitation to Comment sought guidance on the present value measurement of accrued benefit obligations. A third Invitation to Comment sought guidance on non-traditional pension plans.</li> <li>— The ultimate objective of this project is to issue a new employment benefits section to replace existing guidance.</li> </ul>

Standard	Summary and implications
<b>2019 – 2020 Annual Improvements</b>	<ul style="list-style-type: none"> <li>– PSAB adopted an annual improvements process to make minor improvements to the CPA Canada Public Sector Accounting (PSA) Handbook or Statements of Recommended Practices (other guidance).</li> <li>– The annual improvement process: <ul style="list-style-type: none"> <li>o clarifies standards or other guidance; or</li> <li>o corrects relatively minor unintended consequences, conflicts or oversights.</li> </ul> </li> <li>– Major or narrow scope amendments to the standards or other guidance are not included in the annual improvement process.</li> </ul>
<b>Public Private Partnerships (“P3”)</b>	<ul style="list-style-type: none"> <li>– A taskforce was established in 2016 as a result of increasing use of public private partnerships for the delivery of services and provision of assets. The objective is to develop a public sector accounting standard specific to public private partnerships.</li> <li>– A Statement of Principles (“SOP”) was issued in August 2017 which proposes new requirements for recognizing, measuring and classifying infrastructure procured through a public private partnership. An Exposure Draft of the new standard is expected to be issued in December 2018.</li> <li>– The SOP proposes that recognition of infrastructure by the public sector entity would occur when it controls the purpose and use of the infrastructure, when it controls access and the price, if any, charged for use, and it controls any significant interest accumulated in the infrastructure when the P3 ends.</li> <li>– The SOP proposes the public sector entity recognize a liability when it needs to pay cash or non-cash consideration to the private sector partner for the infrastructure.</li> <li>– The infrastructure would be valued at cost, with a liability of the same amount if one exists. Cost would be measured by discounting the expected cash flows by a discount rate that reflects the time value of money and risks specific to the project.</li> </ul>
<b>International Strategy</b>	<ul style="list-style-type: none"> <li>– PSAB is in the process of reviewing its current approach towards International Public Sector Accounting Standards (IPSAS). This project may result in changes to the role PSAB plays in setting standards in Canada.</li> <li>– A consultation paper was released for comment in May 2018 and has closed. The consultation paper described the decision-making criteria PSAB expects to consider in evaluating the international strategy that best serves the public sector. It also introduced four proposed international strategies that PSAB considers to be viable. Over 2017-2021 period, PSAB intends to do the following: <ul style="list-style-type: none"> <li>o conduct research on differences between Canadian Public Sector Accounting Standards and International Accounting Standards;</li> <li>o learn about experiences of other jurisdictions that choose to follow IPSAS; publish a consultation paper to get the opinion of stakeholders;</li> </ul> </li> <li>– and, develop options for PSAB’s International strategy.</li> </ul>
<b>Purchased Intangibles</b>	<ul style="list-style-type: none"> <li>– As a result of stakeholder feedback received, PSAB will revisit validity of the prohibition against recognizing purchased intangibles in public sector financial statements and will consider a narrow scope amendment.</li> <li>– Input received in response to the 2018 conceptual framework and reporting model documents for comment supported PSAB relocating the recognition prohibitions from the conceptual framework to the standards level. This is a bigger issue for Indigenous governments. PSAB is looking into the question of purchased intangibles acquired through an exchange transaction cannot be recognized in public sector financial statements as they are measureable at the price in the transaction.</li> </ul>

Standard	Summary and implications
<b>Concepts Underlying Financial Performance</b>	<ul style="list-style-type: none"> <li>— PSAB is in the process of reviewing the conceptual framework that provides the core concepts and objectives underlying Canadian public sector accounting standards.</li> <li>— PSAB is developing two exposure drafts (one for a revised conceptual framework and one for a revised reporting model) with two accompanying basis for conclusions documents and resulting consequential amendments. PSAB expects to issue the two exposure drafts and accompanying documents in 2020.</li> <li>— A Statement of Concepts (“SOC”) and Statement of Principles (“SOP”) were issued for comment in May 2018.</li> <li>— The SOC proposes a revised, ten chapter conceptual framework intended to replace PS 1000 <i>Financial Statement Concepts</i> and PS 1100 <i>Financial Statement Objectives</i>. The revised conceptual framework would be defined and elaborate on the characteristics of public sector entities and their financial reporting objectives. Additional information would be provided about financial statement objectives, qualitative characteristics and elements. General recognition and measurement criteria, and presentation concepts would be introduced.</li> <li>— The SOP includes principles intended to replace PS 1201 <i>Financial Statement Presentation</i>. The SOP proposes: <ul style="list-style-type: none"> <li>○ Removal of the net debt indicator, except for on the statement of net debt where it would be calculated exclusive of financial assets and liabilities that are externally restricted and/or not available to settle the liabilities or financial assets.</li> <li>○ Changes to common terminology used in the financial statements, including re-naming accumulated surplus (deficit) to net assets (liabilities).</li> <li>○ Restructuring the statement of financial position to present non-financial assets before liabilities.</li> <li>○ Removal of the statement of remeasurement gains (losses) with the information instead included on a new statement called the statement of changes in net assets (liabilities). This new statement would present the changes in each component of net assets (liabilities).</li> <li>○ A new provision whereby an entity can use an amended budget in certain circumstances.</li> </ul> </li> <li>— Inclusion of disclosures related to risks and uncertainties that could affect the entity's financial position.</li> </ul>

# Current developments and audit trends

Our discussions with you and what KPMG is seeing in the marketplace—both from an audit and industry perspective—indicate the following is specific information that will be of particular interest to you. We would, of course, be happy to further discuss this information with you at your convenience.

Thought Leadership	Overview	Links
<b>Accelerate</b>	Accelerate is a KPMG trends report and video series that includes the perspective of subject matter leaders from across KPMG in Canada on seven key issues impacting organizations today that are disrupting the audit committee mandate.	<a href="#">Link to report</a>
<b>Bracing for digital disruption</b>	The digital revolution may be well into its prime, but the disruption is far from over. New and emerging technologies continue to shape (and reshape) how organizations operate and adapt to their customers. While these tools have opened the doors to new capabilities and market opportunities, they have also driven the need for stronger and more adaptive risk management strategies.	<a href="#">Link to report</a>



# Appendices

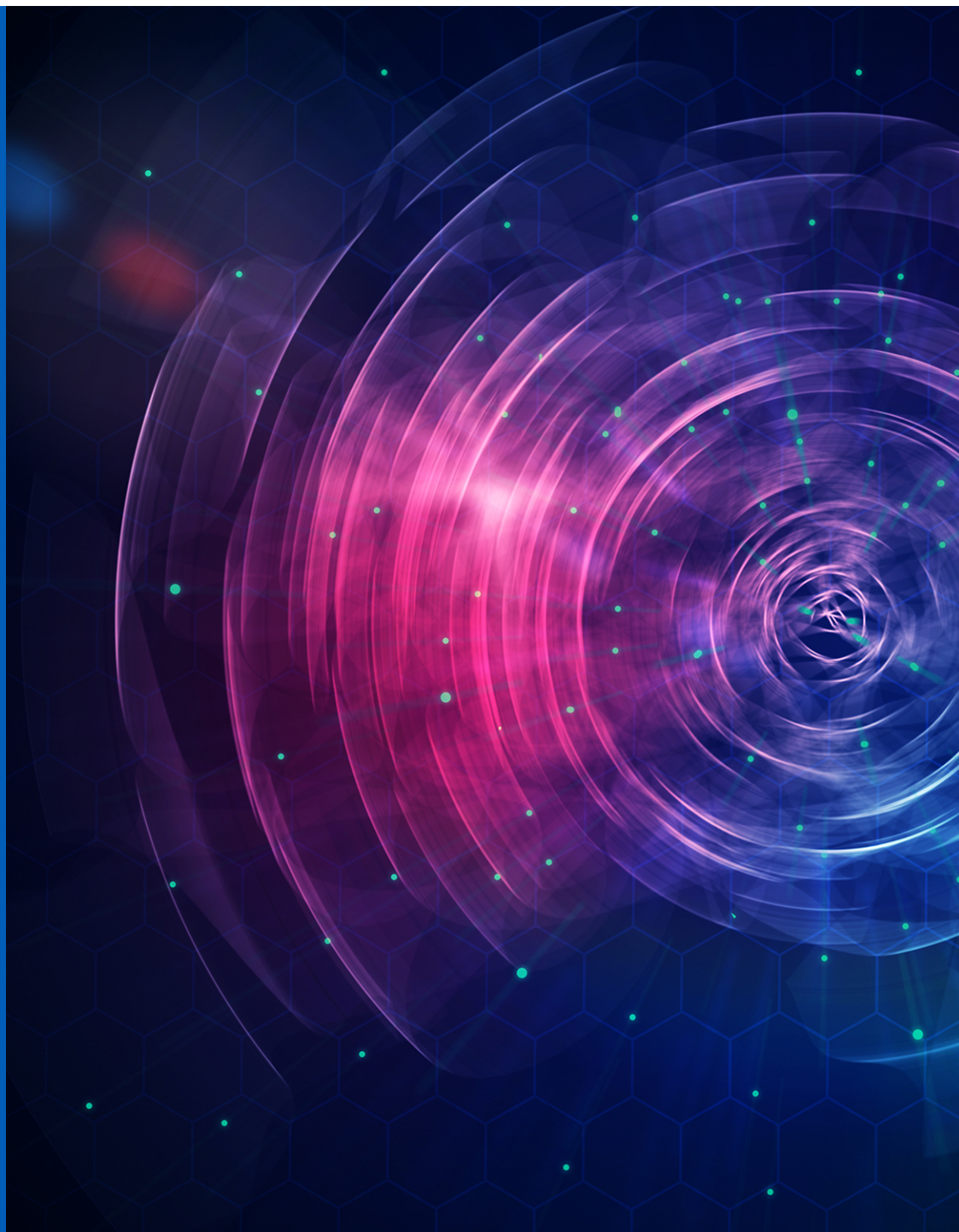
## Content

**Appendix 1: Required communications**

**Appendix 2: Audit Quality and Risk Management**

**Appendix 3: Key Audit Matters – Identification**

**Appendix 4: Preparing for PSAB Standard Changes**



# Appendix 1: Required Communications

In accordance with professional standards, there are a number of communications that are required during the course of and upon completion of our audit. These include:

<b>Auditor’s report</b>	<b>Management representation letter</b>
The conclusion of our audit is set out in our draft auditors' report attached to the draft financial statements.	In accordance with professional standards, a copy of the management representation letter is provided to Council. The management representation letter is attached.
<b>Audit quality</b>	
Audit Quality (AQ) is at the core of everything we do at KPMG. Appendix 2 provides more information on AQ.	

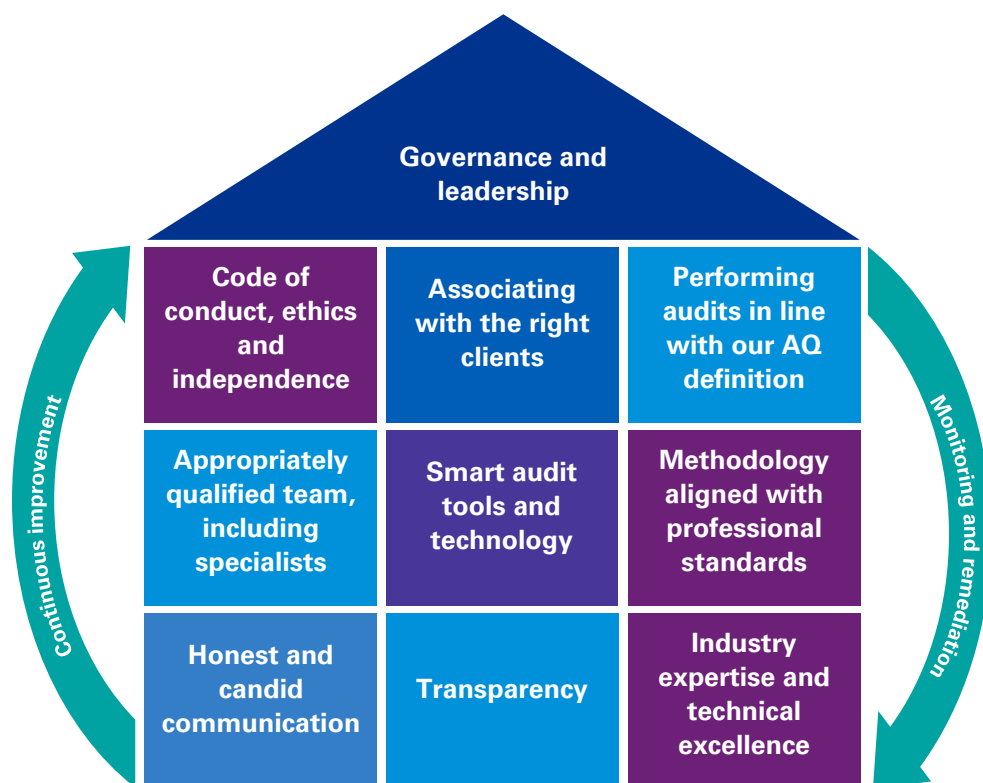
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# Appendix 2: Audit Quality and Risk Management

KPMG maintains a system of quality control designed to reflect our drive and determination to deliver independent, unbiased advice and opinions, and also meet the requirements of Canadian professional standards.

Quality control is fundamental to our business and is the responsibility of every partner and employee. The following diagram summarizes the key elements of our quality control system.



Audit Quality Framework

## What do we mean by audit quality?

Audit Quality (AQ) is at the core of everything we do at KPMG.

We believe that it is not just about reaching the right opinion, but how we reach that opinion.

We define 'audit quality' as being the outcome when audits are:

- Executed consistently, in line with the requirements and intent of applicable professional standards within a strong system of quality controls and
- All of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics, and integrity**.

Our AQ Framework summarises how we deliver AQ. Visit our [Audit Quality Resources page](#) for more information including access to our [Audit Quality and Transparency report](#).

# Appendix 3: Key Audit Matters — Identification

Key audit matters (KAMs) are those matters that were communicated to those charged with governance which required significant audit attention in performing the audit and that, in the auditor's professional judgment, were of the most significance in the audit of the financial statements in the current period.

Currently, the communication of KAMs in the auditors' report is only applicable when:

1. The auditors' report will refer to International Standards on Auditing and the audit is for a complete set of general purpose financial statements of a listed entity
2. Required by law or regulation; or
3. The auditor is engaged to do so

However, the AASB approved amendments to bullet #1 which now require auditors' to communicate KAMs in the auditors' report for audits of complete sets of general purpose financial statements of:

- Toronto Stock Exchange listed entities (TSX listed entities) for periods ending on or after December 15, 2020.
- Other listed entities (non-TSX listed entities) for periods ending on or after December 15, 2022.

The above excludes TSX listed entities / Non-TSX listed entities that comply with National Instrument 81-106, *Investment Fund Continuous Disclosure*.

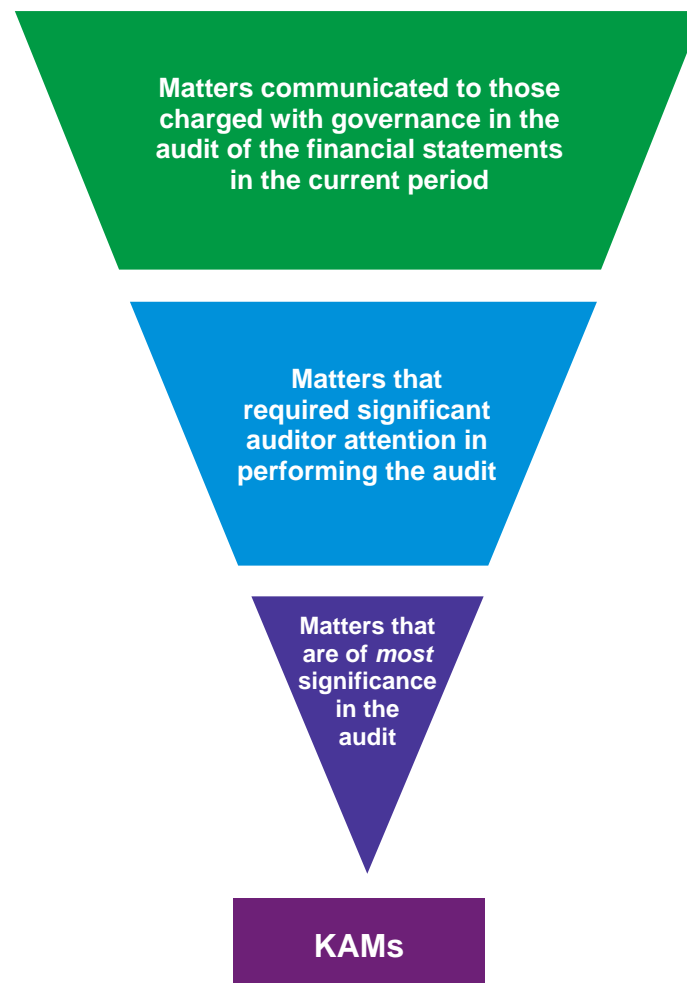
The above includes auditors' reports on separate/non-consolidated financial statements.

The total population of potential KAMs begins with all matters communicated to the audit committee during the audit of the current period.

The auditor is required to identify from that total population of potential KAMs, which matters required significant auditor attention in performing the audit. In doing so, the auditor is required to take into account the following:

- Areas of higher assessed risks of material misstatement identified
- Areas of significant risks identified
- Significant auditor judgments relating to areas in the financial statements that are subject to a high degree of estimation uncertainty
- The effect of the audit of significant events or transactions that occurred during the period

From that population of potential KAMs, the auditor identifies those matters that are of "most" significance in the audit. The use of the term "most" is not intended to limit the number of KAMs to one. However, lengthy lists of KAMs may be contrary to the notion that such matters are of most significance to the audit.



## Appendix 4: Preparing for PSAB Standard Changes



# Preparing for PSAB Standard Changes

Are you ready to implement PSAB's impactful series of new standards?

Public sector entities are preparing to implement three significant Public Sector Accounting standards through 2022. These standards will impact not only your accounting policies, but also how Finance engages key stakeholders.

## Asset Retirement Obligations

PS3280 addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets and solid waste landfill sites by public sector entities. **PS3280 will apply to fiscal years beginning on or after April 1, 2021 (the City's 2022 fiscal year). Earlier adoption is permitted. Three transition options are available – retroactive, modified retroactive, prospective.**

Asset retirement activities are defined to include all activities related to an asset retirement obligation. These may include but are not limited to:

- decommissioning or dismantling a tangible capital asset that was acquired, constructed or developed
- decontamination created by the normal use of the tangible capital asset
- post-retirement activities such as monitoring
- constructing other tangible capital assets in order to perform postretirement activities

With the introduction of PS3280 PSAB has withdrawn existing Section PS3270, solid waste landfill closure and post-closure liability.

Some examples of asset retirement obligations which fall under scope of proposed PS3280 include:

- |  |  |
|--|--|
| ▪ end of lease provisions (from a lessee perspective)      | ▪ closure and post-closure obligations associated with landfills |
| ▪ removal of radiologically contaminated medical equipment | ▪ septic beds  |
| ▪ wastewater or sewage treatment facilities                | ▪ fuel storage tank removal                                      |
| ▪ firewater holding tanks                                  |  |

Under PS3280, an asset retirement obligation should be recognized when, as at the financial reporting date, ALL of the following criteria are met:

- |   |   |
|---|---|
| ▪ there is a legal obligation to incur retirement costs in relation to a tangible capital asset | ▪ it is expected that future economic benefits will be given up |
| ▪ the past transaction or event giving rise to the liability has occurred                       | ▪ a reasonable estimate of the amount can be made               |

This accounting standard will have implications for your organization if you report under the Public Sector Accounting Standards.

# Are You Ready?

1. *Has a project plan been developed for the implementation of this section?*
2. *Has Finance communicated with key stakeholders, including Council or Board on the impact of this section?*
3. *Does Finance communicate with representatives of the Public Works, Asset Management, Facilities Management or Legal functions through the financial reporting process?*
4. *Has a complete inventory been developed of all inactive or active assets or sites, to provide a baseline for scoping of potential retirement obligations?*
5. *If a complete inventory has been developed, does it reconcile back to information currently reported in the entity's financial statements for tangible capital assets or contaminated sites?*
6. *Does your entity have data on non-recorded assets or sites (ie: assets which were originally expensed on purchase, or recorded at no book value) which could have retirement obligations?*
7. *Does your entity have an active solid waste landfill site?*
8. *If yes, does your entity have an existing estimate of the full costs to retire and monitor the landfill site?*
9. *Is your entity aware of any of its buildings which have asbestos?*
10. *If so, does your entity have information to inform a cost estimate to remove/ treat the asbestos?*
11. *Is your entity aware of underground fuel storage tanks or boilers which must be removed at end of life?*
12. *If so, does your entity have information to inform a cost estimate to remove the tanks?*
13. *Is your entity aware of any lease arrangements where it will be required to incur costs to return the premises to pre-existing conditions at the end of the lease?*
14. *Has your entity determined if it has any sewage or wastewater treatment plants which have closure plans or environmental approvals which require full or partial retirement of the plant at the end of its life?*
15. *Is your entity aware of any other contractual or legal obligations to retire or otherwise dismantle or remove an asset at the end of its life?*

## Revenues

PS3400 outlines a framework describing two categories of revenue – transactions with performance obligations (exchange transactions) and transactions without performance obligations (unilateral transactions).

- This section will apply to fiscal years beginning on or after April 1, 2022, with earlier adoption permitted.
- This Section may be applied retroactively or prospectively.
- This section will not impact the present accounting for taxation revenues and government transfers.

Transactions which give rise to one or more performance obligations are considered to be exchange transactions. Performance obligations are defined as enforceable promises to provide goods or services to a payer as a result of exchange transactions. Revenue from an exchange transaction would be recognized when the public sector entity has satisfied the performance obligation(s), at a point in time or over a period of time.

If no performance obligations are present, the transaction would represent unilateral revenue, and be recognized when the public sector entity has the authority to claim or retain an inflow of economic resources and a past event gives rise to a claim of economic resources.

Public sector entities will need to review their revenue recognition policies for in-scope transaction types. Impacted areas may include:

- Development charges
- Permits
- Licences
- Advertising programs

## Are You Ready?

1. *Has the entity identified any revenue-generating transactions other than taxation or government transfer revenues which create performance obligations (ie: the entity is required to provide a good or service to earn that revenue)?*
2. *If so, has the entity reviewed its accounting policies for these transactions to verify revenue is recognized only as performance obligations are being met?*
3. *Has the entity quantified the impact of any change in accounting policy, or determined that there is no impact?*

## Financial Instruments

PS3450 establishes standards on how to account for and report all types of financial instruments including derivatives.

- This Section applies to fiscal years beginning on or after April 1, 2021. Earlier adoption is permitted.
- Government organizations that applied the CPA Canada Handbook – Accounting prior to their adoption of the CPA Canada Public Sector Accounting Handbook applied this Section to fiscal years beginning on or after April 1, 2012.
- This section must be adopted with Section PS 2601, Foreign Currency Translation.
- Specific transition requirements are outlined in the section.

This section prescribes a fair value measurement framework for derivatives, and equity instruments that are quoted in an active market.

Where an entity manages risks, the investment strategy, or performance of a group of financial assets, financial liabilities or both on a fair value basis, they may also be measured at fair value.

Other financial instruments are measured at cost/ amortized cost.

Changes in the fair value of a financial instrument in the fair value category are recognized in the Statement of Remeasurement Gains and Losses as a remeasurement gain or loss until the financial instrument is derecognized.

- Upon derecognition, the remeasurement gain or loss is realized in the Statement of Operations.

## Are You Ready?

1. *Does the entity hold any financial assets which are equity or derivative instruments?*
2. *Has the entity determined if it has any embedded derivatives that might arise from existing contractual arrangements?*
3. *Does the entity have other financial assets which it assesses performance of based on fair value, and for which it might elect a fair value measure?*
4. *If yes to any of the above three questions, does the entity have readily observable market data to inform a fair value measure?*
5. *Has the entity reviewed existing financial instrument note disclosure in the financial statements to determine any required revisions to meet the requirements of this section?*
6. *Does the entity enter into transactions involving foreign exchange?*
7. *Does the entity hold any monetary assets and monetary liabilities, or non-monetary assets denominated in a foreign currency?*





[kpmg.ca/audit](https://kpmg.ca/audit)



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Presentation to: General Committee

Meeting Date: April 20, 2020

---

<b>SUBJECT:</b>	COVID-19 IMPACTS TO SERVICES
<b>PREPARED BY:</b>	Andy Taylor

---

**RECOMMENDATION:**

1. That the presentation entitled “COVID-19 Impacts to Services” be received.



Stay Home.  
Break the  
Chain of  
Transmission of  
**COVID-19**



Let's **Flatten the Curve**  
& keep our residents safe

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**COVID-19**



**AGENDA**

- Business Continuity Process
- Impacts to City Services
- Moving Forward

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## Business Continuity Plans Activated

- City formalizes Business Continuity Planning (BCP) for all departments in 2015
- During Enhanced Monitoring, Departments reviewed and updated their BCPs
- **Provincial Emergency Declaration resulted in initiation of Departmental Business Continuity Plans:**
  - Regular updates on attendance and activities to Markham Council – on services and staffing
  - Review of essential and non-essential services and methods of ensuring service continuity provided to ELT for coordinated Citywide implementation
- **ELT undertook a detailed review of all BCPs to identify changes required for service delivery:**
  - Remote working from home – where feasible
  - Essential Services continue to be provided while ensuring the health and safety of our employees through relevant direction, field guides on physical distancing /healthy practices, and distribution of supplies – sanitizers/disinfecting wipes/gloves

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## IMPACTS TO CITY OF MARKHAM SERVICES



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## **Animal Services**

### **Services Available**

- Animal Services calls continue to be responded to on a case-by-case basis by the Ontario Society for the Prevention of Cruelty to Animals (OSPCA). To report a concern, call 1.888.668.7722.
- OSPCA will continue to provide patrol and shelter services.
- The OSPCA is restricting access to the public at their shelter for reuniting lost pets with their owners.
- Dog license tags are still available for purchase online.
- Wildlife Services will continue to be provided by Shades of Hope Wildlife Refuge.

### **Services Not Available**

- The Cat Adoption and Education Centre, located at the Thornhill Community Centre and Library, is closed until further notice.

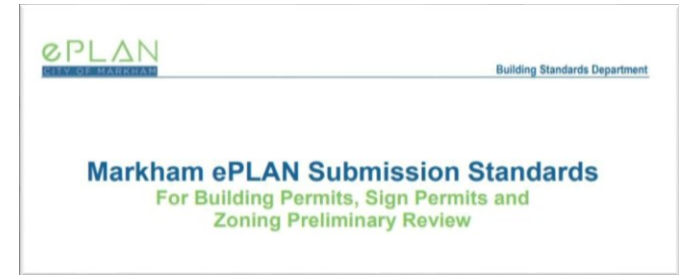
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## Building Services

### Services Available

- Construction Investigation Requests
- Unsafe buildings and illegal construction activity reports will be investigated
- Building Permit Applications
- All online permit application functionality including payments of permit fees less than \$60K will continue to operate.
- Plan review and permit issuance of electronic permit applications will continue via ePLAN.
- Plan review staff will be available by email.
- Permit processing of all permit types will continue via ePLAN.



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## **Building Services Continued**

### **Building Inspections**

- Inspection requests can continue to be made by requesting through ePLAN or call in to our automated Permit Inspection Request Line by calling 905.475.4850.
- Inspections of all new construction, including occupancy permits for new and unoccupied buildings, will continue with enhanced procedures for inspector health and safety.
- Permit holders are required to book all required inspections as per the Ontario Building Code. Your inspector will contact you with next steps.

### **Services Not Available**

- Inspections for occupied buildings are suspended until further notice



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## ByLaw Enforcement

### Services Available

- The City continues to receive Bylaw inquiries by telephone or e-mail.
- Parking enforcement continues with a focus on public safety, including fire routes and accessible parking.
- Property standards enforcement will respond only to urgent situations.
- Business licensing renewals will be processed through the Contact Centre or web portal.
- Full deployment of Property Standards Officers 15.5 hours/day, 7 days/week doing parks and green space patrols 'eyes and ears', educating public and contacting YRP as needed



### Services Not Available

- Non-essential property standards enforcement is postponed until further notice.
- New business licensing postponed until further notice.



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## Clerks Department

### Services Available

- Support to Council and Committee Meetings
- Marriage licenses: urgent requirement or on a compassionate basis only
- Burial permits
- City of Markham Cemeteries
- Freedom of Information (FOI) requests

### Services Not Available

- Online room booking requests
- Photo permits
- Lottery licenses
- Mobile sign licenses



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## Contact Centre

Our Contact Centre is **operating remotely** and responding to customer service requests at:

- 905.477.5530,
- [customerservice@markham.ca](mailto:customerservice@markham.ca) or
- Webchat

### Hours of operation:

Monday to Friday

8 AM to 5 PM (excluding statutory holidays)

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## Culture

All culture sites are closed:

- Varley Art Gallery of Markham
- Flato Markham Theatre
- Markham Museum

All programs and drop-ins are cancelled until further notice.

Refunds issued.



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## Economic Development & Business Resources

### Services Available

Markham Small Business Centre (MSBC):

- Remains accessible by phone, email and web meetings for scheduled appointments.
- Seminars and consultations will proceed as scheduled via web meeting.
- Access business resources during COVID-19 at [markham.ca/msbc](https://markham.ca/msbc)

Markham's Economic Development department will be available virtually.

## COVID-19 REMINDER

**Markham  
Small Business  
Centre is open  
for business –  
virtually!**

[markham.ca/covid19](https://markham.ca/covid19)



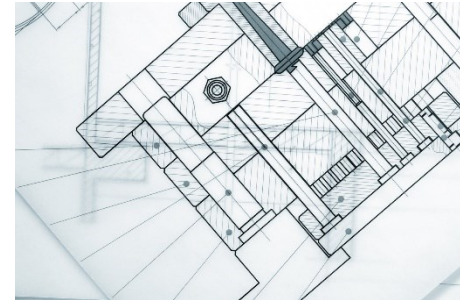
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## Engineering Department

### Services Available

- The Engineering department is working remotely to support City projects.
- Engineering drawings and reports are being accepted electronically
- Front Counter services available at [DSC@markham.ca](mailto:DSC@markham.ca)
- Cheques are received at Markham Civic Centre drop box





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## Waste Management

### Services Available

- Curbside organic, garbage and recycling collection will continue.
- Collection of leaf and yard material has been delayed until April 21<sup>st</sup>.
- Public drop-off locations:
  - Earl Turcott Waste Management Facility
  - Richmond Hill (Bloomington) Compost Facility
- Markham Household Hazardous Waste Depot and Elgin Mills Community Environmental Centre
- Textile donation



### COVID-19 SERVICES UPDATE

Leaf & Yard  
Material Collection  
will start on  
**April 21**

[markham.ca/covid19](https://markham.ca/covid19)



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## Waste Management

### Services Not Available

- All recycling depots are closed until further notice.
- No special pickups or purchase/exchange of blue or green bins until further notice.
- Markham's compost giveaway has been postponed until further notice.

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## Human Resources

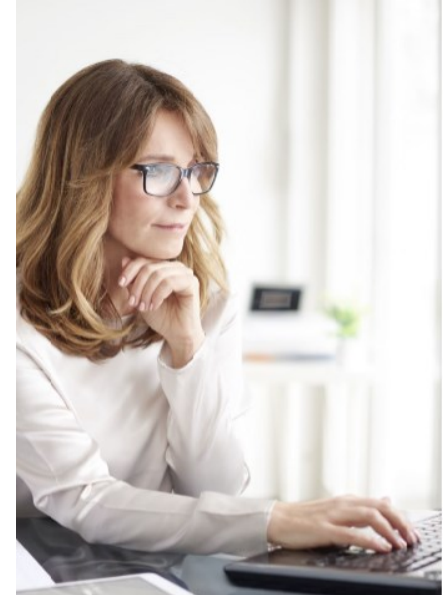
### Services Available

- Ongoing support to City departments
- Payroll and benefits administration
- Implementation of Work From Home guidelines
- Addressing evolving staffing needs
- Ensuring health & safety requirements are met
- Supporting staff wellness

### Services Not Available

- Recruitment for non-essential positions has been put on hold

Human Resources provides daily support to the Emergency Operations Centre and the Executive Leadership Team.





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## Legal Services

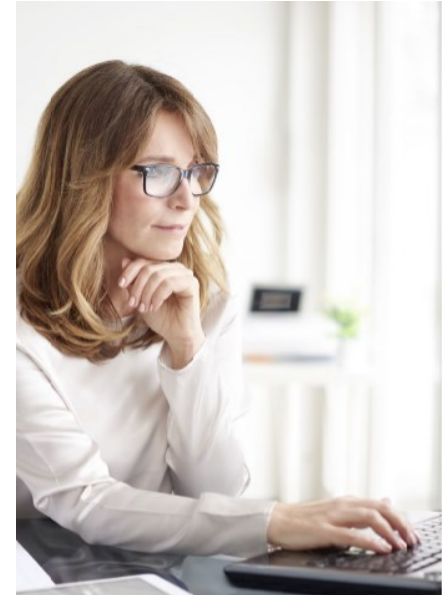
### Services Available

- Ongoing support to City departments
- Advising on implications of Federal/Provincial emergency legislation
- Execution of agreements being done electronically
- Payments accepted in the drop box at City Hall or by courier

### Services Not Available

- Matters before the Courts and Tribunals have been suspended, with certain exceptions where electronic appearances may be permitted

Legal Services provides daily support to the Emergency Operations Centre and the Executive Leadership Team.



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## Fire & Emergency Services

### Services Available

- Emergency response
- Fire prevention inspections
- Plan examinations will continue remotely.

### Services Not Available

- Public education, school program, station visits and community events are cancelled until further notice.



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## Markham Public Library

### Services Available

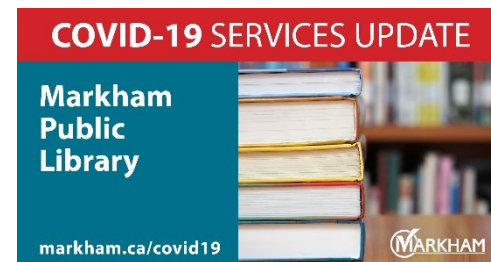
The digital library remains open at [markhampubliclibrary.ca](https://markhampubliclibrary.ca) with access to newspapers, magazines, books and movies.

### Services Not Available

All library branches are closed until further notice.

- Due dates during the closure have been extended until further notice.
- Books overdue will not continue to accumulate fines.
- On hold items will remain on the hold shelf until further notice.
- All book drop boxes are closed.

All programs and drop-ins are cancelled until further notice and refunds will be issued.



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## Roads, Parks and Forestry Operations

### Services Available

- Roads, Parks and Forestry operations essential for public safety include:
  - Winter maintenance
  - Road inspections
  - Emergency response for forestry, safety devices, drainage, potholes, excess litter and road failures.
- Spring park litter clean up and park maintenance to commence week of April 20<sup>th</sup>

### Services Not Available

- Park improvement projects will be postponed until further notice.
- Tree planting will be postponed until further notice.





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## Planning and Urban Design

### Services Available

- The Planning & Urban Design department is working remotely.
- Most planning applications can be submitted through ePLAN:
  - Pre-consultation, Site Plan, Official Plan, Subdivision, Zoning, Minor Variance, Consent and Condominium)
- Re-submissions submitted through consultant's FTP site/Dropbox
- Front Counter services available at [DSC@markham.ca](mailto:DSC@markham.ca) or 905.475.4861
- Cheques are received at Markham Civic Centre drop box.



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## Recreation Services

### Services Available

- City of Markham's Fitness YouTube channel
  - New activities for the whole family added
- Registration for summer camps, leadership programs, MSL leagues and workshops starting after May 31.
- Future rentals/permits of Markham's arena and pools are available
- **Special Notice:** Markham Life Summer edition will be available online only.



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## **Recreation Services Continued**

### **Services Not Available**

- All Community Centres closed until further notice
- Swim All School Year & Lifesaving Club of Markham
- Pre-paid Fitness, Walking Track, Spa and Aquatics memberships
  - Expiry dates will be extended based on the number of days closed.
- Personal Training services
  - Unused training sessions will be rescheduled
- All permit bookings and events until May 31
- All outdoor sports field permits until May 31
- All Milne Park permit rentals until May 31
- Pan Am Centre rentals, programs and camps scheduled until May 31
- All Seniors' club program and events are cancelled until further notice.
- All Programs until further notice

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## Corporate Communications & Community Engagement

### Services Available

- Strategic EOC communications (internal/external)
- Digital and content strategy, including: website, social media, media, print, radio, digital & mobile signs, posters
- CAO staff updates
- Checkmark content
- Managing key messaging for Contact Centre & Members of Council
- Markham Life – digital only
- Urgent client updates re changes to City services





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## Corporate Communications & Community Engagement Continued

### Services Not Available

- Non-urgent client support determined by available staff resources at the time of request.
- Special Events: All City-produced and permitted events have been cancelled through to June 30<sup>th</sup>, and will be rescheduled, as appropriate.



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## Taxes and Financial Services

### Services Available

- Our Accounts Payable staff will continue to process invoices on reduced schedule
- Our Procurement staff will continue operations.
- eProperty Tax online services to complete transactions or at financial institution.
- Drop box services available

### Services Not Available

- Cash Counters are closed to the public until further notice.



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## Waterworks

### Services Available

- Drinking water sampling per Provincial regulations.
- Water and wastewater emergencies such as breaks and back ups.
- Routine, essential water and wastewater activities.
- Providing locates for Ontario One Call.

### Services Not Available

- Water and wastewater operators will not be entering private homes for non-emergency services until further notice.
- We will continue to provide customer support through phone calls to resolve resident concerns.
- Meter installations and replacement services provided by Neptune Technologies are suspended until further notice.



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**Respond  
Recover  
Reinvent**

# Moving Forward



## Recovery Planning

Commencing processes to anticipate and plan for the following critical areas of **RECOVERY**:

- Assess the scope of recovery needs and areas for improvement
- Review Service delivery and Service Innovation Opportunities
- Preparing staff returning to the workplace
- Implementing changes to our workplaces and public spaces
- Support Economic & Business recovery
  - Local businesses and Development community
- Changing social norms and public expectations

All areas will challenge us to **REINVENT** the way we engage with our Community

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PRIORITY	RESPOND	RECOVER	REINVENT
<b>Service Delivery</b>	<ul style="list-style-type: none"> <li>Adapting service access models Online</li> <li>Resource Management</li> <li>Financial Management of cost pressures</li> </ul>	<ul style="list-style-type: none"> <li>Phasing services back based capacity/resources</li> <li>Continuation of Online services</li> </ul>	<ul style="list-style-type: none"> <li>Adjust to citizen expectation</li> <li>Expansion of on-line services and different delivery methods</li> </ul>
<b>Community Engagement</b>	<ul style="list-style-type: none"> <li>Education</li> <li>Communication</li> <li>Public Trust</li> <li>Financial support</li> </ul>	<ul style="list-style-type: none"> <li>Adapting to changing social norms and public expectation for physical distancing</li> </ul>	<ul style="list-style-type: none"> <li>Creating new ways to engage citizens</li> <li>Adapting programs and services to met new normal</li> </ul>
<b>City Workforce</b>	<ul style="list-style-type: none"> <li>Remote working</li> <li>Redeployment</li> <li>ITS and HR focus</li> <li>Safety of frontline staff</li> </ul>	<ul style="list-style-type: none"> <li>Reopening office phased manner</li> <li>Continue remote working</li> <li>Adapt workplace</li> </ul>	<ul style="list-style-type: none"> <li>New normal</li> <li>Changes to physical spaces</li> <li>More remote working</li> </ul>
<b>Local Economy</b>	<ul style="list-style-type: none"> <li>Engage businesses</li> <li>Financial supports</li> <li>Promote local procurement</li> </ul>	<ul style="list-style-type: none"> <li>Partner with business and other levels of government on recovery strategies</li> </ul>	<ul style="list-style-type: none"> <li>Business transformation and innovative business models</li> </ul>
<b>Continuous Evaluation</b>	<ul style="list-style-type: none"> <li>Adapting to situations and improving on the go</li> </ul>	<ul style="list-style-type: none"> <li>Reflect back and recommend future changes</li> </ul>	<ul style="list-style-type: none"> <li>Lasting improvements</li> </ul>

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## Special Thanks to our Frontline Staff





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**From:** Van Dusen, Regina on behalf of Regional Clerk  
Monday, March 2, 2020 4:03 PM

**Subject:** Regional Council Decision - Potential Development Charge Bylaw Amendment and Interest Policy – Bill 108, More Homes, More Choice Act, 2019

**Attachments:** Potential Development Charge Bylaw Amendment and Interest Policy Bill 10....pdf

**CAUTION: This email originated from a source outside the City of Markham. DO NOT CLICK on any links or attachments, or reply unless you recognize the sender and know the content is safe.**

On February 27, 2020, Regional Council made the following decision:

1. Council approve the charging of interest pursuant to sections 26.1 and 26.2 of the *Development Charges Act, 1997*:
  - a. Effective as at January 1, 2020
  - b. At a rate of 5% compounded annually
  - c. Notwithstanding Recommendation 1b, a rate of 0% be used for payments under section 26.1, beginning at building permit, for developments that have taken advantage of a Regional development charge incentive and/or relief, current or future
2. Council approve the policy in Attachment 1, to administer the charging of interest in Recommendation 1
3. Council delegate authority to the Commissioner of Finance to schedule and give notice for a public meeting(s) required by the *Development Charges Act, 1997*
4. The Regional Clerk circulate this report to the local municipalities and to the Building Industry and Land Development Association – York Chapter (BILD).

The original staff report is attached for your information.

Please contact Edward Hankins, Director, Treasury Office at 1-877-464-9675 ext. 71644 if you have any questions with respect to this matter.

Regards,

**Christopher Raynor** | Regional Clerk, Office of the Regional Clerk, Corporate Services

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The Regional Municipality of York | 17250 Yonge Street | Newmarket, ON L3Y 6Z1  
1-877-464-9675 ext. 71300 | [christopher.raynor@york.ca](mailto:christopher.raynor@york.ca) | [york.ca](http://york.ca)

Our Mission: **Working together to serve our thriving communities – today and tomorrow**



# The Regional Municipality of York

Committee of the Whole  
Finance and Administration  
February 6, 2020

Report of the Commissioner of Finance

## Potential Development Charge Bylaw Amendment and Interest Policy – Bill 108, *More Homes, More Choice Act, 2019*

### 1. Recommendations

1. Council approve the charging of interest pursuant to sections 26.1 and 26.2 of the *Development Charges Act, 1997*:
  - a. Effective as at January 1, 2020
  - b. At a rate of 5% compounded annually
  - c. Notwithstanding Recommendation 1b, a rate of 0% be used for payments under section 26.1, beginning at building permit, for developments that have taken advantage of a Regional development charge incentive and/or relief, current or future
2. Council approve the policy in Attachment 1, to administer the charging of interest in Recommendation 1
3. Council delegate authority to the Commissioner of Finance to schedule and give notice for a public meeting(s) required by the *Development Charges Act, 1997*
4. The Regional Clerk circulate this report to the local municipalities and to the Building Industry and Land Development Association – York Chapter (BILD).

### 2. Summary

This report updates Council on key policy initiatives staff plan to undertake in 2020 to respond to recent changes introduced by Bill 108, *More Homes, More Choice Act, 2019* (“Bill 108”), and further amended by Bill 138, *Plan to Build Ontario Together Act, 2019* (“Bill 138”). The proposed work plan helps to ensure the Region can continue to recover growth-related infrastructure costs while balancing stakeholder concerns.

#### Key Points:

- There are three key elements to staff’s recommended policy response to Bill 108: a new Development Charge Interest Policy, an amendment to the Region-wide Development Charge Bylaw, and a potential new Community Benefits Charge Bylaw

- Charging interest on frozen and phased development charges as permitted by the legislation could help mitigate negative financial impacts of Bill 108 and encourage timely development, while providing transparency and certainty to developers
- Amending the Region's Development Charge Bylaw in 2020 could achieve alignment with legislative changes, and address other policy and administrative issues
- Timing of a new Community Benefits Charge Strategy and Bylaw will depend on when the Province finalizes the related regulations

### 3. Background

#### **Bill 108 changed how municipalities recover growth-related infrastructure costs**

Development charges are the primary source of revenue to fund growth-related infrastructure. Bill 108, which received Royal Assent on June 6, 2019, amended the *Development Charges Act, 1997*, ("Act") and the *Planning Act, 1990* in ways that impact how municipalities determine and collect development charges. As of this writing, the Province has issued the finalized regulations pertaining to changes to the Act, while some regulations related to changes to the *Planning Act, 1990* are still forthcoming.

#### **Beginning on January 1, 2020, development charge rates are frozen at application, and some types of developments can phase their payments**

The sections of Bill 108 pertaining to the freezing of rates and phased payments came into effect on January 1, 2020. Prior to these changes, development charges were typically calculated and charged at the prevailing rate at building permit issuance. Development charge rates are now frozen at site plan application or zoning bylaw application date. The rates would be reassessed and refrozen upon resubmission. Once the application is approved, building permit issuance must occur within two years to maintain the frozen rate.

In addition, under Bill 108, as amended by Bill 138, institutional and rental housing development can now defer development charge payment to first occupancy and have payments phased in equal instalments annually over five years. In the case of non-profit development, the phasing period is 20 years.

#### **Bill 108 also introduced other changes to the Act that have not been proclaimed**

Other sections of Bill 108 that amend the Act, such as the list of development charge eligible services and removal of the 10% statutory deduction, have not yet been proclaimed. Staff anticipate these changes may be proclaimed together with the proclamation of the community benefits charges regime. Based on the previously proposed regulatory framework in the summer of 2019, the deadline to enact a new community benefits charge bylaw could be January 1, 2021. However, as of this writing, the Province has not released the proposed regulations regarding the prescribed percentage caps and community benefits charges formula. Staff will continue to monitor the legislative and regulatory changes, participate in any consultative process that is initiated and report back to Council as appropriate.

## 4. Analysis

### **The Province has taken positive steps to address concerns raised by York Region and other municipalities pertaining to Bill 108 and the regulatory framework**

Since the Province tabled Bill 108, Regional staff have been diligent in reviewing and providing feedback to the Province on the proposed legislation and regulatory framework. Staff's comments on the proposed legislation and regulatory framework can be found in previous reports to Council on [June 6, 2019](#) and [September 19, 2019](#) respectively. Table 1 summarizes areas where positive changes have been made by the Province.

**Table 1**  
**Summary of Changes Made by the Province**

Area	Initial Provincial Position	Change as Result of Feedback
Eligible services for development charges	Paramedic services was not an eligible service	Paramedic services now development charge eligible
Development eligible for delayed and phased payments	Commercial and industrial developments were eligible for delayed and phased payments	Commercial and industrial developments are no longer eligible
Development charge exemption	Unclear if exemption for additional units comprising less than 1% of existing units applies to rental only	Province prescribed the exemption applies only to rental buildings

As a result of the positive changes made by the Province, the Region's exposure to the negative impacts of Bill 108 has been reduced compared to what was previously anticipated. While staff welcome the above changes, not all of staff's recommendations have been adopted. Most notably, there is no 'sunset period' between the application date and building permit issuance for the freezing of rates. Additionally, Bill 138 provided developers with a right of appeal on the community benefits charge bylaw to the Local Planning Appeals Tribunal; an unintended consequence of which could be delays in the development process, as more cases are brought before the Local Planning Appeals Tribunal.

### **DEVELOPMENT CHARGE INTEREST POLICY**

#### **Bill 108 provided municipalities with a flexible framework to charge interest**

Bill 108 allows municipalities to charge interest on frozen and phased development charges. Neither Bill 108 nor the accompanying regulatory framework prescribes how a municipality should implement this interest charge. The Province indicated that it does not intend to prescribe a maximum interest rate, even though the legislation allows it to do so through regulations. Municipalities have the flexibility to design an interest charging program.

Staff recommend an interest charging framework as described in Attachment 1 to support the Region in charging interest as permitted through legislation in a manner that is transparent and simple to administer. Having a policy provides clarity to stakeholders. Charging interest on frozen development charges can help encourage timely development, because the interest owed will continue to accumulate until a developer pulls a building permit to begin construction. It also helps ensure costs are not unfairly passed on to future development.

### **Developers could lock in development charge rates for many years**

The regulations do not limit how long developers can freeze development charge rates between the application date and building permit date. Consequently, it is now possible for developers to freeze development charges over multiple bylaws. Timing of the development application process is tied to a number of factors such as the timing of application submission, quality of submission, status of related Official Plan amendments, complexity, timing of infrastructure delivery, and market conditions. As a result, there can be significant variability in the amount of time between application and building permit.

Overall, developments proceeding through the site plan process typically take less time to achieve building permit issuance from the date of application compared to those proceeding through the plan of subdivision process. In the past, approximately 50% of developments proceeding through a plan of subdivision took between two and five years to achieve building permit issuance from the date of the initial zoning bylaw amendment application. Some have taken upward of 25 years from submission of application to building permit.

### **The freezing of rates could constrain the Region's ability to fund vital growth-related projects**

Allowing freezing of rates disconnects the cost of infrastructure and the rates charged. The Region's current development charge bylaw has a forecast horizon of 2031 and does not capture the numerous projects needed to support growth beyond that time period. The Yonge Subway Extension, for which the Province recently announced partial funding, is not currently in the Region's Development Charge Bylaw. Allowing developers to lock in current rates would mean many of those benefiting from the subway extension would not have paid for it through development charges.

Freezing of rates could also impede the cost recovery of projects sized to provide a benefit to growth beyond the forecast period of the Region's Bylaw, including projects such as the Upper York Water Reclamation Centre. This is because development charge rates must exclude post period benefit, which may only be recovered under future bylaws. This portion of the cost may not be effectively passed on to developments that have frozen their rates.

Finally, development charge rates could increase significantly at every bylaw update or amendment for a number of reasons, including cost escalations, new projects, and changing cost allocations. Since the 2012 bylaw, Regional development charge rates for single detached dwellings increased at an average annual rate of 6%, which is on par with the annual increase in the price of a new single detached dwelling unit. Between bylaw updates or amendments, development charge rates are indexed annually in accordance with Statistics Canada Quarterly Construction Price Statistics.

## **Staff recommend an interest rate of 5% on frozen development charges**

As it pertains to the freezing of development charges, the interest would apply to developers who lock in development charge rates under section 26.2 of the Act, that is, developers who submit a site plan application or zoning bylaw amendment application on or after January 1, 2020. For developers proceeding without a zoning bylaw amendment or site plan application, development charges would continue to be calculated and payable at building permit.

Staff recommend an interest rate of 5% be used for frozen development charges. This is based on the average historical growth in the Statistics Canada Non-residential Building Construction Price Index for Toronto plus consideration based on the average historical fluctuation to the index to mitigate the risk of cost fluctuations to the Region. Interest shall continue to accrue and be compounded annually beginning from the date of the application until the date development charges are paid. The interest rate could be updated by Council at any time and the new interest rate applies on a going forward basis, including all active developments. Table 2 summarizes the key features and rationale for the proposed policy.

**Table 2**  
**Key Features of the Proposed Development Charge Interest Policy**

Feature	Description
Fixed rate	<ul style="list-style-type: none"> <li>Provides transparency and cost certainty to developers</li> </ul>
Compounded annually	<ul style="list-style-type: none"> <li>Compounded interest is reflective of the Region's cost and helps encourage timely development</li> </ul>
Prorated to the date	<ul style="list-style-type: none"> <li>Prorating the interest to the date ensures the interest rate is applied fairly for the period of the interest charge</li> </ul>
Effective Date – Retroactivity and Transition	<ul style="list-style-type: none"> <li>The Policy retroactively takes effect as at January 1, 2020</li> <li>For building permits issued prior to July 1, 2020, no interest will be charged on frozen development charges as the rates have not changed</li> </ul>

## **Staff recommend charging a 5% interest rate for phased development charges, but in instances that support broader policy objectives, a rate of 0% be used**

The types of development eligible for the phased payment plan are institutional development (e.g., long-term care homes, retirement homes, post-secondary institutions, Royal Canadian Legion memorial home, clubhouse or athletic grounds, and hospices), purpose-built rental, and non-profit housing development. Most of these developments could receive development charge relief under existing Regional policies. Attachment 2 summarizes the Region's current development charge treatment for the types of development eligible for phased payments.

As is the case with the frozen development charges, staff recommend charging an interest rate of 5%. However, for developments that have taken advantage of a Regional

development charge relief and/or incentive, a 0% interest rate be used during the phased payment plan period. These developments would still be subject to interest on the frozen portion of development charges.

### **Developers who delay and phase payments are not required to provide security under the legislation**

Under Section 26.1 of the Act, developers are not required to provide municipalities with any form of security to delay and phase development charge payments. For those developments that are subject to a 5% interest charge for the phased payment period, staff recommend that no security be required. There will be limited risk exposure to the Region, as only a small number of developments would fall into this category. This is largely due to the removal of the eligibility of commercial and industrial developments for the phased payments through Bill 138. In cases where developers have taken advantage of a Regional development charge relief or incentive, the Region's interests are already secured (e.g., letter of credit, agreement, collateral mortgage etc.).

### **Other municipalities charge interest under sections 26.1 and 26.2**

As of January 1, 2020 the City of Toronto began charging interest for both frozen and phased development charges. For frozen development charges, the City of Toronto is charging a rate of 1.5% per month capped at their scheduled rate increase in November 2020. In the instances of the phased development charges, the City of Toronto is charging:

- With security, its cost of capital if security is provided
- Without security, the higher of the Canadian Bank Prime rate plus 5% or the market rate for construction financing

The City of Ottawa has also begun charging a rate equal to the greater of the Infrastructure Construction Price Index for Ottawa plus 0.5%, which staff estimate to be 6.3% (5.8%+0.5%), and the average annual rate at which the City issues debentures to fund development charge projects plus 0.5%. Based on consultation, it is expected that many of the Region's other neighbouring and local municipalities will soon address this issue.

### **Staff have engaged external stakeholders**

Staff have consulted with both the local municipalities and the Building Industry and Development Association – York Chapter (BILD) on the administrative process for the interest charge. As with any new policy, staff will continuously monitor the policy's effectiveness and make adjustments if needed.

## **DEVELOPMENT CHARGES BYLAW AMENDMENT**

### **The 2020 Development Charge Bylaw amendment could reflect legislative changes and review a number of administrative and policy issues**

A 2020 Development Charge Bylaw amendment could reflect legislative changes and address some policy and administrative issues. It would be limited in scope and would only

amend specific areas in the bylaw. It does not repeal or replace the existing bylaw and rights of appeal are limited to the areas amended. Specific areas of review include, but are not limited to:

- Removing the 10% statutory deduction for waste diversion and paramedic services and removing soft services that will be funded from community benefits charges
- Reviewing the development charge treatment of stacked townhomes
- Determining if the floor space per worker assumption should be adjusted
- Revising the wording regarding timing of payment and other areas for added clarity

### **The 2020 Development Charge Bylaw amendment could be tabled in September**

Under the Act, the development charge background study must be made publicly available at least 60 days prior to the passing of the development charge bylaw. Additionally, at least one public meeting must be held, with at least 20 days' notice and the proposed bylaw and background study made available to the public at least two weeks prior to the public meeting. Table 3 describes the statutory requirements, Council engagements, and applicable tentative dates. This proposed timeline aligns with the anticipated transition date of January 1, 2021 for the community benefits charge bylaw, and provides staff with time to consider issues that may arise from the public meeting.

**Table 3**  
**Key Dates in Development Charge Bylaw Process**

<b>Deliverable</b>	<b>Tentative Date*</b>	<b>Time Elapsed</b>
2020 Development Charge Bylaw amendment report and presentation to Committee of the Whole Week 2	September 3	
2020 Development Charge Background study and bylaw amendment tabled with Regional Council and publicly released, and notice of public meeting published in all local Metroland newspapers	September 24	
Public meeting immediately prior to Committee of the Whole Week 2	October 15	
2020 Development Charge Bylaw amendment to Council for approval	December 17	
2020 Development Charge Bylaw amendment and rates come into effect	January 1, 2021	

\*Note: These dates are subject to revision based on the 2020 Council and Committee schedule. If a second public meeting is required, it could be held on November 12 or 19.

## **Staff will engage external stakeholders throughout the 2020 Development Charge Bylaw amendment process**

Staff will engage with local municipalities, representatives of the Building Industry and Land Development Association – York Chapter (BILD), non-residential developers and other stakeholders. This consultation process will help ensure all stakeholders understand the Region's infrastructure investments, methodologies and assumptions for calculating and attributing growth related capital costs.

## **York Region is expected to pay for a share of the cost for the Yonge Subway Extension, however there are still many unknowns**

Staff have started to look at potential options to fund the Yonge Subway Extension, but the scope of the review is beyond what is proposed for the 2020 Development Charge Bylaw amendment. There are still many unknowns that could have significant implications to the Region's development charge, including the cost sharing arrangement with other levels of government, the share of non-development charge eligible costs, the scope of work, cost estimates, and the planning time horizon.

Given the number of unknowns, including it as part of the 2020 Development Charge bylaw amendment could expose the Region to the risk of appeal. As such, staff recommend that the Yonge Subway Extension be addressed as part of the 2022 Development Charge Bylaw update, after the Municipal Comprehensive Review and master plan processes are complete, assuming more details become available during this time.

## **COMMUNITY BENEFITS CHARGES**

### **Local municipalities will be impacted more significantly**

Community benefits charges replace parkland dedication, density bonusing and certain soft service development charges. The amount of the community benefits charge is based on a percentage of the value of land being developed or redeveloped on the day before the day a building permit is issued, up to a maximum percentage that will be prescribed in regulation.

Community benefits charges will be an important source of revenue for local municipalities as a greater share of local municipal development charge services will be replaced by the new community benefits charge regime, in addition to parkland dedication and density bonusing. For York Region, community benefits charges will help fund growth-related capital costs for public health, court services, senior services and social housing, which currently account for 0.6% of the single detached development charge. York Region does not collect revenues for parkland dedication or density bonusing.

### **The timing of a new Community Benefits Charge Bylaw is contingent on Provincial direction**

The Province has not yet released additional regulatory guidance governing community benefits charges. There remains a number of unknowns that could be clarified through regulation, including the prescribed percentage cap on the charge, methodology to calculate



the charge, treatment of reserves, and administration in a two-tier jurisdiction. Staff will report back to Council with a more detailed timeline and work plan for the Community Benefits Charge bylaw when the regulations are finalized.

## **5. Financial**

Development charges are the primary source of funding growth-related capital infrastructure in the Region. Charging an annual interest of 5% could potentially increase development charge collections by \$176 million over the five year period from 2020 to 2024, compared to the forecast developed for the 2020 Regional budget. The full financial impact of the Policy will not be clear until the Region begins collecting development charges under the provisions of the frozen rates and phased payments.

Passing a development charge bylaw amendment and a new community benefits charge bylaw helps the Region continue to recover growth related capital costs as allowable through legislation while balancing stakeholder concerns and broader policy objectives.

## **6. Local Impact**

The changes introduced by Bill 108 have administrative implications that require integrative process changes at both the regional and local municipal level. Local municipalities are key partners in the efforts to develop and implement the Development Charge Interest Policy. Local municipalities collect development charges for those charges that are payable upon building permit issuance. For this reason, any Regional policy to govern charging interest on frozen and phased development charges must be clearly understood and supported by all local municipalities. Furthermore, local municipalities may wish to develop their own interest charging policies. A coordinated effort will help ensure the policy can be rolled out as smoothly as possible.

Regional staff have engaged with local municipalities to implement the required administrative process changes, including the application of an interest charge on frozen development charges, and will continue to coordinate with local municipalities to track the timing of development charge rate determination and payments. Additionally, regular consultations with the local municipalities may be needed to coordinate the community benefits charges when the regulations are finalized to ensure concerns are appropriately considered and addressed.

## **7. Conclusion**

Charging interest on frozen and phased development charges could help mitigate the impact of Bill 108 by helping to improve cost recovery and encouraging developers to proceed with development in a timely manner. Amending the development charge bylaw prior to its expiry provides an opportunity to revisit specific assumptions and methodologies to better achieve full cost recovery, because of changes introduced by Bills 108 and 138.

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For more information on this report, please contact Edward Hankins, Director, Treasury Office at 1-877-464-9675 ext. 71644. Accessible formats or communication supports are available upon request.

Recommended by: **Laura Mirabella, FCPA, FCA**  
Commissioner of Finance and Regional Treasurer

Approved for Submission: **Bruce Macgregor**  
Chief Administrative Officer

January 24, 2020  
Attachments (2)  
eDOCS# 10311725



Status: Draft

## **Development Charge Interest Policy – Under sections 26.1 and 26.2 of the *Development Charges Act, 1997***

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Approved By: Council

Approved On: DRAFT

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### **Policy Statement**

A policy governing the charging of interest, as permitted under sections 26.1 and 26.2 of the *Development Charges Act, 1997*.

### **Application**

This policy applies to the charging of interest, as permitted under sections 26.1 and 26.2 of the *Development Charges Act, 1997*. This includes all types of development in York Region:

- That are eligible for instalment payments under section 26.1 of the *Development Charges Act, 1997*
- Under section 26.2 of the *Development Charges Act, 1997*, where an application for approval of development in a site plan control area under subsection 41(4) of the *Planning Act, 1990* has been made, or where an application for an approval of a development in a site plan control area under subsection 41(4) of the *Planning Act* has not been made, but where an application has been made for an amendment to a bylaw passed under section 34 of the *Planning Act, 1990*

### **Purpose**

The purpose of this policy is to establish the rules and practices for charging interest, as permitted under sections 26.1 and 26.2 of the *Development Charges Act, 1997*.

This policy will support York Region's ability to build growth-related infrastructure in a way that is fiscally sustainable and will help achieve the following outcomes:

Development Charge Interest Policy – Under sections 26.1 and 26.2 of the  
*Development Charges Act, 1997*

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- Good government providing reliable Regional programs and services
- Continued delivery of complete communities in a fiscally sustainable way
- Fair and equitable treatment of all stakeholders involved in delivering housing supply, including residents, businesses, municipalities and developers

## Definitions

**Act:** The *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended, revised, re-enacted or consolidated from time to time, and any successor statute

**Development:** The construction, erection or placing of one or more buildings or structures on land. This includes the making of an addition or alteration to a building or structure that has the effect of:

- Increasing the size, or
- Changing the use from non-residential to residential or from residential to non-residential and includes redevelopment

**Development Charge(s):** York Region's development charges, including the area-specific wastewater development charges for the Village of Nobleton.

**Total Accrued Amount:** Equal to the total of the development charges and interest which has accrued

## Description

### 1. Legislative Framework

#### a) Installment Payments under section 26.1 of the Act

Under subsections 26.1(1), (2) and (3) of the Act, development charges shall be paid in equal annual instalments, beginning at the earlier of first occupancy or occupancy permit under the *Building Code, Act, 1992*, for:

- Rental housing development that is not non-profit housing development
- Institutional development
- Non-profit housing development

#### b) Interest on Installment Payments under section 26.1 of the Act

Subsection 26.1(7) of the Act allows a municipality to charge interest on the instalments from the date the development charges would have been payable,

Development Charge Interest Policy – Under sections 26.1 and 26.2 of the  
*Development Charges Act, 1997*

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under section 26 of the Act, to the date the instalment is paid, at a rate not exceeding the prescribed maximum interest rate.

c) Development Charge Freeze under section 26.2 of the Act

Under subsection 26.2(1) of the Act, the total amount of a development charge is determined under the Region's Development Charge Bylaw on:

- i) The day an application for an approval of development under subsection 41(4) of the *Planning Act* was made, or
- ii) If clause (i) does not apply, the day an application for an amendment to a bylaw passed under section 34 of the *Planning Act* was made.

d) Interest under section 26.2 of the Act

Under subsection 26.2(3) of the Act, a municipality may charge interest on the development charge, at a rate not exceeding the prescribed maximum interest rate, from the date of the application referred to in clause c(i) or c(ii) to the date the development charge is payable.

e) Maximum Interest Rate under sections 26.1 and 26.2

The Act allows a municipality to charge interest on the development charge at a rate not exceeding the prescribed maximum interest rate.

There is no prescribed maximum interest rate under subsections 26.1 and 26.2 of the Act.

## 2. Interest Rate Used

- a) An interest rate of 5% shall be used.
- b) Notwithstanding clause 2(a), a rate of 0% shall be used for payments under section 26.1, beginning at building permit, for developments that have taken advantage of a Regional development charge incentive and/or relief, current or future.

## 3. Amendment or Revision to Interest Rates:

In the event the interest rate is amended or revised, the new interest rate shall apply to the total accrued amount, prorated from the date of the interest rate amendment or revision to:

- The date the total accrued amount is fully paid, or
- A subsequent amendment or revision of the interest rate

#### 4. Interest Rate Publication and Notification

Upon Council approval, this policy and the interest rates being used shall be made available on the Region's [development charges website](#).

The interest rates shall also be published as part of the Region's development charges pamphlet publication.

#### 5. Compounding and Prorating:

All interest shall be compounded annually and shall accrue from the date of the applicable application until the date the total accrued amount is fully paid. A 365 day calendar year shall be used for the purposes of prorating.

##### a) Subsequent Application(s)

If a subsequent application(s) is made for a development:

- The date the subsequent application is made will become the new date under which the total amount of the development charge is determined
- All interest that had accrued prior to the subsequent application shall be deemed to be zero (0)
- Interest will be compounded annually and begin to accrue from the date the subsequent application is made

##### b) Interest under section 26.1

If a development was one of the eligible types of development for the instalment payments under section 26.1 of the Act, the total accrued amount shall continue to accrue interest from the date of the issuance of a building permit.

During the instalment timeframe, interest shall continue to accrue on the outstanding balance. This shall continue until the date the total accrued amount has been fully paid.

#### 6. Effective Date

Upon approval by Regional Council, this policy shall take effect as at January 1, 2020 at 12 a.m. This policy may be repealed and/or modified by Regional Council at any time.

#### 7. Transition

To allow for a transition period, this policy does not apply to any development where:

- a) An application under sections 34 or 41(4) of the *Planning Act* is not required, but:

Development Charge Interest Policy – Under sections 26.1 and 26.2 of the *Development Charges Act, 1997*

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- Still qualifies for instalment payments under section 26.1 of the Act, and
  - Has been issued a building permit for development by a local municipality prior to July 1, 2020
- b) An application under subsection 41(4) of the *Planning Act* is:
- Made after January 1, 2020, and
  - Has been issued a building permit for development by a local municipality prior to July 1, 2020
- c) An application for an amendment to a bylaw passed under section 34 of the *Planning Act* is:
- Made after January 1, 2020, and
  - Has been issued a building permit for development by a local municipality prior to July 1, 2020

## Responsibilities

### **Director, Treasury Office, Finance Department**

- Administer this policy, including but not limited to:
  - Assisting stakeholders in determining the total amount of the development charge that would be determined under the bylaw and the applicable interest rate that would apply
  - Ensure the total accrued amount is being charged and collected when due
- Working with local municipalities to ensure the policy is administered correctly

### **Director, Strategy and Transformation, Finance Department**

- Collect all development charges, including interest, when due and payable

### **Director, Community Planning and Development Services, Corporate Services Department**

- Confirm, in consultation with local municipality, that a complete application was made for the purposes of determining the total amount of the development charge

Development Charge Interest Policy – Under sections 26.1 and 26.2 of the *Development Charges Act, 1997*

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## Compliance

The **Director, Treasury Office** shall monitor all development applications, and in consultation with the **local municipality** ensure the correct amount of the development charge is being used.

The **Director, Treasury Office** shall ensure that this policy is being administered correctly.

The **Director, Strategy and Transformation**, in consultation with the **Director, Treasury Office** and the **local municipality**, shall ensure the correct amount is being used to determine the total development charge collections, and that the correct amount of interest has been received.

## Reference

### Legislative and other authorities

- [Bill 108, More Homes, More Choice Act, 2019](#)
- [Bill 138, Plan to Build Ontario Together Act, 2019](#)
- [Development Charges Act, 1997, S.O. 1997, c. 27](#)
- [Ontario Regulation 454/19](#)
- [Ontario Regulation 82/98](#)
- [Planning Act, R.S.O. 1990, c. P.13](#)
- [York Region Development Charges Bylaw No. 2017-35](#)
- [York Region Development Charges Bylaw Amendment No. 2018-42](#)

### Appendices

- Council Report, [Bill 108, More Homes, More Choice Act, 2019 - Update and Next Steps](#), February 27, 2020 (hyperlink to be added)

## Contact

Director, Treasury Office, Finance Department at extension 71644

Director, Community Planning, Corporate Services Department at extension 71505



## Approval

Council Date:	Committee Date:
Council Minute Item:	Committee Minute Item:

#10439947

DRAFT

## ATTACHMENT 2

## Development Charge Treatment for Developments Eligible under Section 26.1 of the *Development Charges Act, 1997*

Types of Development Eligible for Phased Payments under section 26.1 of the <i>Development Charges Act, 1997</i> *	Development Charge Treatment under Development Charge Bylaw <a href="#">2017-35</a>	Potential Development Charge Relief Available
<b>Institutional development:</b>		
<ul style="list-style-type: none"> <li>• Retirement homes</li> <li>• Long-term care homes</li> <li>• Hospices</li> <li>• Post-secondary institutions (including universities and colleges)</li> <li>• Royal Canadian Legion memorial homes, clubhouses or athletic grounds</li> </ul>	Industrial, Office and Institutional (IOI) development charge rate	Exempt, or deferred, from Regional development charges subject to sections 3.5.1 and 3.5.2 of the Region's Development Charge Bylaw ( <a href="#">2017-35</a> ) and/or applicable university/college statute
<b>Residential development:</b>		
For-profit rental housing	Applicable residential development charge rates	Eligible for interest free development charge deferral of between 3 and 20 years**
Non-profit housing development	Applicable residential development charge rates	<p><i>Ownership:</i> Development charge deferral or exemption for housing built by Habitat for Humanity</p> <p><i>Rental:</i> Grant equivalent to all, or a portion, of the Regional development charges payable***</p>

\*Note: As defined in Ontario Regulation 454/19, amending Ontario Regulation 82/98

\*\*Note: Subject to the Terms of the applicable policies, duration of deferral dependent on level of affordability. Interest waiver is subject to the Terms of the applicable policies

\*\*\*Note: Subject to sections 3.5.1 and 3.5.2 of the Region's Development Charge Bylaw ([2017-35](#)) and to the Terms of the Region's the Municipal Housing Facilities Bylaw ([2010-28](#))

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**From:** Van Dusen, Regina on behalf of Regional Clerk  
Monday, March 2, 2020 4:06 PM

**Subject:** Regional Council Decision - Regional Fire Service

**CAUTION: This email originated from a source outside the City of Markham. DO NOT CLICK on any links or attachments, or reply unless you recognize the sender and know the content is safe.**

On February 27, 2020, Regional Council made the following decision:

1. WHEREAS the consolidation of Aurora and Newmarket fire services into Central York Fire Service has resulted in efficiencies through enhanced levels of fire service and cost efficiencies;
2. WHEREAS a Regional Fire Service may achieve further operating efficiencies, improved department structure, increased service level(s), and cost avoidance opportunities;
3. BE IT RESOLVED THAT the Regional Clerk share this motion with local municipal Councils requesting a resolution by May 29, 2020 indicating whether they support proceeding with a study on the potential creation of a Regional Fire Service.

Please contact me at 1-877-464-9675 ext. 71300 if you have any questions with respect to this matter.

Regards,

**Christopher Raynor** | Regional Clerk, Office of the Regional Clerk, Corporate Services

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The Regional Municipality of York | 17250 Yonge Street | Newmarket, ON L3Y 6Z1  
1-877-464-9675 ext. 71300 | [christopher.raynor@york.ca](mailto:christopher.raynor@york.ca) | [york.ca](http://york.ca)

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**From:** Switzer, Barbara on behalf of Regional Clerk  
Monday, March 2, 2020 3:28 PM

**Subject:** Regional Council Decision - Response to Ontario Ministry of Health's Discussion Paper on Public Health Modernization

**Attachments:** Response to Ontario Ministry of Health's Discussion Paper on Public Heal....pdf

**CAUTION: This email originated from a source outside the City of Markham. DO NOT CLICK on any links or attachments, or reply unless you recognize the sender and know the content is safe.**

On February 27, 2020 Regional Council as the Board of Health made the following decision:

1. York Region Board of Health, approve Attachment 1 as York Region's response to the Ontario Ministry of Health's Discussion Paper on Public Health Modernization.
2. The Regional Clerk circulate the Region's response to the following: Ministry of Health, Members of Provincial Parliament in York Region, Clerks of the nine Local Municipalities, Canadian Union of Public Employees Local 905 (York Region Unit), Ontario Nurses Association Local 16, Association of Municipalities of Ontario, Association of Local Public Health Agencies and Chairs of 35 Boards of Health in Ontario.

The original staff report is attached for your information.

Please contact Dr. Karim Kurji, Medical Officer of Health at 1-877-464-9675 ext.74012 if you have any questions with respect to this matter.

Regards,

**Christopher Raynor** | Regional Clerk, Regional Clerk's Office, Corporate Services

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The Regional Municipality of York | 17250 Yonge Street | Newmarket, ON L3Y 6Z1  
O: 1-877-464-9675 ext. 71300 | [christopher.raynor@york.ca](mailto:christopher.raynor@york.ca) | [www.york.ca](http://www.york.ca)

Our Mission: **Working together to serve our thriving communities – today and tomorrow**

# The Regional Municipality of York

Board of Health  
Community and Health Services  
February 27, 2020

Report of the Commissioner of Community and Health Services and Medical Officer of Health

## Response to Ontario Ministry of Health's Discussion Paper on Public Health Modernization

### 1. Recommendations

1. York Region Board of Health, approve Attachment 1 as York Region's response to the Ontario Ministry of Health's Discussion Paper on Public Health Modernization.
2. The Regional Clerk circulate the Region's response to the following: Ministry of Health, Members of Provincial Parliament in York Region, Clerks of the nine Local Municipalities, Canadian Union of Public Employees Local 905 (York Region Unit), Ontario Nurses Association Local 16, Association of Municipalities of Ontario, Association of Local Public Health Agencies and Chairs of 35 Boards of Health in Ontario.

### 2. Summary

This report seeks Council and York Region Board of Health's approval of the Region's proposed response (Attachment 1) to the Ministry of Health's (Ministry) [Discussion Paper: Public Health Modernization](#) (Discussion Paper), which seeks stakeholder feedback on potential solutions for the modernization of public health services in Ontario.

#### Key Points:

- The Ministry's consultation process is an important opportunity for municipalities to provide input on the path forward for modernizing public health in Ontario
- Challenges identified by the Ministry that may exist in some communities, are not experienced by York Region to the extent described. This is due to supports inherent in York Region Public Health's integrated governance model within a municipal structure. The Ministry could focus on implementing any required changes to support and strengthen communities with capacity issues. Broad structural changes are not required or recommended
- York Region Public Health is best positioned to address social determinants of health as part of its integration with York Region. Public Health, together with local municipalities, efficiently and effectively meets the needs of York Region residents

- Boundary, governance or other large structural changes will negatively impact existing partnerships and service delivery. Time and resources will be required to re-establish partnerships and operate a new organization
- The Region is a major partner in delivering public health services. The Region's contributions, both mandated and additional, have grown from \$19.1 million in 2016 to \$24.2 million in 2019. A modernized Public Health system needs to respect this municipal partnership and allow for local flexibility in meeting Ontario Public Health Standards
- A Provincially-coordinated and centralized technology solution strategy is the biggest opportunity to drive efficiencies, better manage risk and improve customer service quality. This would also reduce duplication in public health units across the province, improve data quality and save money

### 3. Background

#### Province plans to modernize public health in Ontario

In [October 2019](#), the Province appointed Jim Pine, Chief Administrative Officer of Hastings County, as the Provincial Advisor to lead province-wide consultations on public health modernization. By transforming and strengthening public health, the Province seeks to achieve the following outcomes:

- Better consistency and equity of service delivery across the province
- Improved clarity and alignment of roles and responsibilities between the Province, Public Health Ontario and local public health units
- Better relationships with primary care and the broader health care system to support the goal of ending hallway health care through improved health promotion and disease prevention
- Improved public health delivery and sustainability of the system

In November 2019, the Ministry released a [Discussion Paper: Public Health Modernization](#), inviting stakeholders to provide input and advice on four key challenges in the public health sector identified by the Ministry:

1. Insufficient capacity
2. Misalignment of health, social and other services
3. Duplication of effort
4. Inconsistent priority setting

In [January 2020](#), staff presented and received feedback at Committee of the Whole on the proposed advice to be incorporated into the Region's formal response to the Ministry.

York Region was invited to a Provincial consultation scheduled for January 28, 2020, which was postponed by the Ministry on January 27, 2020 to enable readiness planning for the COVID-19 (Coronavirus Disease 2019). At this time a new date has not been set for the consultation.

## 4. Analysis

### **The Region's response is based on our Public Health experiences with each of the four challenges raised by the Province**

The Ministry's Discussion Paper is organized around four key challenges, and the Region's proposed response (Attachment 1) to the questions in the Discussion Paper follows the same format. For each challenge, the Region describes its experiences, identifies best practices, and offers specific advice on how to tackle the challenge.

The proposed response is not limited to questions in the Discussion Paper. It is prefaced with general comments, including information on the position Council has previously taken on the governance, geography and funding of York Region Public Health, and a description of why Public Health works so well in York Region.

Our response also aligns with recommendations provided by the Association of Municipalities of Ontario to the Province in its formal response released [February 10, 2020](#).

### **The Region has advised the Ministry that governance, geography, integrated service delivery model and funding levels should not change**

In [June 2019](#), Council and York Region Board of Health responded to proposed changes to public health announced in the 2019 Ontario Budget, stating:

- The restructured public health entity should include only the existing geographic area of York Region, as the Region's current population is large enough to justify its own public health unit
- The governance and operating model of the restructured public health entity should maintain the integrated service model which currently exists for York Region Public Health
- The Ministry should commit to funding 70% of actual costs of delivering public health

### **York Region is committed to working with the Province to modernize public health and strengthen local services**

The Region supports a more tailored approach to improve service quality and efficiencies, rather than implementing broad based and costly governance changes. Challenges identified by the Ministry are not experienced by York Region to the extent described in the Discussion Paper. The Ministry should focus on jurisdictions where the identified challenges are largest to ensure public health services in Ontario are equitable and aligned.

## 5. Financial

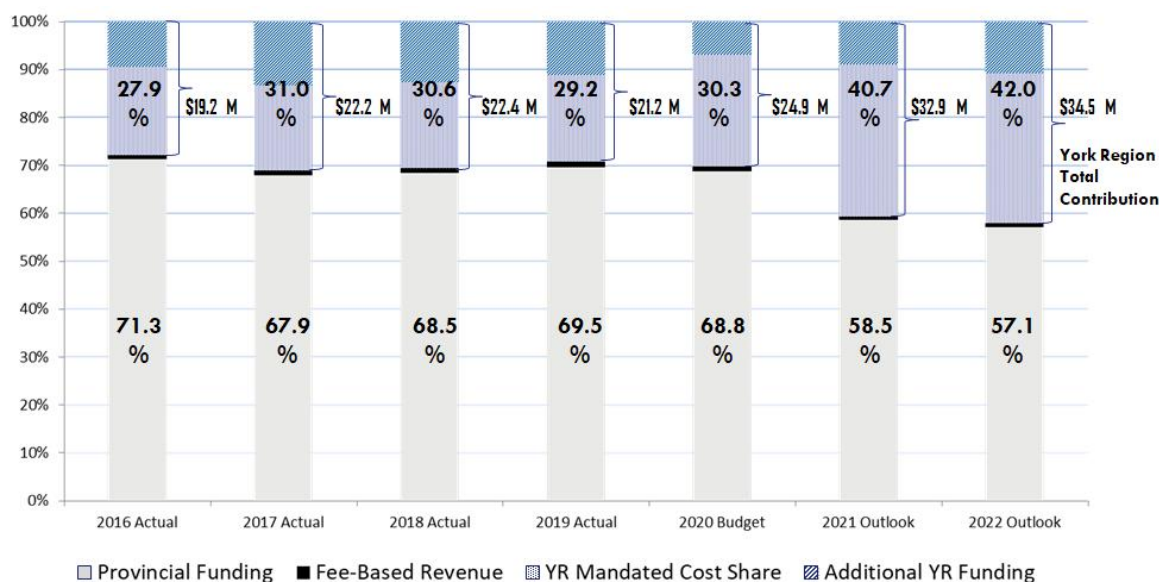
### Provincial funding for York Region Public Health has been less than the Ministry's approved funding model

Public Health is funded through Provincial and Municipal contributions. Until 2019, the Province funded up to 75% of eligible costs for mandated public health programs and up to 100% of other related programs, with municipalities contributing the rest. Healthy Babies Healthy Children is funded by the Ministry of Children, Community and Social Services up to a capped funding of \$4.4 million although the actual direct cost of this program is over \$5.2 million.

As shown in Figure 1, despite the Ministry's cost-share formulas, historical provincial funding for York Region Public Health has been less than the 75% for mandated public health programs and 100% of other related programs' actual costs to meet the requirements under the Ontario Public Health Standards. As a result, York Region has needed to contribute more than its share for many years. York Region contributions – both mandated and additional York Region funding – have grown from \$19.2 million in 2016 to about \$21.2 million in 2019.

For 2020, Council approved an operating budget of \$75.0 million gross and \$17.7 million net tax levy, excluding corporate and departmental support costs estimated at \$7.2 million. Public Health expenses eligible for provincial funding include gross expenditures and department support costs, for an estimated \$82.2 million total expected cost in 2020. Provincial investments continue to decrease, and yet the Region is still required to deliver all public health services in the manner mandated by the Ministry.

**Figure 1**  
**Share of Public Health Funding Contributions, 2016 to 2022**





## Notes:

- Funding contributions prior to 2019 do not include the new Ontario Seniors Dental Care program, which is currently 100% funded by the Province.
- Figures for 2020 to 2022 are consistent with the approved 2020 budget and outlook for 2021 and 2022, and include corporate and departmental support costs.
- Percentage not shown for fee based revenue

## Provincial funding is anticipated to decrease even further

In 2016, York Region contributed 28% (\$19.2 million) towards York Region Public Health funding. This is forecasted to increase to 42% (\$34.50 million) by 2022 due to the proposed new Provincial funding model requiring large municipalities, such as York Region, to contribute 40% of the cost-share beginning in 2021. An increase to the municipal cost-share for public health is not sustainable without impacting front-line services and/or increasing property taxes.

The proposed response advises the Province to commit to funding a minimum of 70% of actual costs to deliver public health services. Funding based on actual costs of delivering the mandated provincial programs would increase provincial funding to the Region in the absence of other efficiency measures the Province could take. For example, using 2018 data, if the Province had provided funding in accordance with the funding formula (75% for most programs, and 100% for the remaining, including Healthy Babies Healthy Children) based on actual costs, the Province would have provided \$58 million to York Region, rather than the \$50.2 million it did provide; a shortfall of \$7.8 million in Provincial funding.

In addition, Ministry staff advised in 2019 a 10% “savings target” would be applied to Public Health towards assisting the Province to achieve the annual \$200 million savings by 2021/22 fiscal year set out in its April 2019 budget, however, no further details have been released since then. Rather than transferring costs to municipalities to reduce provincial spending, the Province should look for efficiencies in how services are delivered. A provincially coordinated public health technology solutions could be the most effective opportunity to drive efficiencies, reduce costly duplication and risk, and to improve customer service and data quality.

## 6. Local Impact

Providing public health services is a municipal function as municipalities influence many of the factors which impact the social and economic determinants of health. It has been a municipal function in the Region since 1978. As Regional Council is also the Board of Health, public health perspectives are integrated into a wide range of municipal services, ranging from transportation and community planning to environmental services. Local municipalities also play an integral role in the planning and delivery of public health services.

## 7. Conclusion

York Region is committed to collaborating with the Province to modernize public health in Ontario. Public health provides an effective connection between the community and the health care system to prevent disease, protect and promote health and ensure fewer people require expensive acute care. Public health works when you cannot see it, and it has been working in tandem with municipalities for at least 150 years. The unique model for Public Health in York Region is a best practice. The Ministry should consider opportunities to engage in learning more about the Region's model to inform changes needed to create an efficient public health sector.

The Region has strengths that can be leveraged and scaled up to create an operationally efficient public health sector, which is responsive to the changing needs of our growing and diversifying communities.

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For more information on this report, please contact Dr. Karim Kurji, Medical Officer of Health ex 74012. Accessible formats or communication supports are available upon request.

Recommended by:

**Katherine Chislett**

Commissioner of Community and Health Services

**Dr. Karim Kurji**

Medical Officer of Health

Approved for Submission:

**Bruce Macgregor**

Chief Administrative Officer

February 14, 2020

Attachment (1)

10376079

FEBRUARY 2020

YORK REGION'S RESPONSE TO THE  
**PUBLIC HEALTH  
MODERNIZATION**  
DISCUSSION PAPER

1-877-464-9675  
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york.ca

  
**York Region**

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## EXECUTIVE SUMMARY

Public Health has been integrated in the Regional Municipality of York (The Region) for 40 years. York Region Public Health supports Council's priority of Community Health, Safety and Well-Being as set out in [York Region's 2019 to 2023 Strategic Plan, From Vision to Results](#). Public Health provides an effective connection between the community and health care system by preventing disease and by protecting and promoting health to ensure fewer people require expensive acute care. Public Health does this by focusing on the social and economic factors that influence the health of our population, many of which are the responsibility of municipal governments.

The Region is aligned with the Ministry of Health (Ministry)'s interest in a public health system that is coordinated, resilient, efficient, nimble, and meets the evolving health needs and priorities of communities. We do not believe the suggested changes to the public health system put forward by the Province as part of its April 2019 budget make sense for York Region. "One size not all" is not a solution to the challenges identified by the Ministry.

This submission provides York Region's response to the challenges and questions identified in the Ministry's [Discussion Paper: Public Health Modernization](#), released in November 2019, with the launch of provincial consultations on Public Health and Emergency Health Services modernization. For each challenge, we describe our experience with that challenge and our advice for the Province. Our submission is not limited to questions directly posed in the Discussion Paper; it also includes advice regarding governance, geographic boundary and funding.

### Key Messages:

- The Ministry's consultation process is an important opportunity for stakeholders to provide input on the path forward for modernizing public health in Ontario
- Any restructured public health entity should include only the existing geographic area of York Region, as the Region's current population is large enough to justify its own health unit
- York Region Public Health is best positioned to address social determinants of health because it is integrated with York Region. Public Health, together with local municipalities, have a demonstrated ability to efficiently and effectively meet the needs of the people of York Region
- Challenges identified by the Ministry that may exist in some communities, are not experienced in York Region to the extent described elsewhere because Public Health is integrated into the regional municipality. To achieve its stated objectives, the Ministry

must focus on those changes required to support communities with capacity issues. Broad structural changes are unwarranted and may be adverse to the Ministry's objectives. Boundary, governance or other large structural changes may negatively impact existing partnerships and service delivery. Time and resources would be required to re-establish partnerships and operate a new organization

- The biggest opportunity to drive efficiencies and potentially improve service quality would be to have a provincially coordinated and centralized data strategy. This could also reduce duplication in Public Health units across the province; saving money, improving accuracy, and providing better customer service
- York Region is a major partner in delivering Public Health. The Region's contributions, both mandated and additional, have grown from about \$19 million in 2016 to over \$24. million in 2019. A modernized Public Health system would respect this partnership by permitting local flexibility in establishing priorities and in how Ontario Public Health Standards are achieved

# GENERAL COMMENTS

## YORK REGION PUBLIC HEALTH SERVES ONE OF THE FASTEST GROWING AND DIVERSE MUNICIPALITIES IN ONTARIO

York Region has a population of 1.2 million residents; 8% of the provincial population. Within two decades, the Region's population is forecasted reach 1.8 million residents.

Using 2016 Statistics Canada Census data:

- More than 51,000 recent immigrants (those who landed in Canada between 2011 and 2016) called York Region their home, and 47% of residents were born outside of Canada
- Most recent immigrants (88%) live in York Region's three southern municipalities (City of Markham, City of Richmond Hill and City of Vaughan), but a growing number are moving into the other six more northern municipalities
- The proportion of recent immigrants in York Region who did not speak English or French was more than double the national average
- 5,915 York Region residents report having an "Aboriginal Identity" with the majority living in northern York Region; and 205 of these residents live in Chippewas of Georgina Island First Nation Reserve<sup>1</sup>
- The Region's senior's population is growing faster than any other age group. It is projected by 2026, for the first time, there will be more seniors than children in York Region, and by 2031, one in five of the Region's residents will be over the age of 65, representing almost 22% of the total population
- York Region was home to over 18% (195,575) of all Greater Toronto Area children (0 to 14 years)
- York Region has the second highest median household income in Greater Toronto Hamilton Area; however 17% of York Region population lived with low income (Low Income Measure)<sup>2</sup>

The Region has made significant investments in comprehensive, integrated, responsive local services to address growth, and the demographic shifts in our community.

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<sup>1</sup> Statistics Canada, Census 2016

<sup>2</sup> Census 2016 and Income Tax Data



## THE MINISTRY'S CONSULTATION PROCESS AN IMPORTANT OPPORTUNITY FOR STAKEHOLDERS TO PROVIDE INPUT ON IS MODERNIZING PUBLIC HEALTH IN ONTARIO

York Region understands that current and future health care challenges require a structure that is resilient and responsive to evolving health needs, and that more needs to be done to help clients navigate the system. We are committed to working in partnership with the Ministry and Provincial Advisor to modernize public health in Ontario.

Some of the challenges raised in the Discussion Paper do not apply universally across the province. In terms of governance, having a single governance model or leadership type will not necessarily result in consistent service delivery or in reducing inefficiencies. Instead, the Ministry is requested to fix what needs fixing and preserve what is working well. The unique model for Public Health in York Region is a best practice, and the Ministry should consider opportunities to engage in learning more about York Region's model to inform changes needed to create an efficient public health sector.

## BOUNDARY, GOVERNANCE OR OTHER LARGE STRUCTURAL CHANGES MAY NEGATIVELY IMPACT EXISTING PARTNERSHIPS AND SERVICE DELIVERY

York Region covers 1,775 square kilometres, stretching north from Toronto to Lake Simcoe. It is comprised of nine local municipalities and a range of cities, towns, villages and rural areas. It includes the Chippewas of Georgina Island First Nation, located both on and off the shore of Lake Simcoe, with three islands: Snake, Fox and Georgina.

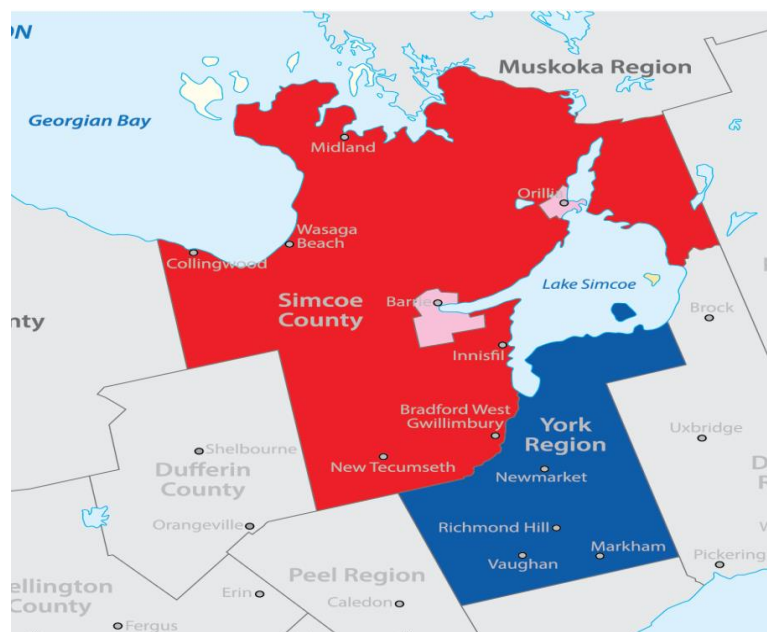
Following release of the Provincial Budget in April 2019, the Ministry stated the geographic area currently covered by York Region Public Health would be combined with the Simcoe County portion of the Simcoe-Muskoka District Health Unit.

In June 2019, the Region took a position that our geographic area should remain as is and communicated this to the Ministry (See Appendix A). Realigning boundaries to consolidate Simcoe County or any other municipality or geographic area with the public health catchment area of York Region would result in an overly large and cumbersome entity.

York Region's integrated model is working effectively; it delivers value to the tax payer and delivers on the Ministry's priorities. Our current boundaries align with local municipalities and a range of service providers such as school boards. This supports efficient planning where residents can easily identify where to access services based on where they live (Figure 1). Changes to boundaries, governance and other structures would make effective collaboration difficult. Time and resources would be required to re-establish partnerships and operate a new organization.



**Figure 1: York Region Public Health's Geographic Boundary**



## YORK REGION PUBLIC HEALTH IS ONE OF THE LARGEST PUBLIC HEALTH UNITS IN THE PROVINCE, SERVING ABOUT 8% OF THE PROVINCIAL POPULATION

The population served by York Region Public Health is comparable to regional health authorities in British Columbia (average population per regional health authority of approximately 1 million) and Quebec (average population per regional health authority of around 500,000). A study in the USA found public health performance improvements to be gained from mergers appeared unlikely beyond a threshold of approximately 500,000 residents. Beyond this size, there were issues managing multiple programs and activities for numerous demographic and geographic subgroups.<sup>3</sup>

### York Region Advice

- York Region Council and Board of Health has taken the position that geographic area of the restructured public health entity should include only the existing geographic area of York Region as the Region's current population is large enough to justify its own health unit (see Appendix A).

<sup>3</sup> Mays GP, McHugh MC, Shim K, Perry N, Lenaway D, Halverson PK, et al. Institutional and economic determinants of public health system performance. Am.J.Public Health 2006 03;96(3):523-531

## YORK REGION PUBLIC HEALTH IS BEST POSITIONED TO ADDRESS SOCIAL DETERMINANTS OF HEALTH BECAUSE ITS INTEGRATED WITH THE REGION'S COMMUNITY AND HEALTH SERVICES

Public Health has been part of York Region for 40 years. After the April 2019 budget, the Region was notified that York Region Public Health would no longer be a municipal function, but instead part of an autonomous Public Health entity, with a new Board in place beginning April 1, 2020. To date we have seen no evidence that such a change would be worth the cost, upheaval, and broken partnerships. In fact, these impacts were felt in the England when, in 1974, locally delivered public health services were consolidated into the National Health Service. In 2013 the government reversed its decision and restored delivery of public health by local governments. The rationale for the reversal was the realization that local government was better placed to meet local health needs by coordinating departments allied to public health such as transport and housing, and in doing so is better able to address social influences on health and tackle local health inequalities<sup>4</sup>

## PUBLIC HEALTH SERVICES HAVE A GREATER IMPACT BEING PART OF A MUNICIPAL GOVERNMENT WHERE THESE CONNECTIONS TO THE SOCIAL AND ECONOMIC DETERMINANTS NATURALLY EXIST

Public Health is primarily about broader population health – supporting and creating conditions that contribute to reducing hallway health care through up-stream actions. Many of the factors influencing population health are largely tied to the social and economic environment. Municipal governments, and especially Consolidated Service System Managers like York Region, have a major role in influencing these factors.

Ontario has mandated 47 municipal entities across the province to be service system managers for housing, children's services and homelessness. Service System Managers are responsible for the planning and delivery of these services to achieve provincial priorities, and respond to local needs, using approaches that make sense in our communities. These 47 municipal entities are also responsible for social assistance, and many operate paramedic services and long-term care homes.

In York Region, because Public Health is integrated into the Community and Health Services department, our public health experts are at the table when it comes to planning and delivering these critical social determinants as shown in Figure 2. This structure is considered best practice from a human services perspective, providing wrap-around services and supports to residents.

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<sup>4</sup> Atkins L, Kelly MP, Littleford C, Leng G, Michie S. From the National Health Service to local government: perceptions of public health transition in England. PUBLIC HEALTH (ELSEVIER) 2019 09;174:11-17

**Figure 2: York Region Public Health's integrated system works together to achieve a common goal – Healthy Communities**



## IN ADDITION TO HUMAN SERVICES, YORK REGION IS RESPONSIBLE FOR HARD SERVICES SUCH AS TRANSIT, ROADS, WATER, WASTE MANAGEMENT, AND LAND USE PLANNING – ALL OF WHICH ALSO INFLUENCE POPULATION HEALTH

Public Health, being positioned under the same Regional leadership umbrella as other municipal functions such as land use planning, transportation, transit, water and wastewater, is also able to maximize its impact on population health through hard services. For example:

- Working closely with the Environmental Services Department to ensure safe drinking water as per Section 19 of the *Safe Drinking Water Act, 2002*, which requires Regional Councillors to meet a provincial statutory standard of care for drinking water systems
- Working with York Region's Long-Range Planning Division and Transportation Department to develop a Built Environment and Health Action Plan
- Undertaking a Climate Change and Health Vulnerability Assessment, which studied how York Region communities may be vulnerable to the impacts of climate change from a health perspective, with the support of Regional teams such as Forestry, Water and Wastewater, and Long Range Planning

The integrated teams working on addressing these issues are best positioned to develop solutions addressing determinants of health (like access to clean water and transit solutions).

## YORK REGION PUBLIC HEALTH HAS A GREATER INFLUENCE ON HUMAN SERVICES AND POLICIES THAN WOULD BE POSSIBLE WITH AN AUTONOMOUS BOARD

As part of the Community and Health Services department, Public Health has access to an extensive network of community partners through the [Human Services Planning Board of York](#)

[Region](#) (the Board). The Board is comprised of executive leaders in human services from many sectors operating in York Region including hospitals, Canadian Mental Health Association, school boards, local municipalities, Workforce Planning Board, YMCA GTA, United Way Greater Toronto, York University, and community agencies serving people who are experiencing homelessness, seniors, vulnerable youth, this includes 360°kids, the John Howard Society of York Region and many others (See Appendix B for a description and complete list of members).

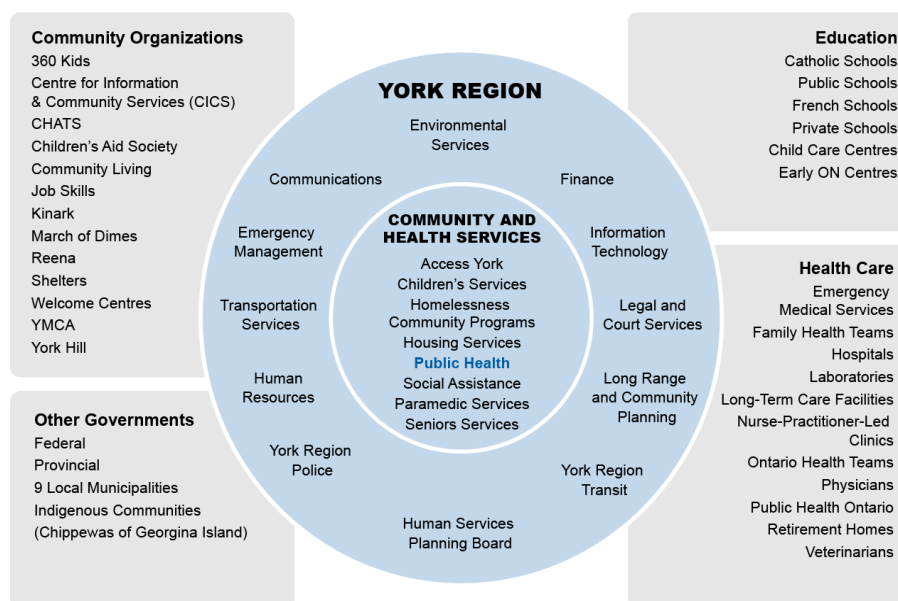
Furthermore, York Region established a Community Investment Fund, fully funded by tax-levy, and set Community Health as one of the program's priorities. This funding has enhanced the achievement of the Ontario Public Health Standard by supporting community programs that help residents with low and moderate income to make healthy choices. For example, through this initiative, approximately 46,000 breakfasts/snacks were provided for students, and approximately 750 residents received access to fresh foods through community gardening and farm gleaning programs in 2018.

#### **York Region Advice**

- York Region Council and Board of Health have taken the position that our integrated service model for York Region Public Health be maintained so Public Health can continue leveraging municipal activities to address social determinants of health (see Appendix A).

## **YORK REGION PUBLIC HEALTH HAS A WELL-DEVELOPED NETWORK OF STRONG COMMUNITY PARTNERSHIPS ENABLED THROUGH ITS MUNICIPALLY INTEGRATED MODEL**

As shown in Figure 3, York Region Public Health has strong relationships with the health care sector, primary care, school boards, community agencies and municipalities which all have a role in keeping the population healthy. These partnerships are productive due to integration with the Region.

**Figure 3: A Network of Strong Partnerships**

York Region Council recently approved York Region's participation as a partner in all three Ontario Health Teams in the region. Through these partnerships, Public Health will be able to even more effectively identify and action promote up-stream actions specific to York Region, making further contributions to reducing hallway health care. For example, hospitals see an increase in injured seniors from falls in the winter. Integrated geo-analytics can be used to identify streets where the falls are occurring. If there are many injuries from a certain area, solutions to prevent falls in that area can be explored, such as fixing sidewalks and targeted health promotion. These solutions are less costly than expensive acute care, especially given the human impact – after a senior falls their health can fail rapidly.

## IN 2019 YORK REGION PUBLIC HEALTH RECEIVED GOLD ACCREDITATION FROM EXCELLENCE CANADA FOR EXCELLENCE, INNOVATION AND WELLNESS

When Public Health is integrated into an upper tier or single tier municipal government, that government puts a greater priority on public health because they are directly responsible for it. Public Health has a greater influence because it works side by side every day with a full range of colleagues, all of whom are responsible to one government body, which also happens to be the Board of Health. This integrated arrangement is proven to deliver value and must not be dismantled under a “one-size fits all” solution

We believe York Region Public Health's integrated model is the best model to achieve the outcomes the Ministry is seeking. This was reiterated through a third party accreditation. Recently, our York Region integrated model was recognized by Excellence Canada when we were awarded gold against the Excellence, Innovation and Wellness standard. In awarding the

Gold Level Certification, Excellence Canada commended the positive and productive relationships across a range of departments and the local municipalities that facilitate innovative and effective service delivery.

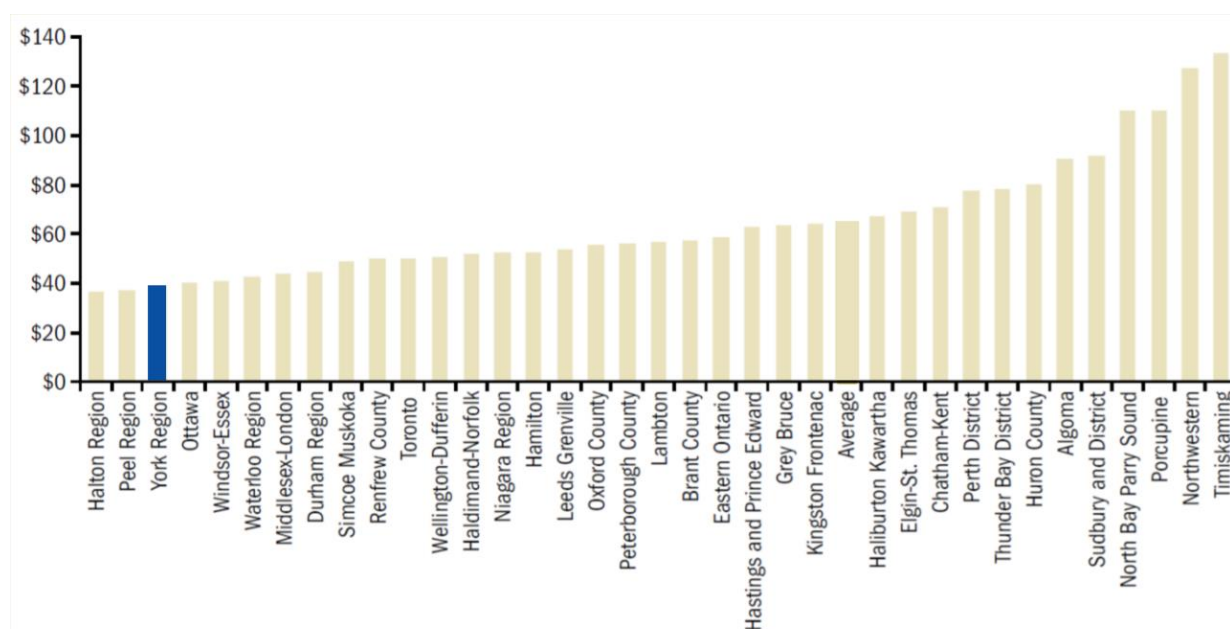
York Region Public Health's Vaccine Inventory Program has shown continuous improvement and innovation leading to efficiencies. This is the first health unit in Ontario to hire registered pharmacy technicians and a public health pharmacist to oversee vaccine handling requirements. As a result of this change, publicly funded vaccine waste has decreased; investigations of adverse storage conditions have increased; and inspections of publicly funded vaccine holding points (e.g., fridges) have been standardized to the highest level. Support from the Region's Property Services and Human Resource departments helped us realize this innovation.

### **YORK REGION'S INTEGRATED MODEL HAS PROVEN TO EFFICIENTLY AND EFFECTIVELY MEET LOCAL NEEDS AND DELIVER ON PROVINCIAL PRIORITIES**

The integrated service delivery and governance model used for Public Health in York Region supports efficient Public Health operations, allowing Public Health to focus on effective and responsive public health service delivery.

As shown in Figure 4, York Region Public Health in 2016/17 had the third lowest provincial funding on a per capita basis. Even though York Region Public Health receives less Ministry funding per citizen than all but two other health units, we have been able to deliver on all Ministry service requirements and provide quality services. We can do this because of the efficiencies we get from leveraging corporate resources, the economies of scale that come with being part of a larger entity, and because York Region Council is willing to invest additional property tax dollars into Public Health as part of the Region.

Figure 4: Provincial Per Capita Funding of All 36 Public Health Units, 2016/17



## AN INDEPENDENT AUDIT IDENTIFIED \$1.3 TO \$1.5 MILLION IN ADMINISTRATIVE SAVINGS, MAJORITY OF WHICH COULD BE UNLOCKED WITH PROVINCIAL DIGITAL SOLUTIONS

In fall 2019, the Region commissioned Deloitte using funding from the Ontario Audit and Accountability fund to review Public Health's opportunities for further administrative efficiencies. Administrative efficiencies identified by Deloitte in its November 29, 2019 [Report](https://www.york.ca/wps/wcm/connect/yorkpublic/6f6ad7bf-dcbb-4025-b93b-601158bc0624/Audit+of+Public+Health+Administrative+Efficiencies.pdf?MOD=AJPERES&CVID=mWUpSZN)<sup>5</sup> are summarized in the chart below (Figure 5). If all recommendations were fully implemented, potential savings would be in the range of \$1.3 - \$1.5 million in total, excluding costs of implementation. However, even greater savings would be possible and costs avoided not only for York Region but all public health units if the Province modernized its systems, including digitized forms and automated workflows.

<sup>5</sup> <https://www.york.ca/wps/wcm/connect/yorkpublic/6f6ad7bf-dcbb-4025-b93b-601158bc0624/Audit+of+Public+Health+Administrative+Efficiencies.pdf?MOD=AJPERES&CVID=mWUpSZN>



Figure 5: Opportunities for Improvement Identified from Deloitte Review

Area of Opportunity	Deloitte Feedback	Dependencies
Standardized Digital Forms & Interfaces	<p>York Region should explore increasing the use of standardized, digital forms to allow for automation opportunities, such as Robotic Process Automation (RPA) and other Machine Learning tools to be leveraged in the future. By transitioning away from paper based forms to digital, savings are estimated in the range of \$0.1M to \$0.2M.</p> <p>Currently, the Province's Panorama system tracks clients' immunization records. Public Health receives information via fax, phone call, or online form (Online forms have been created and are increasingly being used but multiple avenues still exist in which the user can share information). This requires staff to verify and enter the details to Panaroma.</p>	<p>This is dependent on the Province in improving, automating and eliminating data redundancies in Provincial databases and systems.</p> <p>The lack of a mandated Provincial central immunization registry is a huge resource draw requiring front-line public health staff to enter this data, when it could be done much faster and more efficiently by physicians, health care providers and parents or guardians at the time the vaccine is given.</p>
Integrated Scheduling	<p>York Region should explore implementing and using consistent scheduling software for both internal (staff scheduling) and external use (appointment booking). This has the potential to generate a saving of \$0.5M.</p>	<p>Requires significant financial and resource investment from York Region to develop, implement, and sustain an integrated scheduling platform.</p> <p>Implementation of a consistent scheduling platform is contingent on Public Health remaining within York Regions integrated model.</p>
Resource Sharing	<p>York Region should continue its efforts in standardizing jobs; as well consider assigning administrative personnel to more than one Manager to increase flexibility of resourcing strategies, as well as recognize the impacts of efficiencies, which may be gained from the implementation of a corporate timekeeping tool and elimination of duplicated activities. This will result in anticipated savings of up to \$1.2M.</p>	<p>This is can only be considered once the process and technology changes have been implemented, and is also contingent on Public Health remaining within York Regions integrated model.</p>



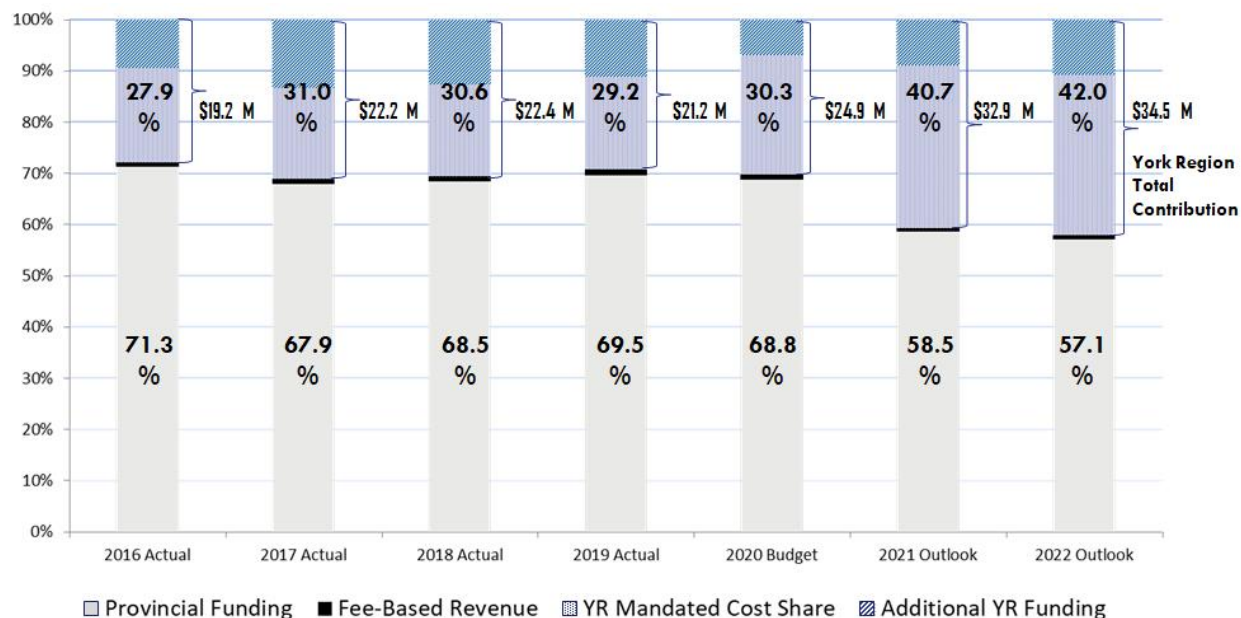
Deloitte identified potential savings of less than 2% of the Public Health budget, excluding costs associated with developing the new systems and other related costs. Many of the opportunities Deloitte identified would be costly and would take quite some time to implement, and whether or not they are implemented is dependent on the outcome of provincial modernization action. The Deloitte review validates the efficiency of our regionally integrated operations.

Based on the Deloitte review, a provincially coordinated and centralized data strategy could be the most effective opportunity to drive efficiencies, reduce costly duplication, and potentially improve service quality in York Region. More importantly, the Review suggests significant opportunities to find efficiencies across the province should the province modernize its systems, including digital systems. On October 29, 2019, the Ministry communicated that it will be reviewing its digital systems, and we encourage the Ministry to move quickly, beginning with immunization.

Removing Public Health from York Region and creating an entity autonomous from the Regional government, will result in increased costs given the added administrative supports needed to support a new organization. Currently the province does not pay for administration of the York Region Board of Health. In addition, there will be new costs related to creating and maintaining relationships with the Region and other stakeholders. There would also be costs due to lost economies of scale. From a financial perspective, the increased cost of an autonomous entity is an issue for the Region since the proposed model requires property tax payers to continue to be responsible for paying a share of the costs.

## **YORK REGION COUNCIL AND BOARD OF HEALTH HAVE CONTRIBUTED MORE PROPERTY TAX FUNDING TO PUBLIC HEALTH THAN MANDATED TO MAKE UP FOR SHORTFALLS IN PROVINCIAL FUNDING**

Up until 2019, the Ministry funded up to 75% of eligible costs for mandated public health programs, and up to 100% of eligible costs for other related programs, with municipalities contributing the rest. The Healthy Babies Healthy Children program, funded by the Ministry of Children, Community and Social Services, is capped at \$4.4 million although the actual direct cost of this program is over \$5.2. As shown in Figure 6, Provincial funding has historically been less than 75% or 100% of actual costs; underfunding is expected to get even worse should the Ministry proceed with its plans to make further cuts to its contributions.

**Figure 6: York Region - Shares of Public Health Funding Contributions, 2016 to 2022****Notes:**

- Funding contributions prior to 2019 do not include the new Ontario Seniors Dental Care program, which is currently 100% funded by the Province.
- Figures for 2020 to 2022 are consistent with the approved 2020 budget and outlook for 2021 and 2022, and include corporate and departmental support costs.
- Percentage not shown for fee based revenue

## YORK REGION CONTRIBUTIONS, BOTH MANDATED AND ADDITIONAL, HAVE GROWN FROM ABOUT \$19 MILLION TO OVER \$21 MILLION IN THE LAST THREE YEARS

Mandated funding refers to the municipal portion of the 70:30 cost share. Because provincial funding is either capped or limited to costs deemed eligible by the Ministry, Provincial funding does not cover the actual cost of service delivery. York Region has made additional contributions to fund the gap.

In addition to the inefficient administrative and digital systems mentioned earlier, decisions on which programs to provide and how they are to be delivered should consider flexibility, the local context, and efficiency. The Board of Health has limited flexibility in determining which Public Health programs should be delivered in York Region, or in how to deliver them. For example, in 2019 to help mitigate the Provincial funding cut, York Region Board of Health requested a waiver of the requirement to provide vision testing in schools for kindergarten students, which could have avoided \$187,000 in provincial costs and \$65,000 in Regional costs. Despite that York Region has many optometrists, vision testing for children and youth is paid for by the

Ontario Health Insurance program, and that a number of volunteer organizations already offer this service in schools, the Ministry refused to grant the waiver.

York Region Council and Board of Health have demonstrated their willingness to invest beyond the mandatory minimum to ensure our residents receive the services they need. Council and the Board of Health do not want to invest property tax dollars in services that duplicate those available or where the local need is not proven, or invest in delivery models that are unnecessarily costly

## PROVINCIAL FUNDING IS ANTICIPATED TO DECREASE EVEN FURTHER

York Region funding is forecasted to increase to 42% (\$34.5 million) by 2022 due to the proposed new Provincial funding model which would require large municipalities, such as York Region, to contribute 40% of the cost-share beginning in 2021. An increase to the municipal cost-share for public health is not sustainable without impacting front-line services and/or large property tax increases.

Municipal governments should not be expected to make up for reductions in provincial funding to deliver provincial programs. While a cost share of up to 70:30 based on actual costs could work for York Region based on historical contributions; a 60:40 cost share is not sustainable.

In addition to reduced provincial funding resulting from the planned change in the funding formula, Ministry staff advised in 2019 that a 10% “savings target” would be applied to Public Health to help the Province achieve \$200 million in annual savings by the 2021/22 fiscal year set out in its April 2019 budget. The Provincial should not address its budget targets by transferring costs to municipalities.

Provincial savings could be achieved through modernizing systems such a central immunization registry, reducing rent tape, removing duplication of programs, allowing flexibility in service delivery models, and taking into account local conditions, needs and opportunities when mandating programs.

### York Region Advice

- The York Region Council and Board of Health position is that the Province should commit to funding a minimum of 70% of actual costs to deliver public health services.

# RESPONSE TO DISCUSSION PAPER

## CHALLENGE 1: INSUFFICIENT CAPACITY

### York Region's Experience

York Region Public Health has sufficient capacity to deliver on all of the Ontario Public Health Standards. Integration with municipalities has enabled York Region Public Health to:

- Attract and retain a highly skilled workforce to meet needs
- Easily access the surge capacity needed to respond to emerging public health threats

### York Region Advice

- Do not make broad “one size fits all” changes to Public Health to address capacity issues that exist only in certain parts of the province
- Support communities with capacity issues to resolve them. This will include providing increased resources, merging of smaller Public Health units, etc. Explore structures that would allow for a stronger capacity, more resources and financial relationship with municipalities, such as integration into upper tier municipalities either directly or through agency relationships
- Given the Region's financial and governance support and stake in maintaining healthy communities, a modernized Public Health system must respect this municipal partnership and allow for local flexibility in meeting Ontario Public Health Standards in efficient and effective manner

### 1. What is currently working well in the public health sector?

- Regionally integrated Public Health leverages high caliber support from across the organization to deliver the full scope of Ontario Public Health Standards
- York Region is an employer of choice. We are recognized as a **2020 Greater Toronto's Top Employer**, **2020 Canada's Top Employer for Young People** and **2019 Canada's Best Diversity Employer**. We are also in a privileged position when it comes to attracting a highly qualified workforce. York Region is located in the densely populated Greater Toronto Area and near housing, transportation and several post-secondary institutions

- Being embedded within York Region enables York Region Public Health to attract and retain a highly skilled workforce, including staff skilled at assessing population health, surveillance, evaluation and continuous quality improvement
- York Region Public Health has strong partnerships with the health care sector, primary care, school boards, community agencies and municipalities; all working together to keep our population healthy
- In September 2019, York Region Council approved the Region's participation as a partner in the full application stage for the Southlake Community Ontario Health Team and Eastern York Region and North Durham Ontario Health Team, and as a collaborating partner for Mackenzie Health. Through this partnership, Public Health will be able to even more effectively identify and promote up-stream activities specific to York Region, making further contributions to reducing hallway health care.
- Through the Regional integrated model, Public Health is able to leverage multi-stakeholder partners in the event of a large scale public health emergency
  - York Region has memoranda of understanding with local municipalities to access facilities and support during a threat or emergency
  - During Severe Acute Respiratory Syndrome (SARS) in 2003 and H1N1 in 2009, York Region Public Health easily accessed the surge capacity needed to respond to emerging public health threats
  - Currently, with COVID-19 (Coronavirus Disease, 2019), being embedded within the Region allows Public Health to quickly redeploy existing Public Health staff and to access specialized corporate supports such as emergency management, communications, call centre, legal, risk and finance
  - Being positioned within the Region, Public Health most effectively leverages partnerships to respond to health threats. For example, Public Health partnered with York Regional Police to lead an Opioid Education and Response in York Region
- As part of the Community and Health Services Department, along with other human services functions (e.g., Social Assistance, Children's Services, Housing Services, Homelessness Community Programs, Paramedic Services and Senior Services), Public Health is enabled to provide a unique model of service delivery and care with enhanced benefits to residents. These benefits are realized through a range of programs and initiatives that positively impact the social determinants of health.

## **2. What are some changes that could be considered to address the variability in capacity in the current public health sector?**

- Consider separate approaches for communities with capacity weaknesses, such as combining smaller Public Health units. Voluntary mergers could be encouraged and supported with the right incentives.

- Give Public Health Ontario a stronger mandate and resources to support coordination among health units as this could address many of the challenges identified by the Ministry.
- Consider setting up a collaborative working group between the Province, Public Health Ontario and Public Health Units to develop a provincial digitization strategy as an early priority
- Consider the [service system manager](#) used by the Ministry of Community and Social Services (Children's Services) and the Ministry of Housing (Housing; Homelessness) as a model for Public Health. Local service system management as a governance model has been in place for two decades, and provides better value and outcome for Ontario's communities<sup>6</sup>
  - These Ministries have established an accountability model that supports a good balance between Ministry and local objectives, by setting clear outcome goals and leaving it to municipalities to determine the most effective and efficient ways to achieve those outcomes in their unique contexts
  - In addition, they have established practices for working with the 47 service system managers across the Province. These practices support the province to effectively address its objectives balanced with local priorities, help ensure programs can be delivered effectively on the ground, provide specialized advice to the Province, and support collaboration among municipalities.
- Adjust the current Public Health model to give public health units flexibility to determine how to achieve Provincial objectives, to better reflect local conditions including more efficient delivery options. For example:
  - Vision Screening Program
    - Public health units have been required to provide vision screening for all senior kindergarten students since 2018. In York Region, like most if not all communities in Ontario, vision screening is already done by community agencies, physicians, ophthalmologists and optometrists, and OHIP covers the full cost of comprehensive eye exams.
    - Requiring public health units to provide this additional programming represents a costly duplication of services already available at no additional cost to families in the community.
    - For York Region alone, this program costs \$187,000, of which approximately \$65,000 comes from property taxes.

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<sup>6</sup> Ontario Municipal Social Services Association. Received from <https://www.omssa.com/human-services.php>, on February, 2020

- Low Income Seniors Dental Program
  - In its April 2019 budget, the Province announced its intent to launch the Low Income Seniors Dental Care Program. This is good news as each year in Ontario preventable dental issues lead to more than 60,000 emergency room visits, of which a significant portion are seniors
  - However, this much needed program will not be fully implemented in York Region until about two years after the Province announced it because of the Ministry's rules on how the program must be delivered. We are required to:
    - Construct dental operatories at an estimated cost of \$2.2 million to the province (our capital funding application for the operatories was submitted summer 2019, and has not yet been approved)
    - Directly operate the program including hiring dentists, hygienists and other staff as civil servants, and procure specialized dental services (examples include denturist, endodontist and oral surgeon), at an estimated annual cost of \$3.96 million to the province
  - In addition to the delay to program implementation, once implemented there can be only five locations in our very large geographic area based on Ministry requirements
  - An alternative option would have been to mirror the approach used currently in the Province's Ontario Works program in York Region, and the Province's Healthy Smiles Ontario program. These programs permit clients to use local, private services. York Region has over 1,000 dental providers and 718 reported that they provided dental services in 2019 through the Healthy Smiles Ontario program. In 2019, over 850 dental providers in York Region provide dental services for Social Assistance, Ontario Works and Ontario Disability Support Programs. This approach could have seen the Low Income Seniors dental program implemented within weeks of the provincial budget, with improved customer service (e.g. more options for service providers, more locations to ease travel concerns, more flexible service hours)
- While Public Health has attained much efficiency by being part of the Region, there is still not enough Provincial funding to deliver all the services the Ministry requires us to deliver, and in the way the Ministry wants it done. The Region has made up for provincial underfunding by investing discretionary property tax dollars beyond the minimum mandated by the Province for Public Health. Regional contributions to public health funding are expected to increase by approximately 88% between 2016 and 2022 based on proposed funding models and historical under-funding.

### 3. What changes to the structure and organization of public health should be considered to address these challenges?

- Integration of Public Health in the Regional structure has undoubtedly provided more effective opportunities and influence on municipal activities and policies that impact population health than would be possible with an autonomous Board of Health. The Ministry should consider structural and organizational changes that would improve integration of Public Health units with municipal governments. A spectrum of organization models ranging between fully integrated and stand-alone options should be allowed in response to local conditions.
- Recently, Public Health's Regionally integrated model was recognized by Excellence Canada as Gold level in Excellence, Innovation and Wellness standard. Excellence Canada commended the positive and productive relationships across a range of departments and the local municipalities that facilitate innovative and effective service delivery.
- Given our effective and efficient organizational and governance model, it is recommended that the Ministry consider examining the York Region model as a best practice approach for other communities.

## CHALLENGE 2: MISALIGNMENT OF HEALTH, SOCIAL AND OTHER SERVICES

### York Region's Experience

- York Region Public Health is best positioned to address social determinants of health as part of its integration with Community and Health Services in the Region
- York Region Public Health's local collaboration extends to other services such as hospitals, through York Region's formal partnerships with Ontario Health Teams

#### York Region's Advice

- Boundary, governance or other large structural changes will negatively impact existing partnerships and service delivery; in fact, such changes would make effective collaboration more difficult. Time and resources will be required to re-establish partnerships and operate a new organization.



#### **4. What has been successful in the current system to foster collaboration among public health, the health sector and social services?**

**The factor that has contributed most to the success of Public Health is its position within the Regional municipal government**

- Findings from a review of key resources and literature indicates that as key social services providers, municipal governments have more influence over the social determinants of health affecting a community:
  - Local government can coordinate departments allied to Public Health, such as housing and transportation, to address social determinants of health and local health inequalities<sup>7</sup>
  - Councils understand and recognize that health and wellbeing is socially determined and develop actions accordingly<sup>8</sup>
  - “Integrated health units may find some savings through the sharing of human resources, finance, information technology, and legal personnel with other departments”<sup>9</sup>
- Public Health, being aligned with other municipal functions such as land use planning, transportation, transit, water and waste water, is also able to maximize its impact on population health. These examples include:
  - Working closely with Environmental Services to ensure safe drinking water as per Section 19 of the *Safe Drinking Water Act 2002*, which requires Regional Councilors to meet provincial statutory standard of care for drinking water systems
  - Working with York Region’s Long-Range Planning and Transportation to develop a Built Environment and Health Action Plan
  - Undertaking a Climate Change and Health Vulnerability Assessment, which studied how York Region communities may be vulnerable to the impacts of climate change from a health perspective, with the support of Regional teams such as Forestry, Water and Wastewater, and Long Range Planning

**Public Health’s integration within Community and Health Services in the Region has resulted in many innovative programs and opportunities to fulfilling public health mandate**

<sup>7</sup> Atkins L, Kelly MP, Littleford C, Leng G, Michie S. From the National Health Service to local government: perceptions of public health transition in England. PUBLIC HEALTH (ELSEVIER) 2019 09;174:11-17

<sup>8</sup> Browne GR, Davern MT, Giles-Corti B. An analysis of local government health policy against state priorities and a social determinants framework. AUST NZ J PUBLIC HEALTH 2016 04;40(2):126-131

<sup>9</sup> Lyons J. The Independence of Ontario's Public Health Units: Does Governing Structure Matter? Healthc.Policy. 2016 Aug;12(1):71-83.

Public Health is situated within the Region's Community and Health Services Department. The Department covers the full range of human services delivered by single and upper tier municipalities. These include Seniors' Services (two long-term care homes, five adult day programs and oversees the Region's Seniors' Strategy), Income Supports, Children's Services, Homelessness Community Programs, and Housing Services. Two additional branches provide the Region's call centre and intake service, communication services, business supports such as finance, and strategic policy support such as planning for immigrants and refugees, community safety and well-being (in partnership with York Regional Police), accessibility and equity.

This integrated model enables different human service areas to seamlessly collaborate on program development and delivery using social determinants of health lens to provide holistic local services. Integration of Public Health within Community and Health Services provides numerous benefits for increasing the effectiveness of Public Health.

#### **5. How could a modernized public health system become more connected to the health care system or social services?**

- Collaboration must begin at the Provincial level between Ministry of Health and Ministries of Children, Community and Social Services, and Municipal Affairs and Housing. This would enable scaling up innovative initiatives introduced in York Region in collaboration with social services as described previously in response to Question 4.
- An example of connection is how York Region Public Health uses the Ontario Telemedicine Network and Connecting Ontario to remotely view Electronic Medical Records.
- Public Health Units should be connected to Ontario Health Teams to maximize opportunities to, reduce hallway health care and costly acute care through the "up-stream" supports that Public Health provides, and to inform Public Health services.

#### **6. What are some examples of effective collaborations among public health, health services and social services?**

In York Region, Public Health being embedded in a human services department has allowed for many effective collaborative initiatives between Public Health and Social Services. Below are some examples of collaboration:

- Public Health and Social Assistance developed a program to pay for breast pumps for mothers who rely on Ontario Works income supports
- Public Health and Homelessness Services developed a model that connects tuberculous clients who are homeless or at risk of homelessness to the Short-Term Assistance to Renters program, which avoids having these clients in our emergency shelters, and to have the stable housing they need to heal.
- Public Health and Children's Services work together to coordinate services for families and children, which not only provide services responsive to families specific needs, it also avoids costly intake and assessment duplication. Public Health and Integrated Children's Services

created the Early Years Support Service Registry which will provide health professionals with easy access to up-to-date information with direct links to the support services found in our community. This resource targets health professionals and also benefits child care and children services professionals.

- Public Health partnered with Housing Services, Social Assistance, and community agencies (including the United Way and York Region District School Board) to deliver Food Handler's Certificate training programs for adults and high school students with intellectual disabilities, low-income residents and new immigrants as this increases their chance at employment.
- As part of the Community and Health Services department, Public Health has access to an extensive network of community partners and advice through the [Human Services Planning Board of York Region](#) (the Board). The Board is comprised of executive leaders in human services from many sectors operating in York Region including hospitals, Canadian Mental Health Association, school boards, local municipalities, Workforce Planning Board, YMCA GTA, United Way Greater Toronto, York University, and community agencies serving people who are experiencing homelessness, seniors, vulnerable youth, this includes 360°kids, the John Howard Society of York Region and many others (See Appendix B).
- Public Health co-chairs the Community and Health Services Emergency Management Working Group. Through this group, Public Health accesses advice and support from the Department to respond effectively to public health emergencies.
- Public Health leads the Community and Health Services cross department Social Determinants of Health (SDOH) Committee. The purpose of this committee is to support an SDOH lens on all activities, and to maximize opportunities to address the determinants. The Committee is linked to the Department Leadership Team.

Some examples of collaboration with health care, which may be further explored through the Region's participation in the new Ontario Health Teams, include:

- Through strong relationships with Obstetrician/Gynecologists, Midwives, Family Health Team staff and Nurse Practitioners in each of the three hospitals in York Region, Public Health provides information at the bedside to support breastfeeding and other public health services. This allows new mothers to obtain the right information at the right time.
- Public Health has established effective partnerships with Southlake Family Health Team and Family Medicine Teaching Unit, as well as Family Health Teams in the City of Markham, the City of Richmond Hill, the City of Vaughan Community Health Centre and the Family Medicine Teaching Unit at Markham Stouffville Hospital. This working partnership enables health information to be provided to residents in a timely manner.
- Public Health has established partnerships with all three public hospitals, 28 long-term care homes and 36 retirement homes in York Region to support them with response and control of respiratory and enteric outbreaks. These partnerships include providing advice and recommendations to these facilities on outbreak control measures (e.g., infection

prevention and control, antiviral treatment recommendations, enhanced cleaning and disinfection practices), and the repatriation of residents back from hospital into their long-term care/retirement home in the event of a hospitalization

## CHALLENGE 3: DUPLICATION OF EFFORT

### York Region's Experience

- In [May 2019](#) York Regional Council endorsed the position of the Council of Ontario Medical Officers of Health in support of a seamless immunization registry whereby health care providers directly input immunization information at the time of vaccine administration
- Having to create 'work-arounds' to use Ministry databases creates additional work that takes away from front-line service delivery
- Lack of a central immunization registry requires front-line public health staff to enter information, also taking away from service delivery

### York Region's Advice

- Provincially coordinated and centralized public health technology solutions could be the most effective opportunity to drive efficiencies, reduce costly duplication, and potentially improve service quality and data accuracy. Modernization of systems (digital and forms) will generate efficiencies across the system of public health units once implemented, and this is where the Province must look to find savings.
- Modernize systems and update technology, in consultation with front-line public health staff
- Update databases to provide streamlined access to services that connect health care records across programs and the broader health care system
- Provide self-serve/automated systems that use identity access management
- Automate forms with work flow to enable integration between systems and minimize manual data entry
- Have reciprocal data sharing agreements to increase access to data and maximize evidence-based decision making

## 7. What functions of public health units should be local and why?

- A standardized approach across the province may be ineffective and inefficient from a community health perspective as different populations across the province have distinct needs and public health priorities
- Programs and initiatives that work best in a municipal integrated model by enabling a tailored approach to the communities they serve, and local partnerships, include:
  - Local disease surveillance and monitoring with integration/coordination at provincial level
  - Built Environment work requires relationships with municipalities influence policies such as Official Plans, built-form, transit and transportation plans
  - Local environmental issues that may not be priorities in other communities
  - Climate vulnerability assessment and design of climate mitigation and adaptation strategies
  - Sustainable food systems and food security work
  - Local population health assessments, surveillance and evaluation
  - Emergency management and planning, in particular to identify risks and hazards, and responses that work in the local context
  - Services delivered directly to residents such as infectious disease management, immunization clinics, public health inspections and sexual health services
- Research on matters with province-wide impact could be centralized. An arm's length agency, such as Public Health Ontario, could take on a centralized research and dissemination function, and leverage Public Health units across the province for their expertise and experience to complement that of the Ministry.

## **8. What population health assessments, data and analytics are helpful to drive local improvements?**

- York Region Public Health has sufficient capacity to conduct timely, relevant, meaningful and actionable public health assessments due to the size of the health unit and number of staff
- All topic areas identified in the Ontario Public Health Standards should identify corresponding population health assessment indicators and provincial data collection systems that allow standard data collection and indicator definition (i.e. instead of using Association of Public Health Epidemiologists in Ontario's core indicators guidelines). This standardized approach to measuring results and outcomes of the Ontario Public Health Standards will avoid unnecessary duplication and make data across Ontario comparable.

- Incorporate requirements into the Ontario Public Health Standards to ensure analytics, data and evaluation results are used to determine effectiveness of programs

**9. What changes should the government consider to strengthen research capacity, knowledge exchange and shared priority setting for public health in the province?**

- Better coordination and information sharing between the Ministry, Public Health Ontario, and Public Health Units would strengthen capacity to set shared priorities. This would enable opportunities to form coalitions and leverage local expertise to inform specific system-wide priority topics.
- Create a centralized and coordinated approach to advance required research and knowledge mobilization. Currently this work is done individually by each public health unit. Establish program specific networks to collaborate on issues, exchange knowledge and set priorities. This will help avoid duplication in research, facilitate knowledge exchange across public health units and potentially enable innovative research and capacity building through partnerships between health units, provincial ministries, health organizations, and academic institution.
- Develop program evaluation guidance materials for all local public health units to use to make sure that they are evaluating their programs in a consistent manner that includes provincial benchmark indicators on Public Health Standards. This would establish consistency in evaluating Ministry-mandated programs and ensure results are comparable.
- Develop systems to collect data, and any mandatory data collected should be funded, built, implemented, and coordinated at a provincial level to ensure standardized reporting. Centralized systems need to be responsive to local public health needs, have standardized reporting approaches/tools/methods, and be usable by the entire health sector to enable a single point of access to information. A Provincially developed data collection system would create a central repository of information and avoid duplication in systems by public health units.
- The Ministry has announced plans for a modernized Digital Strategy. A Provincially coordinated and centralized data strategy is the biggest opportunity to drive efficiencies and improve service quality. Refer to Question 11 for example of technologies that need to be fixed to maximize efficiencies.

**10. What are public health functions, programs or services that could be strengthened if coordinated or provided at the provincial level? Or by Public Health Ontario?**

- Consider creating a provincial centre of excellence of epidemiological expertise, as proposed by the Ontario Auditor General (2017), working in partnership with local public

health units; care must be taken to adequately resource this function at the provincial level.

- Clarify roles and responsibilities of Public Health Ontario, Ministry of Health and Public Health units. The lack of clarity in when/how to access Public Health Ontario supports creates duplication locally and across the province. Work that can be completed by Public Health Ontario ends up being addressed at the local level. For example, conducting applied public health research activities and program evaluations of common programs delivered by all health units.
- Public Health Ontario services mainly support infectious diseases and environmental health. Other areas such as child health and chronic diseases are under-served and would benefit from strengthened research capacity, knowledge exchange and shared priority setting in these areas
- Public Health Ontario/Ministry needs to take greater leadership role in standardizing messaging/resources used commonly across the province (e.g., disease-specific fact sheets for Diseases of Public Health Significance); as well as enable knowledge transfer of successful population health interventions.

**11. Beyond what currently exists, are there other technology solutions that can help to improve public health programs and services and strengthen the public health system?**

- Currently York Region Public Health **must** use many different Ministry databases that don't connect to each other. To work around these problems, we have had to develop our own databases, creating additional work, extra costs and taking away from front-line service delivery. For example, we have had to create stand-alone inspection module platforms for our food safety and vaccine inventory management programs. In addition, the lack of a central immunization registry is a huge resource draw requiring front-line public health staff to enter this data, when it could be done faster, more accurately and more efficiently by physicians, health care providers and parents or guardians at the time the vaccine is given.
- The Deloitte report on administrative efficiencies commented on the need for Public Health to find a way to automate and link forms, as another work around to the Provincial system. This is an issue for Public Health units across the province. The Province must urgently address work to fix the systems that are creating the inefficiencies and duplications, and then all Ontario Public Health units could be more efficient.
- The Ministry of Health has announced plans for a modernized Digital Strategy, and this is very good news. A Provincially coordinated and centralized data strategy is the biggest opportunity to drive efficiencies and even improve service quality.

## CHALLENGE 4: INCONSISTENT PRIORITY SETTING

### York Region's Experience

- York Region Public Health displays strong accountability, leadership and governance capacity
- Our work is guided by the Ontario Public Health Standards and shaped by local population health needs
- Balancing local needs with larger system priorities cannot be done in isolation; it requires Public Health Ontario to have a stronger role
- The Medical Officer of Health, like other mandated positions in municipal governments such as Chief of Police and Chief Building Official, has the authority and autonomy to ensure provincial priorities are addressed
- Opportunities to share our expertise and to learn from others could be improved

### York Region's Advice

- Develop an improved coordination role for Public Health Ontario to help manage priority setting, and ensure Public Health Ontario is properly resourced to take on this role
- Consider the service system manager model used by other provincial ministries to improve collaboration, decision making, priority setting and service effectiveness
- Maintain Medical Officer of Health autonomy to set priorities and inform Board of Health decision-making based on local needs

### 12. What processes and structures are currently in place that promote shared priority setting across public health units?

- Ontario Public Health Standards guides larger system priorities. Public Health Ontario and the Ministry have many tools at their disposal to set and enforce its standards and priorities, such as its funding agreements, standards and legislation
- The Ministry should take a stronger leadership role in ensuring a focused, overarching and strategic approach to public health, including research, health promotion programs, and chronic disease prevention initiatives
- Ministry should consider creating provincial working groups under confidentiality agreements (for example, the Association of Municipalities of Ontario MOU with the province) to work in partnership with diverse health and other human service



professionals to leverage local expertise to inform shared priority setting. Similar tactics are employed in other Provincial ministries such as Ministry of Children, Community and Social Services and Ministry of Housing

### **13. What should the role of Public Health Ontario be in informing and coordinating provincial priorities?**

- Giving Public Health Ontario a stronger mandate and resources to support coordination between health units would address many of the challenges the Ministry has identified. Public Health Ontario could have that coordination role, however, it would need the mandate and resources to do it
- As the provider of provincial research/synthesis of other jurisdictions' research and evidence, properly resourced Public Health Ontario could provide the following:
  - Coordination of knowledge and research activities to eliminate duplication at the local level (e.g., conducting research into best practices locally when a solution could be identified at the provincial level based on greater population research initiatives/engagement)
  - Coordinate data analytics at the local and provincial levels to create a coordinated surveillance system for data collection across province that can be used by local analysts/epidemiologists to support understanding local need and decision making
  - Coordinate health equity data sources/information that can be used at the local level
  - Strengthen provision of evidence based practice information/guidance to health units to support operationalization of the Ontario Public Health Standards while increasing consistency/equity across the province
  - Speed up Locally Driven Collaborative Projects to provide timely, meaningful, applied public health research and knowledge exchange that improves front-line services

### **14. What models of leadership and governance can promote consistent priority setting?**

- Effective Public Health will balance local priorities and provincial objectives
- The Medical Officer of Health continuing to have the authority and autonomy to ensure provincial priorities are addressed
- Through our current governance model and integration with human services, York Region Public Health is accountable, has strong leadership and governance capacity. Regional Council, as Board of Health, includes the voice of all nine local municipalities, allowing for collaborative priority setting based on locally identified needs

- The Province directs all public health legislation, regulations, funding, standards, and reporting requirements to all local public health units regardless of their governance and leadership models
- No evidence is provided to conclude that the variation in public health governance and leadership models contribute to inconsistent priority setting. A reasonable spectrum of organizational models from integrated to stand-alone must be allowed to respond to local conditions and achieve the provinces stated objectives
- Structural re-organization alone is not enough to bring about collaboration and integration, policy change and action, with basic agenda of public health remaining the same across different governance structures and processes of reorganization<sup>10</sup> In fact taking a province wide modernization approach will take the focus away from those Public Health Units in need of assistance.
- We have found no evidence that costly and disruptive changes to Public Health's governance would make priority setting and decision making more consistent and balanced with local needs.
- In 1974, England consolidated many locally delivered public health services into the National Health Service. In 2013 they returned delivery of most public health services back to local government. The rationale for this transition was that local government was better placed to meet local health needs by coordinating departments allied to public health such as transport and housing, and in doing so was better able to address social influences on health and tackle local health inequalities.<sup>11</sup>
- The Ministry should consider looking at the [service system manager](#) model used by the Ministry Community and Social Services and the Ministry of Housing for children's services, homelessness services and housing. These ministries have established an accountability model that supports a good balance between ministry objectives and local objectives. They set provincial objectives, and let municipalities decide how to best achieve them based on local needs, resources and context. These other ministries have established practices for working with the 47 service system managers across the province which could also work for Public Health.<sup>12</sup>

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<sup>10</sup> Holt DH, Carey G, Rod MH. Time to dismiss the idea of a structural fix within government? An analysis of intersectoral action for health in Danish municipalities. Scand.J.Public Health 2018 Jun;46(22\_suppl):48-57

<sup>11</sup> Atkins L, Kelly MP, Littleford C, Leng G, Michie S. From the National Health Service to local government: perceptions of public health transition in England. PUBLIC HEALTH (ELSEVIER) 2019 09;174:11-17

<sup>12</sup> Ontario Municipal Social Services Association. Received from: <https://www.omssa.com/human-services.php>, on February, 2020

## INDIGENEOUS, FIRST NATION AND FRANCOPHONE COMMUNITIES

### York Region's Experience

- York Region has adopted [Inclusion Charter for York Region](#) where we pledge our commitment to “welcoming and inclusive communities where diversity is celebrated and where everyone can develop to their full potential participate freely in society and live with respect, dignity and freedom from discrimination.” This Charter was developed in partnership with municipalities, police services, hospitals, school boards, conservation authorities, community agencies and the United Way Greater Toronto. The Inclusion Charter reflects a collective vision that each community partner brings to life through specific plans and initiatives. Our Charter is recognized by the United Nations’ training arm (the United Nations Institute for Training and Research (UNITAR) as best practice. In particular, UNITAR acknowledged the collaborative approach used to develop the Charter as unique and a model others around the world can emulate to create inclusive communities.

### INDIGENOUS COMMUNITIES

#### York Region's Advice

- Assign Public Health Ontario responsibility for coordinating cross-provincial priorities for these distinct populations to balance their unique needs with those of other emerging priority populations
- Permit public health units to identify local priority populations

#### 15. What has been successful in current system to foster collaboration among Public Health and Indigenous communities and organizations?

- In collaboration with the Indigenous community, York Region Public Health provides the following programs and services:
  - Public Health as part of Community and Health Services received training to strengthen cultural awareness, inform relationship building and enhance organizational programs and policies

- Safe Water program collaborates with the Chippewas of Georgina Island in delivery of their beach sampling program by providing supports with water sample transportation, provision of supplies, water results interpretation and public notifications for their six beaches.
- The existing municipal governance and operating model for York Region Public Health leverages benefits of integrated service delivery ultimately contributing to the overall health of the community and provides equity of care
- The Community and Health Services Department conducted a Knowledge Needs Assessment survey of staff in summer 2019 to assess potential training needs on Indigenous engagement. Results informed the development of staff training.

**16. Are there opportunities to strengthen Indigenous representation and decision-making within Public Health sector?**

- In York Region, 0.5% (5,915) of the population identifies as Indigenous. For those we know of, such as the Chippewas of Georgina Island, they are inundated by requests for partnerships and consultations because every provincial Ministry has made the Indigenous communities a priority. We want to engage, and do engage, in ways that are respectful of the Community's time and resources.
- York Region has worked to strengthen its relationship with Indigenous residents, communities and organizations through government to government meetings, and partnering with the Central Local Health Integration Network (CLHIN) and Indigenous community members to discuss the idea of creating an Indigenous Health Advisory Circle in York Region. This work stopped because of a lack of community support and due to the LHIN restructuring.

**FRANCOPHONE COMMUNITIES**

**17. What has been successful in the current system in considering the needs of Francophone populations in planning, delivery and evaluation of public health programs and services?**

- In York Region, 2.1% of the population identify as Francophone
- The City of Markham is a designated French language area. Most provincial programs delivered by Community and Health Services are required to provide French language services, and the various Ministries have been helpful in working with us to meet provincial requirements. York Region offers French language services to Markham French speaking residents through translation (written and verbal), signage and francophone employees

- Local efforts to work directly with French-language-first schools have improved responses and compliance to Ontario's *Immunization of School Pupils Act* requirements, as well as improved overall awareness of immunization and its importance

#### **18. What improvements could be made to public health service delivery in French to Francophone communities?**

- The Francophone community is relatively small in York Region
- York Region Public Health is challenged in providing resources in more sought after languages (such as Cantonese, Mandarin, and Farsi) as well as French

### **IMMIGRANT AND NEWCOMER COMMUNITIES**

- 47% of York Region residents were born outside of Canada (2016 Census)
- Despite immigration and newcomers driving provincial population growth, the Ministry has not made the immigrant and newcomer community a priority. This sub-segment of the population has their own unique health needs and could benefit from targeted support
- As immigrants and newcomers are not recognized as a priority group in the Ontario Public Health Standards, Public Health does not have the mandate or funding to appropriately address the needs of the immigrant and newcomers
- Public Health Units should be permitted to determine local priorities. The Ministry of Housing, for example, through the Service Manager governance model, permits mandates some priority populations for access to subsidized housing, and permits service managers to establish local priorities based on local needs
- York Region Community and Health Services is responsible for the Federal Local Immigration Partnership. The Community Partnership Table established by York Region Council provides advice on the development and implementation of a strategy that supports immigrant integration under the following objectives:
  - To create a community that is welcoming and inclusive
  - To support the economic, social, cultural, and civic/political integration of newcomers living in York Region
  - To identify local priorities, assets and gaps and develop solutions to current and anticipated needs of newcomers in York Region

## LEARNING FROM PAST REPORTS

### **19. What improvements to the structure and organization of public health should be considered to address these challenges?**

- Challenges identified by the Ministry in the Discussion Paper are not experienced by York Region. York Region Public Health is faring well. This has a lot to do with our integration into a holistic human services framework in York Region.
- Having public health integrated into a municipal government is an effective model because public health can leverage expertise, funding, and additional resources when needed, and because public health can influence a wide range of factors related to the social and economic determinants of health
- The Province should look at municipally integrated Public Health as a model for the future, rather than a problem that needs to be solved. At a minimum a range of organizational models across the province must be permitted
- Consider the service system management model for Public Health, supported by a well-resourced Public Health Ontario

### **20. What about the current public health system should be retained as the sector is modernized?**

- The challenges identified by the Ministry in the Discussion Paper are not experienced by York Region to the extent described. York Region Public Health is fairing relatively well. This has a lot to do with our integration into a holistic human services framework in York Region. The Province should look at municipally integrated Public Health as a model for the future, rather than a problem that needs to be solved

### **21. What else should be considered as the public health sector is modernized?**

- Research suggests economies of scale are not always realized by amalgamating or regionalizing public health authorities. There are only economies of scale for certain public health activities, only at certain minimum volumes<sup>13</sup>, or only with sufficient and stable funding.<sup>14</sup>
- The Region is a major contributor to public health and must be permitted to have some say for its financial support. We are a mature order of government that has been delivering Public Health for 40 years, and delivering provincial services such as housing, children's services, homelessness services, social assistance and paramedic services for twenty years. We should be treated as vital community partners with the Ministry in

<sup>13</sup> Bernet PM, Singh S. Economies of Scale in the Production of Public Health Services: An Analysis of Local Health Districts in Florida. Am.J.Public Health 2015 04/02;105:S260-S267

<sup>14</sup> Chen L, Jacobson J, Roberts S, Palm D. Resource allocation and funding challenges for regional local health departments in Nebraska. J PUBLIC HEALTH MANAGE PRACT 2012 2012;18(2):141-147

the planning and delivery of public health services that will achieve our shared interest in efficient, effective, and equitable public health services for all Ontarians.

- An increase to the municipal cost-share for public health is not sustainable without impacting front-line services and/or large property tax increases. Municipal governments should not be expected to make up for reductions in provincial funding. The current cost share formula of 70:30, but based on actual costs, could work for York Region based on historical contributions; a 60:40 cost share is not sustainable without undue pressure on property taxes
- The Ministry needs to commit funding public health services in Ontario at a minimum of 70% provincial funding, based on actual costs. Cost sharing on actual costs may encourage the Province to consider the mandated services from a financial perspective, and permit Boards of Health to look at alternate ways to deliver on services to achieve desired outcomes.
- Moving ahead urgently with digitization and modernization for the benefit of all public health units

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For more information on this report, please contact Dr. Karim Kurji, Medical Officer of Health, at 1-877-464-9675 ext. 74102.

## APPENDIX A: YORK REGION COUNCIL, AS BOARD OF HEALTH, POSITION AND MANDATE FOR A RESTRUCTURED YORK REGION PUBLIC HEALTH

**Wayne Emmerson**  
Chairman and CEO



The Regional Municipality of York  
17250 Yonge Street  
Newmarket, Ontario L3Y 6Z1  
Tel: 905-895-1231  
email: wayne.emmerson@york.ca

July 3, 2019

Christine.elliott@pc.ola.org

The Honourable Christine Elliott  
Deputy Premier and Minister of Health  
Ministry of Health  
777 Bay Street, 5th Floor  
Toronto, ON M7A 2J3

Dear Minister:

**Re: Public Health Board Realignment**

Congratulations on your recent confirmation as Minister of Health. Your continued role leading this vital Ministry will help steer this province through some significant changes.

I have attached, for your consideration, a resolution of York Regional Council in their role as the Board of Health, seeking a change to the proposed realignment of Public Health delivery affecting residents in your constituency and beyond. **Regional Council is asking that your government leave the current boundaries of the Board of Health serving York Region intact and delivered through Regional Council.**

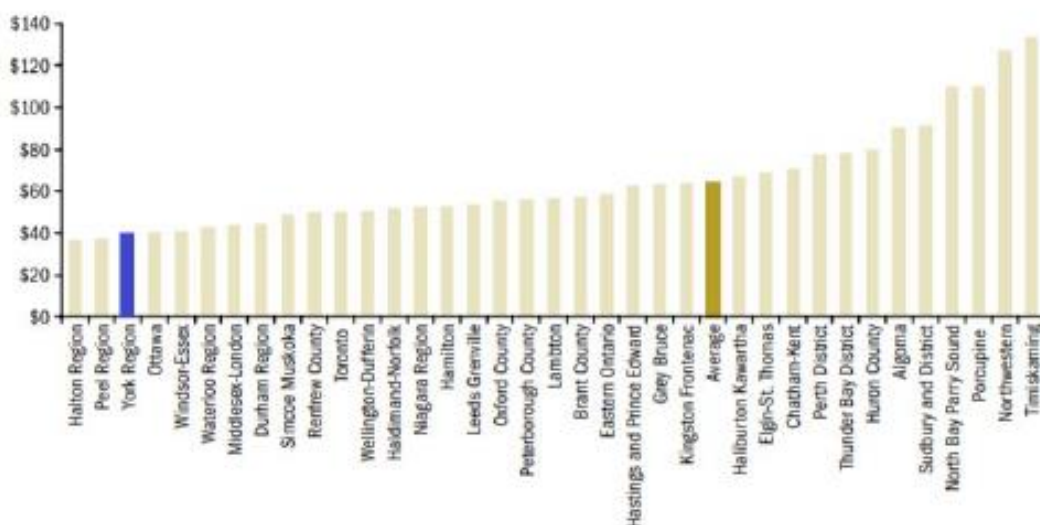
It is our view that the scale of York Region, comprising 1.2 million residents and including some of Canada's most diverse communities, is sufficient to warrant standing as one of the 10 geographically defined health units. The Provincial Growth Plan forecasts that our population will approach 1.8 million in only two more decades – adding even more rationale to our recommendation.

Our Council is proud of the way we have integrated Public Health within the delivery of other municipally and provincially funded services. In our role as a Consolidated Service System Manager, we deliver social services (Ontario Works, housing and children's services). We also deliver the provincially cost-shared land ambulance (paramedic) service. In our relentless efforts to better serve our residents, we have integrated services to better address the social determinants of health. The Provincial Auditor General's 2017 Value-for-Money [audit](#) of chronic disease prevention, illustrates the overall cost effectiveness of public health delivery through the Region of York – ranking us 3<sup>rd</sup> out of the 36 health units existing at the time.



**Figure 9: Provincial Per Capita Funding of All 36 Public Health Units, 2016/17**

Source of data: Ministry of Health and Long-Term Care



I encourage you to reconsider the disruptive merger of our health unit with a portion of Simcoe-Muskoka under the direction of a board with limited accountability to the property tax-payers being called upon to fund a larger share. Our strong preference is to continue under the current mandate for Regional Council with our proven and accredited emphasis on continuous improvement and accountability to the public we serve.

Sincerely,

Wayne Emmerson  
York Region Chairman and CEO

Attachments – June 20, 2019 Board of Health Resolution

#0722050



## **Position and Mandate for a Restructured York Region Public Health**

On June 20, 2019 the York Region Board of Health made the following decision:

That the Board of Health adopt the following recommendations, as amended, in the report dated June 12, 2019 from the Medical Officer of Health and the Commissioner of Community and Health Services:

1. York Region Board of Health direct the Chair of the Board to send a letter to the Minister of Health, with copy to the Premier of Ontario, to include the following:
  - a. Request that the geographic area of the restructured public health entity include only the existing geographic area of York Region.
  - b. Request that the governance and operating model of the restructured public health entity maintain the integrated service model which currently exists for York Region Public Health, to continue leveraging of all municipal activities towards addressing the social determinants of health.
  - c. Highlight opposition to the cost sharing changes which are estimated to increase the tax levy contributions to public health in the range of \$12.7 million.
  - d. Highlight that the proposed changes to the operating model and boundaries would create an additional tax levy burden on York Region due to the proposed amalgamation with the Simcoe Muskoka District Health Unit and associated increase in costs.
2. Until the Ministry of Health makes its final decision on the geographic area, and governance and operating models for the new public health entity, York Region Board of Health authorize and direct the Medical Officer of Health to establish a team to engage with the Simcoe Muskoka District Health Unit, guided by the following principles:
  - a. No significant service loss to York Region residents
  - b. No reduction in employment for front line positions, given that the population of York Region continues to grow
  - c. Protect current employees from job loss and maintain years of service as much as possible
  - d. Ensure that York Region tax levy funding remains in York Region to fund services in the Region
  - e. Do not exceed, on an annual basis, the total York Region tax levy funding currently contributed to deliver public health services, including both direct and indirect costs

3. York Region Board of Health authorize the Medical Officer of Health to request financial assistance from the Ministry of Health for planning and transition costs related to restructuring York Region Public Health.
4. York Region Board of Health authorize the Medical Officer of Health to retain management consulting resources as required, to advise on the structure and governance of the new public health entity.
5. This report be sent by the Regional Clerk to all nine local municipalities, York Region Members of Provincial Parliament, Canadian Union of Public Employees Local 905 (York Region Unit), Ontario Nurses Association Local 16, the Association of Municipalities of Ontario, the Association of Local Public Health Agencies, the Chief Medical Officer of Health of Ontario, the Ontario Health Agency and the other 34 Boards of Health.

## APPENDIX B: HUMAN SERVICES PLANNING BOARD OF YORK REGION

### Human Services Planning Board of York Region

#### Description

The Human Services Planning Board of York Region (the Board) is a multi-sector collaborative of key human service agencies, government, private sector, and community leaders. All Board Members are appointed by York Regional Council for up to a four year term, which runs concurrent with the term of Regional Council. In addition to quarterly meetings, the Board establishes working groups, as required, undertaking initiatives to address issues and legislated requirements related to human services.

#### Mandate

The mandate of the Board is to provide Regional Council and staff with strategic advice on human services matters in York Region, including but not limited to, providing the Advisory Committee function as set out in the *Police Services Act, 2018*.

This mandate will be fulfilled by considering and providing input in three areas:

- Capacity building, community engagement and collaborative advocacy initiatives related to human services, community safety and well-being
- Legislated requirements related to human services and community safety and well-being, such as but not limited to the *Police Services Act, 2018*
- Development and delivery of integrated human services policies and programs

#### Membership

##### Regional Government Sector

**Wayne Emmerson**, Chairman and Chief Executive Officer, The Regional Municipality of York

**John Taylor**, Mayor, Town of Newmarket

**Mario Ferri**, Regional Councillor, City of Vaughan

**Jack Heath**, Regional Councillor, City of Markham

##### Education Sector

**Mary Battista**, Superintendent of Education: Curriculum and Assessment, York Catholic District School Board

**Cecil Roach**, Coordinating Superintendent of Education, Indigenous Education and Equity, York Region District School Board

**Dr. Rhonda L. Lenton**, President and Vice-Chancellor, York University

##### Healthcare Sector

**David Stolte**, Vice President, Strategy and Redevelopment, Mackenzie Health  
**Rebecca Shields**, CEO, Co-Chair, Canadian Mental Health Association  
**Kim Baker**, CEO, Central Local Health Integration Network

### **Community Safety Sector**

**Eric Jolliffe**, Chief, York Regional Police  
**Chunilall (Robin) Doobay**, York Regional Police Services Board

### **Non-Profit Community Organizations Investment Sector**

**Nation Cheong**, Senior Vice President, Community Opportunities and Mobilization, United Way Greater Toronto  
**Michael Braithwaite**, CEO, Blue Door Shelters (effective March 18, 2019)

### **Children, Youth and Family Services Sector**

**Clovis Grant**, CEO, 360°kids  
**Dean Rokos**, Executive Director, York Hills Centre for Children, Youth and Families

### **Seniors/Healthy Aging Sector**

**Christina Bisanz**, CEO, Community & Home Assistance to Seniors

### **Training-Education/Labour Market/Business Community Sector**

**Darryl Gray**, Director of Education and Training, Toronto and Region Conservation Authority  
**Tracy Macgregor Walter**, President and CEO, Newmarket Chamber of Commerce, Chamber of Commerce representative  
**Al Wilson**, Executive Director, Workforce Planning Board of York Region

### **Community and Social Support Based-Services Sector**

**Christin Cullen**, Executive Director, John Howard Society of York Region  
**Medhat Mahdy**, President and CEO, YMCA of Greater Toronto  
**Liora Sobel**, Executive Director, Women's Centre of York Region  
**Colleen Zakoor**, Executive Director, Community Living Central York

### **Advisors and Resources**

**Charles Beer**, Principal, Counsel Public Affairs  
**Harry Bezruchko**, Regional Program Manager, Central Region, Employment and Training Division Ministry of Training, Colleges and Universities  
**Daryl Chong**, President and CEO, Greater Toronto Apartment Association  
**Noor Din**, CEO, Human Endeavour

**Moy Wong-Tam**, Executive Director, Centre for Immigrant and Community Services  
**Nadia Venafro**, Affordable Housing Consultant, Canada Mortgage and Housing Corporation

# Community and Health Services

## WHAT WE DO



### Housing Services

- Responsible for 6,700+ affordable housing units
- Deliver rent subsidies
- Develop new affordable housing



### Homelessness Community Programs

- Prevent homelessness
- Help residents find and keep housing
- Help residents access Social Assistance



### Social Assistance

- Help residents find and keep jobs
- Provide financial help for basic living costs



### Children's Services

- Provide child care and recreation subsidies for low-income families
- Support children with special needs
- Support children's learning and development (EarlyON)



### Public Health

Deliver range of programs and services including:

- Family, child health and dental services
- Harm reduction and substance misuse prevention
- Infectious disease control
- Inspections (restaurants, spas, etc.)



### Paramedic Services

- Respond to emergency medical calls
- Deliver lifesaving treatment
- Foster partnerships with hospitals
- Deliver community paramedicine



### Long-Term Care/Seniors' Services

- Operate two long-term care homes
- Provide day and outreach programs to people with long-term healthcare needs



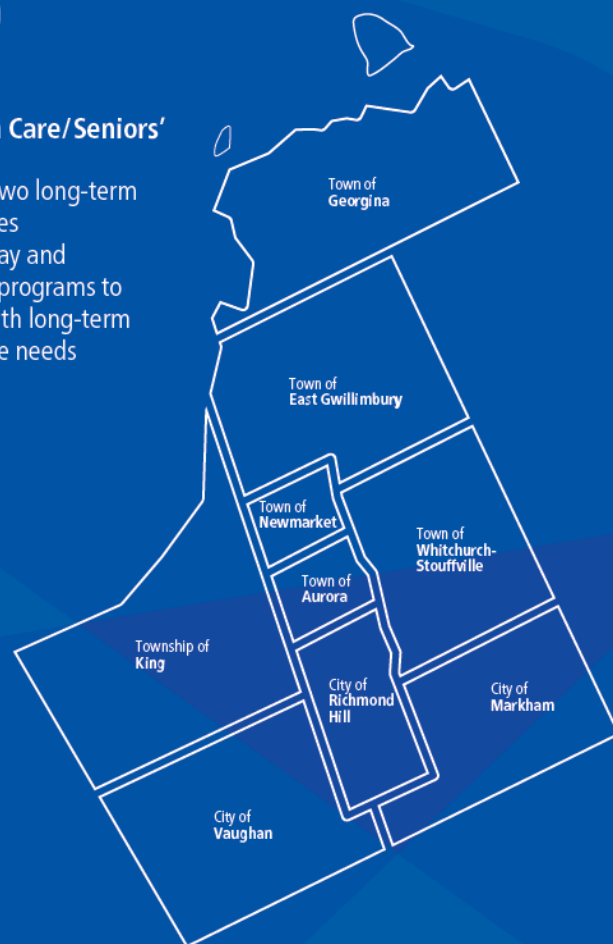
### Community Development

- Build community partnerships to implement plans and strategies
- Fund community agencies to address community issues and gaps



### Access York

- Initial contact for resident inquiries
- Assess resident needs, and provide referrals and applications for York Region programs and services



**Access York** 1-877-464-9675

[accessyork@york.ca](mailto:accessyork@york.ca)

**york.ca**

Accessible formats and communication supports are available upon request

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**From:** Switzer, Barbara on behalf of Regional Clerk  
Monday, March 2, 2020 3:32 PM

**Subject:** Regional Council Decision - Response to Ontario Ministry of Health's Discussion Paper on Emergency Health Services Modernization

**Attachments:** Original Staff Report - Response to Ontario Ministry of Health's Discuss....pdf

**CAUTION: This email originated from a source outside the City of Markham. DO NOT CLICK on any links or attachments, or reply unless you recognize the sender and know the content is safe.**

On February 27, 2020 Regional Council made the following decision:

1. Council approve Attachment 1 as York Region's response to the Ontario Ministry of Health's Discussion Paper on Emergency Health Services Modernization.
2. The Regional Clerk circulate the Region's response to the following: Ministry of Health, Members of Provincial Parliament in York Region, Clerks of the nine local municipalities, Southlake Community Ontario Health Team, Eastern York Region and North Durham Ontario Health Team, Mackenzie Health Hospital, Association of Municipalities of Ontario, Ontario Association of Paramedic Chiefs and CUPE 905 — York Region Unit.

The original staff report is attached for your information.

Please contact Lisa Gonsalves, General Manager, Paramedic and Seniors Services at 1-877-464-9675 ext.72090 if you have any questions with respect to this matter.

Regards,

**Christopher Raynor** | Regional Clerk, Regional Clerk's Office, Corporate Services

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The Regional Municipality of York | 17250 Yonge Street | Newmarket, ON L3Y 6Z1  
O: 1-877-464-9675 ext. 71300 | [christopher.raynor@york.ca](mailto:christopher.raynor@york.ca) | [www.york.ca](http://www.york.ca)

Our Mission: **Working together to serve our thriving communities – today and tomorrow**



# The Regional Municipality of York

Regional Council  
Community and Health Services  
February 27, 2020

Report of the Commissioner of Community and Health Services

## Response to Ontario Ministry of Health's Discussion Paper on Emergency Health Services Modernization

### 1. Recommendations

1. Council approve Attachment 1 as York Region's response to the Ontario Ministry of Health's Discussion Paper on Emergency Health Services Modernization.
2. The Regional Clerk circulate the Region's response to the following: Ministry of Health, Members of Provincial Parliament in York Region, Clerks of the nine local municipalities, Southlake Community Ontario Health Team, Eastern York Region and North Durham Ontario Health Team, Mackenzie Health Hospital, Association of Municipalities of Ontario, Ontario Association of Paramedic Chiefs and CUPE 905 — York Region Unit.

### 2. Summary

This report seeks Council approval of the Region's proposed response (Attachment 1) to the Ministry of Health's (Ministry) [Discussion Paper: Emergency Health Services Modernization](#), which seeks feedback on how to improve emergency health services in Ontario communities.

#### Key Points:

- York Region supports the Ministry's actions to modernize emergency health services, which align with previous Council and staff positions to modernize dispatch and changes to the *Ambulance Act* and *Health Insurance Act*
- York Region's overarching advice to the Ministry is to accelerate modernization of dispatch technologies to enable efficient use of paramedic resources
- Other advice for the Ministry includes the following:
  - Fully integrate Paramedic Services into the health care system for improved coordination and better patient outcomes
  - Partner with hospitals and enable new models of care that will reduce offload delays, which in turn will improve ambulance availability
  - Scale up innovative programs developed by the Region to meet resident needs, decrease 9-1-1 calls and reduce emergency department visits

- Build the knowledge and capacity of Paramedic Services to improve health equity and access to service
- Maintain the current municipal governance model for emergency health services, provide funding at 50% of actual operating costs and provide funding for capital costs
- These actions will enable more efficient use of paramedic resources, help patients receive the right care in the most appropriate settings, support the Region to achieve its vision of healthy communities and contribute to ending hallway health care

### 3. Background

The Province is transforming the health care system to improve the patient experience, strengthen local services and end hallway health care. In [October 2019](#), the Province of Ontario appointed Jim Pine, Chief Administrative Officer of Hastings County, as the Provincial Advisor to lead province-wide consultation on emergency health services modernization. In November 2019, the Ministry launched its consultation by releasing a [Discussion Paper: Emergency Health Services Modernization](#), inviting stakeholders to provide advice on the following five well-established challenges affecting delivery of critical emergency health services.

1. Outdated dispatch technologies
2. Lengthy ambulance offload times and delays in transporting medically-stable patients
3. Lack of coordination among emergency health service system partners
4. Need for innovative models that improve care
5. Health equity, or access to services across regions and communities

The Region was invited to a Provincial consultation scheduled for January 28, 2020, which was postponed by the Ministry on January 27, 2020 to enable readiness planning for the COVID-19 (Coronavirus Disease 2019). At this time a new date has not been set for the consultation.

In [January 2020](#), staff presented and received feedback at Committee of the Whole on the proposed advice to be shared with the Ministry.

### 4. Analysis

#### **Staff's response is grounded in Paramedic Services' experience**

The proposed response (Attachment 1) provides background on York Region Paramedic Services, including its integration within the Region, community partnerships and innovative programs to meet community needs, populations served and key performance outcomes achieved.

The Discussion Paper is organized around five key challenges identified by the Ministry, and the Region's response follows the same format. For each challenge, the Region's response describes existing experiences, mitigation strategies and innovations implemented to address the challenge and the Region's advice for positive system change. The response is not limited to questions in the Discussion Paper; it also includes recommendations regarding governance, purchasing and funding.

### **The Region supports modernization of emergency health services**

The need for modernizing emergency health services and addressing the many challenges identified in the Discussion Paper has been discussed for years in the sector. The Region has advocated for modernized dispatch technologies since 2002 and supports the Ministry's direction, but seeks faster implementation.

In early 2018, the Ministry began investing in new medical dispatch technologies and York Region Paramedic Services was selected to test these technologies. The Region worked with the Ministry to develop and test a mobile data application connecting dispatch directly to the Region's ambulances. This technology is now being used in all York Regional ambulances. It provides paramedics with automatic information updates, real time data on patient condition and navigation to 9-1-1 responses, saving time and reducing errors.

The Region supports the Ministry's positioning of Paramedic Services as part of the health care system, as a provider of "out-of-hospital" care. This includes care provided in a patient's home or in clinics, much like the care already provided through the Region's Community Paramedicine program.

### **Staff's response includes recommendations for governance, procurement and funding – areas not identified in the Discussion Paper**

In January 2000, Council assumed responsibility for delivery of land ambulance services in the Region. Since that time, Council has made significant investments and improvements to Paramedic Services including the following:

- Providing annual funding to enable innovation and efficiencies
- Partnering with local hospitals to improve transfer of care times
- Constructing and paying for new stations and equipment
- Approving/setting response times
- Advocating to the province for improvements to the emergency health services system

Working within a municipal corporation, York Region Paramedic Services benefits from the supports it receives from the Region's corporate program areas such as Information Technology, Legal, Risk, Finance, Long-Term Planning, Procurement, Property Services, Communications, Emergency Management and Human Resources. This integration allows Paramedic Services to benefit from economies of scale, to optimize business processes and to have ready access to specialized corporate resources.

Being integrated within the Region makes collaborative emergency planning and training initiatives between York Region Paramedic Services, York Regional Police and local fire departments more efficient. Together they each have a coordinating role in the Region's Emergency Operations Centre if a large-scale emergency event occurs.

**The Ministry should maintain the municipal governance model and current service boundaries, so York Region Paramedic Services can continue to leverage the benefits of integrated supports and partnerships**

The Province is interested in the potential of cooperative procurement for Paramedic Services across the province to drive efficiencies. Currently there is a range of products that are used across Paramedic Services in Ontario, and many have unique technology requirements. The benefits of co-operative procurement would first require cooperative work to determine what the best equipment and technology would be across the system, and York Region staff support working with the Province and our partners to do this analysis.

Lastly, it is recommended that the Ministry provide 50% funding for actual operating costs, discussed in more detail below in the Financial section of this report.

**Staff's response closely aligns with feedback provided by the Ontario Association of Paramedic Chiefs and Association of Municipalities Ontario**

In January 2020, the Ontario Association of Paramedic Chiefs released two draft documents to members summarizing their position for the Discussion Paper, which closely align with positions and advice in the Region's response.

Similarly, York Region's response supports recommendations provided by the Association of Municipalities Ontario (AMO) to the Province in [October 2019](#) regarding the government's planned changes for emergency health services to end hallway health care, and its formal response released on [February 10, 2020](#).

## 5. Financial

**Provincial funding for Paramedic Services is not keeping pace with the cost of delivering services in a growing Region**

Paramedics Services is funded through provincial and municipal contributions. The Land Ambulance Service Grant from the province funds up to 50% of eligible paramedic service costs with the remainder funded by the municipality.

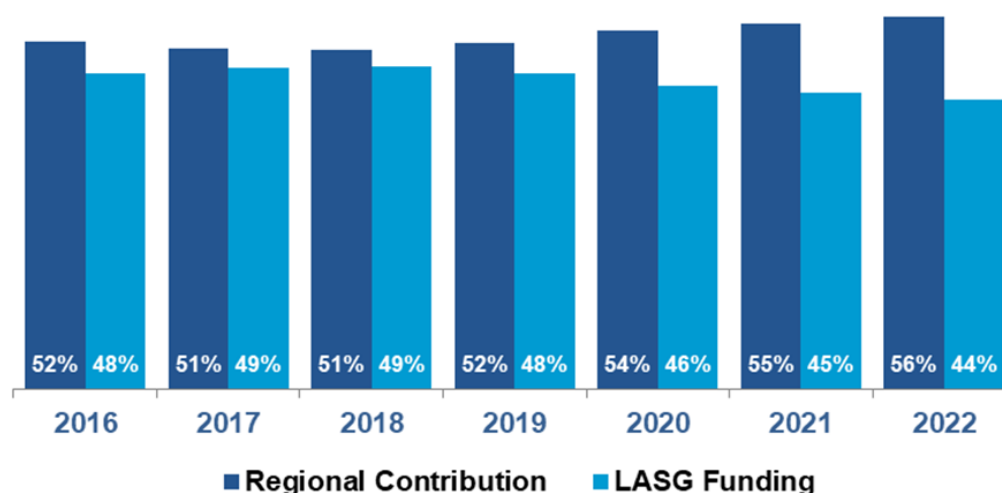
Over the last five years, funding increases from the Province, through the Land Ambulance Services Grant, have ranged from 4.7% to 9.1%, averaging 6.3% annually. These increases have allowed for optimal resourcing to meet response targets mandated by the Province and Regional Council within a rapidly growing Region. However, in 2019, provincial funding increased by only 2.6%. It is anticipated annual increases will continue to remain near this level.

## **The Province should maintain funding at 50% of actual operating costs, provide capital costs and find savings through efficiencies and innovations**

For 2020, the Council-approved operating budget for Paramedic Services is \$88.1 million gross and \$47.9 million net, exclusive of corporate and departmental support costs estimated at \$4 million.

The funding forecasted under the Land Ambulance Services Grant for 2020 is \$42.4 million. As demonstrated in Figure 1, despite the Land Ambulance Services Grant 50/50 cost share formula, provincial funding for eligible paramedic service costs is expected to be an estimated 46% in 2020 and only 44% by 2022 as operational growth will outpace expected Land Ambulance Services Grant increases.

**Figure 1**  
**Shares of Paramedic Services Operating Funding Contributions, 2016 to 2022**



The Region's response requests the Province commit to funding 50% of actual operating costs, which would restore the 50:50 cost share formula and annual increases consistent with funding contributions received prior to 2019.

The Ministry should also provide upfront capital costs to support capital projects such as renovations to existing stations and building new ones, purchasing medical equipment such as stretchers, and purchasing new ambulances and other emergency response vehicles. This recommendation is consistent with other healthcare providers that receive capital funding support, such as the hospital and community services sectors. Between 2005 and 2019, York Region invested \$49.3M in capital funding for paramedic services.

## **The Dedicated Offload Nurse Program reduces offload times at hospitals, and should be continued**

The Dedicated Offload Nurse Program was created in 2008 to 2009 to reduce ambulance offload times. This program provides provincial funding for municipalities to have dedicated nurses in emergency departments to receive low-acuity patients brought by ambulance. Having these nurses in the Region's three hospitals helps to reduce offload times and

enables paramedics to respond to other 9-1-1- calls rather than waiting in emergency rooms. In 2019, a \$1.2 million provincial investment in the Dedicated Offload Nurse Program in York Region saved an estimated 15,300 hours in ambulance time (at a value of approximately \$3.9 million). By making offload faster, paramedic resources returned to the community have helped in meeting legislative response times and responding to growth. Given this strong business case, the Region recommends the Province continue to fund this program.

## 6. Local Impact

Paramedic Services is an essential service available for everyone in York Region. The York Region Paramedic Services 10-Year Resources and Facilities' Master Plan identifies optimal station locations, staffing and vehicle requirements to meet the needs of the Region's growing population. Paramedic Services also has a Deployment and Response Time Plan to maintain appropriate coverage in all areas relative to demand.

Having Paramedic Services embedded with other Regional services enables efficiencies in service delivery, cost management and seamless customer service. Through the Community Paramedicine's innovative programs, residents receive referrals to health care and social supports to meet their needs, which often help to prevent calls to 9-1-1 and reduce visits to local emergency departments.

## 7. Conclusion

The Ministry of Health's consultation is an important opportunity for the Region to influence the path forward for modernizing emergency health services across the Province. The Region supports the Ministry's proposed direction to modernize emergency health services and through its response to the Province, offers advice to the Ministry on how to achieve this.

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For more information on this report, please contact Lisa Gonsalves, General Manager, Paramedic and Seniors Services, at 1-877-464-9675 ext. 72090. Accessible formats or communication supports are available upon request.

Recommended by: **Katherine Chislett**  
Commissioner of Community and Health Services

Approved for Submission: **Bruce Macgregor**  
Chief Administrative Officer

February 14, 2020  
Attachment (1)  
10385309



FEBRUARY 2020

# YORK REGION'S RESPONSE TO THE EMERGENCY HEALTH SERVICES MODERNIZATION DISCUSSION PAPER

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YORK REGION  
PARAMEDICS

YORK REGION PARAMEDIC SERVICES  
1-877-464-9675  
TTY 1-866-512-6228  
[york.ca](http://york.ca)

  
**York Region**

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# INTRODUCTION

Since assuming responsibility for delivery of land ambulance services from the Province in January 2000, York Region Council has made significant investments to improve response times and the quality and range of services provided by York Region Paramedic Services.

The Regional Municipality of York understands the Provincial interests are to end hallway health care and manage costs, and supports the direction the Ministry of Health (Ministry) is taking to modernize emergency health services.

This response provides York Region's response to the challenges and questions identified in the Ministry's [Discussion Paper: Emergency Health Services Modernization](#), released November 2019, with the launch of provincial consultations on Public Health and Emergency Health Services modernization. For each challenge, we describe our experience with that challenge, the mitigations and strategies we have implemented to address the challenge and our response for the Province.

Our response is not limited to questions asked in the Discussion Paper; it also includes recommendations on governance, purchasing and funding.

## Key Messages

- **Modernization of dispatch technologies and triage algorithms must be accelerated.** This will create system efficiencies, enable more effective use of paramedic resources, help patients to receive the most appropriate care and supports at the right time and in the right place, and help reduce demand on hospital emergency departments.
- **Continue to position Paramedic Services as a provider of “out-of-hospital” care in the health care system.** York Region Paramedic Services has taken this approach in the partnerships it has developed with hospitals to reduce transfer of care times, and the community paramedicine programs it has developed to reduce emergency department visits. Being recognized and treated as a fully integrated health care partner, as well as an integral member of a patient's circle of care, will allow paramedics to have a greater role in improving patient outcomes. In 2019, the Province made legislative changes to the Ambulance Act to provide a means for paramedics to transport patients to alternate destinations, thereby diverting patients from emergency departments. In October 2019, York Region submitted a letter to the Ministry recommending several critical actions be taken to successfully implement these changes.
- **We welcome the Province's commitment to protect the mental health of paramedics through *Supporting Ontario's First Responders Act*,** which presumes Post Traumatic Stress Disorder is work related, and provides faster access to Workplace Safety and Insurance Board benefits, resources and timely treatment.

# GENERAL COMMENTS

## YORK REGION PARAMEDIC SERVICES SERVES A GROWING AND INCREASINGLY DIVERSE POPULATION

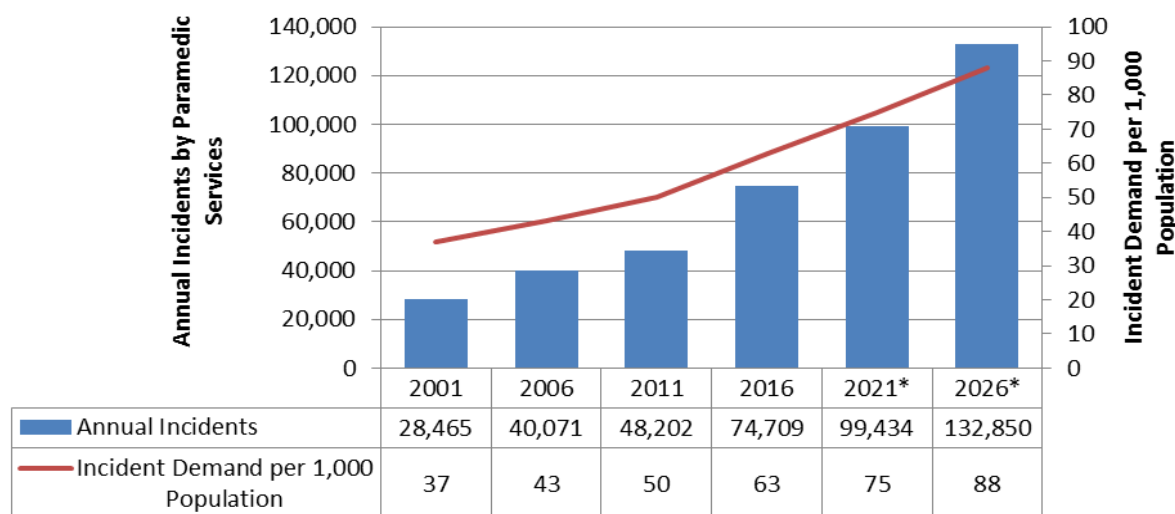
The Region's population currently sits at about 1.2 million people and is projected to grow to 1.5 million by 2031. Using 2016 Statistics Canada Census data:

- More than 51,000 recent immigrants (those who landed in Canada between 2011 and May 10, 2016) called York Region their home.
- Most recent immigrants (88%) live in York Region's three southern municipalities (Markham, Richmond Hill and Vaughan), but a growing number are moving into the other six municipalities.
- The proportion of recent immigrants in York Region who did not speak English or French was more than double the national average, with Mandarin and Farsi the two most common immigrant languages spoken at home.
- 5,915 York Region residents self-identified as Indigenous, with the majority living in northern York Region. Of these, just over 614 people identified as belonging to the Chippewas of Georgina Island, which is the only First Nations on-reserve community in York Region. Of the 223 residents living on-reserve, 193 are First Nation members and 30 are non-First Nation members.
- The Region's senior's population is growing faster than any other age group. It is projected by 2026, for the first time there will be more seniors than children in York Region, and by 2031, one in five of the Region's residents will be over the age of 65, representing 21.8% of the total population. This is leading to increased call volumes for patients over the age of 65 who are living in their homes with complex needs.
- Paramedic Services is also seeing increases in the number of calls related to mental health, receiving about 5,800 such calls in 2018.

## DEMAND FOR THE REGION'S PARAMEDIC SERVICES INCREASED 89% BETWEEN 2001 AND 2018 COMPARED TO A 64% POPULATION INCREASE OVER THAT SAME PERIOD

As shown in Figure 1, the incident demand per 1,000 residents has increased from 37 incidents per 1,000 residents in 2001 to 70 incidents per 1,000 residents in 2018, with an average annual growth rate of 5%. Demand is projected to rise to 88 incidents per 1,000 residents by 2026.

Two factors contribute to the increase: overall population growth and the needs of the Region's aging population.

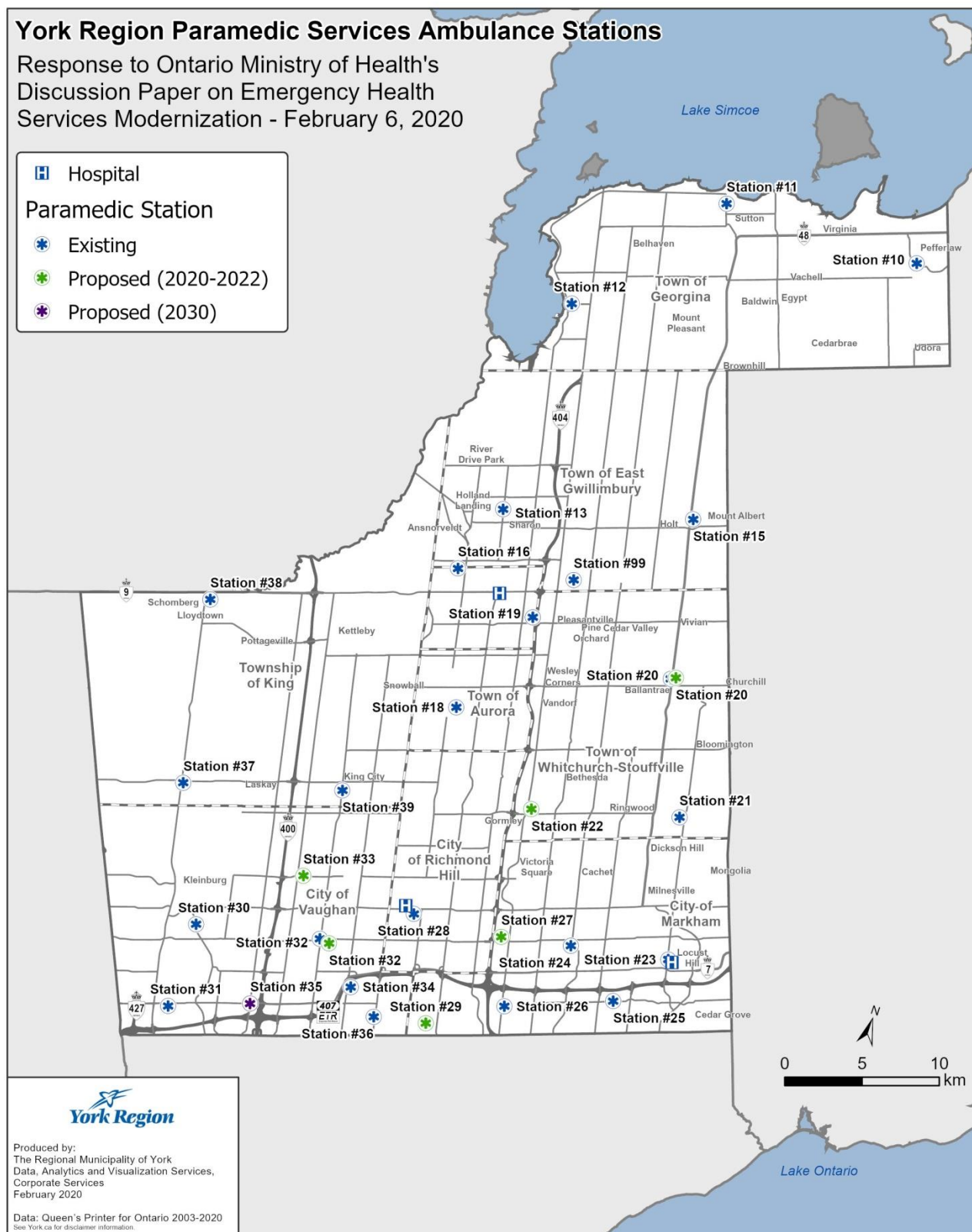
**Figure 1: Demand for Service, from 2001 Projected to 2026**

## THE REGION'S MIX OF RURAL AND URBAN AREAS REQUIRES COMPREHENSIVE PLANNING TO MEET MANDATED PARAMEDIC RESPONSE TIMES

- As shown in Figure 2, York Region covers 1,775 square kilometres, stretching north from Toronto to Lake Simcoe. It is comprised of nine local municipalities with a range of cities, towns, villages and rural areas. It includes the Chippewas of Georgina Island First Nation which is located both on and off of the east shore of Lake Simcoe and includes three islands: Snake, Fox and Georgina.
- Paramedic Services has a *10-Year Resources and Facilities Master Plan (2012-2021)* identifying optimal station locations, staffing and vehicle requirements to meet the needs of the Region's diverse communities and ensure balanced emergency coverage in both rural and urban areas. The Plan is based on population trends, roadway development, travel time and community resources. The Master Plan will be updated in 2020 to reflect population growth.
- Paramedic Services also has a Deployment and Response Time Plan for maintaining appropriate coverage in all areas relative to demand. The Deployment Plan is provided to the Central Ambulance Communication Centres for use when deploying the Region's ambulances.

The Region currently has 24 Paramedic stations strategically located across the Region – as shown in Figure 2 – to address local needs and meet mandated response times. York Region will fund six more stations to be built over the next four years, two of which will be replacements, bringing the total number of stations to 28 (including Headquarters).

**Figure 2: York Region Paramedic Services Ambulance Stations**



## YORK REGION COUNCIL HAS MADE SIGNIFICANT INVESTMENTS AND IMPROVEMENTS TO ENABLE INNOVATION AND EFFICIENCIES

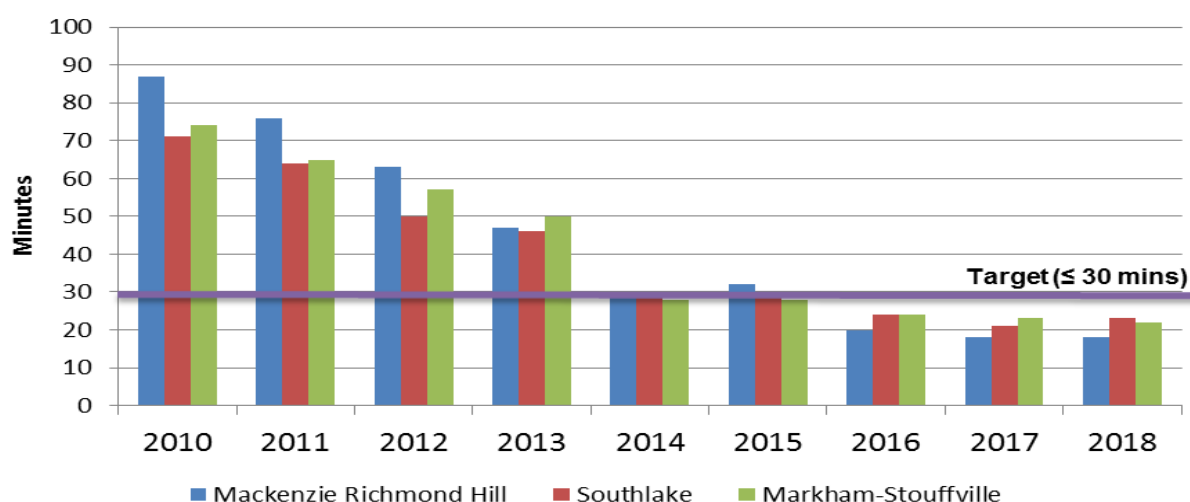
Through the Land Ambulance Service Grant (LASG) the Province provides up to 50:50 funding for eligible operating costs (to a cap) and York Region Council funds the remaining portion through tax levy. In 2018, the eligible Paramedic Services budget was \$82.7 million, including departmental and corporate support costs. The LASG funding contribution was \$40.3 million.

Since assuming responsibility for land ambulance services in 2000 with the amalgamation of six ambulance services, York Region Council has made significant improvements to Paramedic Services by providing annual operating funding beyond the 50:50 formula, as well as capital funding. Council's funding and support has enabled key system innovations in paramedic services, such as the following:

- In [October 2009](#), a Council-approved Memorandum of Understanding was established with the Region's three hospitals, which included a provision for the Region to withhold a portion of annual hospital capital funding if transfer of care time targets were not met. As shown in Figure 2, **since 2014, transfer times have been below the 30 minute target**, resulting in significant hours of ambulance coverage being returned to the community. In 2018, the average transfer of care times was 18 minutes for Mackenzie Health - Richmond Hill, 22 minutes for Markham-Stouffville Hospital and 23 minutes for Southlake Regional Health Centre.

The 2018 [Municipal Benchmarking Network Canada report](#) showed York Region Paramedic Services' lost ambulance time due to hospital transfer was at 16%, well below the median, 21%, of other reporting municipalities.

**Figure 2: Average Transfer of Care Times at York Region's Hospitals**



- Regulation 257/00 under the *Ambulance Act* requires upper-tier municipalities operating land ambulance services to have response time performance plans. In September 2012, Council adopted the York Region Emergency Medical Services Response Time Performance Plan 2013, identifying targeted response times from Dispatch to arrival on

scene. Response times are based on the Canadian Triage Acuity Scale (CTAS), a five-level tool used to assess the severity of a patient's condition and the need for timely care. CTAS level 1 is the most severe (resuscitation) and CTAS level 5 is the least severe (non-urgent). The Ministry of Health sets the response times for Sudden Cardiac Arrests and CTAS level 1. The Ambulance Act permits each municipality to set its own response times for CTAS levels 2-5. Council sets and approves our response times, in some cases, at higher standards than neighbouring municipalities. **Paramedic Services has met or exceeded its response time targets every year since 2013.**

- Council has also provided funding for an innovative Community Paramedicine program to create unique service delivery models for local populations, increasing health equity and access to services for the Region's residents. In 2019, this program served approximately 1,583 clients who otherwise may not have had access to the services they required.
- Council has also invested in the training of Advanced Care Paramedics and the development of programs and curriculum preparing staff to respond to the new models of patient care to meet the needs of our community.

### **Council has advocated for modernizing dispatch technologies since 2002**

Dispatch modernization has been the Region's long standing primary issue. Many of the concerns with Paramedic Services responsiveness and efficiency, including those identified in the Discussion Paper, can be resolved or mitigated by modernization of dispatch. As early as 2002, Council expressed to the Province the need for improvements to the dispatch system. Progress on this initiative has been extremely slow.

In early 2018, the Ministry began investing in new medical dispatch technologies and selected York Region Paramedic Services as the "proof of concept" service to test these technologies. The application was successfully deployed and is now being used in all York Region ambulances. It provides paramedics with automatic information updates, real time data and navigation, saves time, reduces errors and helps Paramedic Services meet or exceed its targets for response times despite increasing demand and more traffic congestion.

## **YORK REGION PARAMEDIC SERVICES IS WELL-INTEGRATED WITHIN THE REGIONAL MUNICIPALITY OF YORK**

Paramedic Services has 523 total full-time equivalent staff consisting of advanced and primary care paramedics, and several specialty teams and services:

- The Special Response Unit provides emergency medical support to frontline ambulances during Multi-Casualty Incidents and supports York Regional Police officers during high-risk incidents, Search and Rescue, Public Order and Emergency Response Units
- A multi-patient ambulance bus used for treating patients in situations where there are multiple, minor casualties
- A Community Paramedicine unit, described in detail below



Paramedic Services is within the Region's Community and Health Services Department. The Department covers the full range of human services delivered by single and upper tier municipalities, including:

- Public Health
- Seniors' Services (operates two long-term care homes, five adult day programs and oversees the Region's Seniors Strategy)
- Income Supports
- Children's Services
- Homelessness Community Programs
- Housing Services
- Two support branches that provide the Region's call centre and intake service, communication services, business supports such as finance, and strategic policy support such as planning for immigrants and refugees, community safety and well-being (in partnership with York Regional Police), accessibility and equity

This is a unique, one of a kind model where different human service areas are able to seamlessly collaborate on program development and delivery using the social determinants of health lens to provide holistic customer service. For example, Community Paramedicine paramedics:

- Provide patients with referrals to the Region's other human services and community supports
- Provide on-site clinics in the Region's seniors housing buildings, reducing 9-1-1 calls and visits to emergency departments
- Provide regular clinic hours at emergency housing (homeless shelter) locations and/or homeless drop-in centers across York Region
- Participate on the Rapid Response Table/Community Support Rounds, a multidisciplinary team where service partners present cases of vulnerable individuals in the community who have complex needs (medical, psychosocial, financial, etc.) and develop an individualized care plan

Integration of Paramedic Services within the Community and Health Services Department provides several other benefits for increasing the effectiveness and efficiency of Paramedic Services:

- Collaborating with Public Health for data sharing regarding opioids, outbreaks, and emergency planning for infectious disease outbreaks
- Benefitting from a case management tool being built for all Community and Health Services clients, where clients can log on and check the status of the services they are receiving
- Participating in mandatory training provided corporately for all staff (e.g., WHMIS, Accessibility legislation), and a range of leadership programming provided by the Department and the Corporation.

Figure 3 illustrates Paramedic Services' integration within the Region's Community and Health Services Department.

Figure 3: Community and Health Services – What We Do

# Community and Health Services

## WHAT WE DO



### Housing Services

- Responsible for 6,700+ affordable housing units
- Deliver rent subsidies
- Develop new affordable housing



### Homelessness Community Programs

- Prevent homelessness
- Help residents find and keep housing
- Help residents access Social Assistance



### Social Assistance

- Help residents find and keep jobs
- Provide financial help for basic living costs



### Children's Services

- Provide child care and recreation subsidies for low-income families
- Support children with special needs
- Support children's learning and development (EarlyON)



### Public Health

Deliver range of programs and services including:

- Family, child health and dental services
- Harm reduction and substance misuse prevention
- Infectious disease control
- Inspections (restaurants, spas, etc.)



### Paramedic Services

- Respond to emergency medical calls
- Deliver lifesaving treatment
- Foster partnerships with hospitals
- Deliver community paramedicine



### Long-Term Care/Seniors' Services

- Operate two long-term care homes
- Provide day and outreach programs to people with long-term healthcare needs



### Community Development

- Build community partnerships to implement plans and strategies
- Fund community agencies to address community issues and gaps



### Access York

- Initial contact for resident inquiries
- Assess resident needs, and provide referrals and applications for York Region programs and services



**Access York** 1-877-464-9675

[accessyork@york.ca](mailto:accessyork@york.ca)

**york.ca**

Accessible formats and communication supports are available upon request

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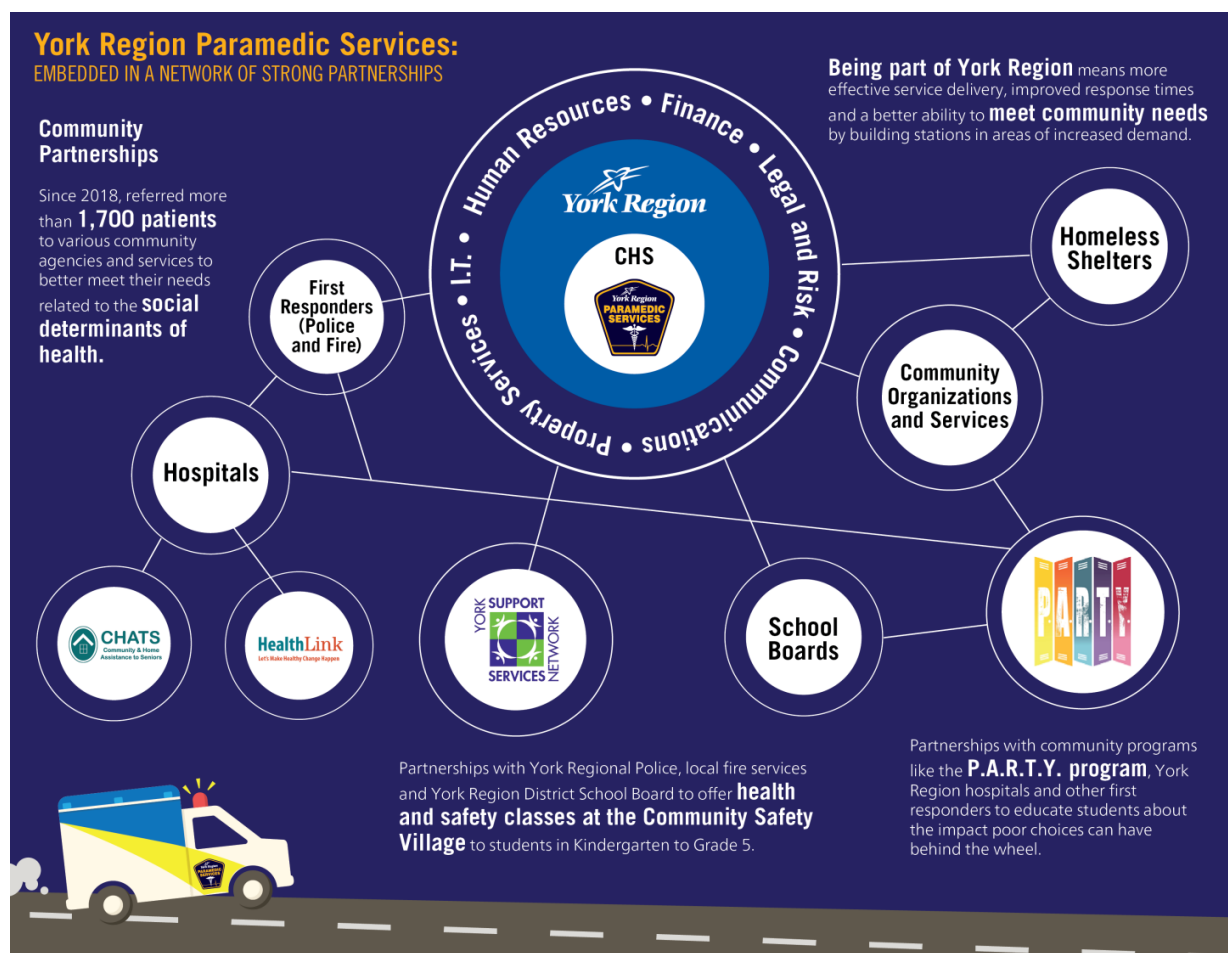
## Paramedic Services achieves economies of scale and operational efficiencies from being integrated with York Region

Being embedded within The Regional Municipality of York also allows Paramedic Services access to specialized corporate supports. In addition to the tax levy funding and other supports provided by York Region Council, Paramedic Services receives services from the Region's corporate program areas such as Information Technology, Legal, Risk, Finance, Long-Term Planning, Procurement, Property Services and Human Resources. This integration allows Paramedic Services to benefit from economies of scale and access to specialized resources and expertise as needed. For example, Paramedic Services shares fuel purchasing with other Regional Departments and can use any of the Region's fuel yards, which saves the Service time and money.

## Paramedic Services has a well-developed network of strong community partnerships enabled through its municipally integrated model

As shown in Figure 4, Paramedic Services works closely with York Regional Police and has extensive partnerships with external partners such as local hospitals, fire departments, and community organizations. These strong partnerships have been easily accessible due to the integration with the Region.

**Figure 4: A Network of Strong Partnerships**



Examples of our partnerships include:

- Collaborative emergency planning and training initiatives with York Regional Police and local fire departments; together they each have a place in the Region's Emergency Operations Centre in the event of a large-scale emergency
- Partnering in the development of the three Ontario Health Team applications in York Region. The Province recognizes that Emergency Health Services has a role in the new Ontario Health Team model. As such, York Region has partnered with the Southlake Community Ontario Health Team and Eastern York Region Northern Durham Ontario Health Team and is an affiliate partner on Western York Region's Ontario Health Team application
- Developing and maintaining relationships with community agencies, where we refer patients who are in need of their services via our Community Paramedicine Program
- Participating in the Mental Health and Addictions Hub proposal for York Region, in partnership with the Canadian Mental Health Association and York Regional Police
- Working with York Region's School Boards to provide safety information to students in Kindergarten to Grade 5 at the Community Safety Village

The Community and Health Services Department is currently working on improvements to service navigation including creation of an accurate and extensive 211 database of community programs and social services serving York Region. Once the 211 database is complete paramedics will have access to an inventory of human services while on site (from ambulances) to provide appropriate referrals. Paramedic Services have been referring individuals to 211 since January 2018. This service helps with case management for complex clients and their families who require multiple services and benefit from guided system navigation. This service provides quarterly referral feedback for Community Paramedics to ensure the appropriate referral pathways are being identified and to ensure program improvement.

## PROVIDING COMMUNITY PARAMEDICINE PROGRAMS FOR FREQUENT CALLERS MAKES GOOD FISCAL SENSE

York Region has developed an innovative Community Paramedicine Program to help residents to access health care and social supports. In 2019, the program's budget included \$422,518 in Council-approved tax levy funding (68%) and \$200,010 in Central Local Health Integration Network (LHIN) funding (32%).

The Community Paramedicine Program provides non-emergency health care in partnership with community agencies and other partners. Its purpose is to reduce 9-1-1 calls, particularly from frequent callers; to help people age in place; to work with partners to provide coordinated care for residents, patients and clients; and to connect clients to appropriate resources. It also provides clients with primary health assessments, health coaching and education, and health care system navigation. In 2019, 1,583 people received health condition assessments and referrals through this Program.

With overall call volume anticipated to increase by 20% by 2022, the projected increase in frequent callers would result in 14,400 hours of lost coverage (the time that front-line paramedics spend with frequent callers, making them unavailable to respond to other 9-1-1 calls).

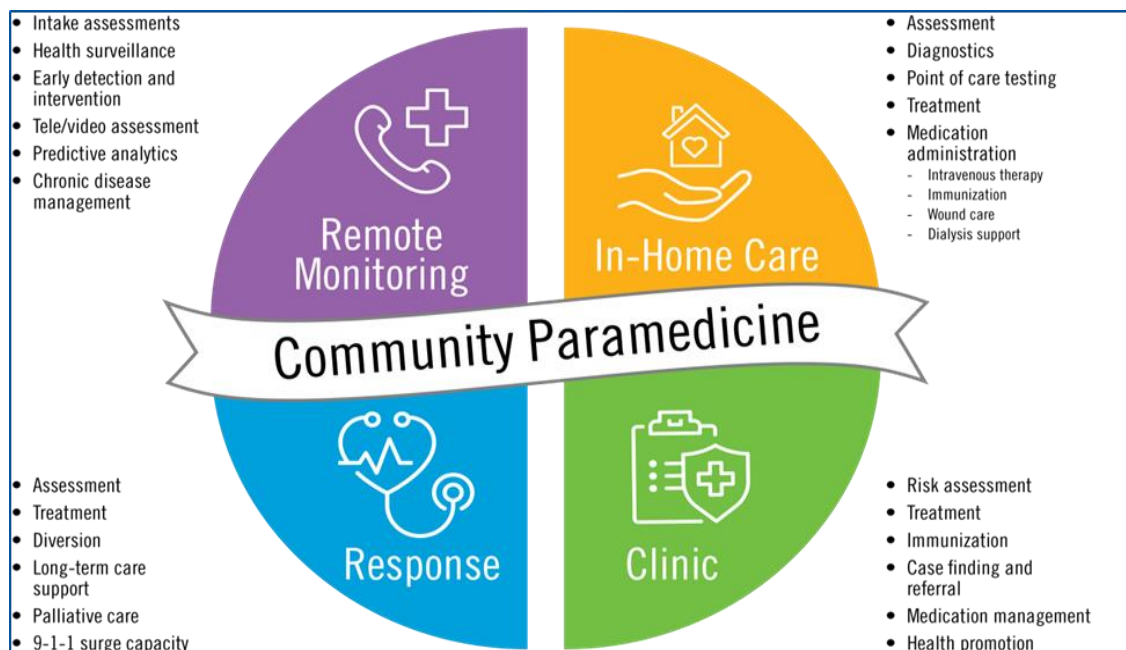
Community Paramedics, working in collaboration with York Regional Police and other community partners, has developed partnerships to better support vulnerable patients with the goal of reducing emergency department visits. Community Paramedics participate on the Rapid Response Table/Community Support Rounds. This collaboration helps to clarify service providers' roles and prevent duplication of efforts to meet the individual's needs in a cost-effective way. Figure 5 below illustrates traditional Community Paramedicine services. The Region's Community Paramedicine Program does not provide remote monitoring as these are provided by the Central LHIN.

Some key programs offered by Community Paramedics are:

- CP@Clinic/ CP@Home – This is an evidence-based collaborative program conducted in partnership with McMaster University where Community Paramedics provide programs in seniors housing buildings and in clients' homes. This program has demonstrated a 15% reduction in 9-1-1 calls in overall buildings. Further research states it is a cost-effective program that demonstrated significant health benefits to participants, including a reduction in blood pressure levels, diabetes risk scores, pain and discomfort, anxiety and depression symptoms. Participants also demonstrated improved mobility, self-reported health state and quality of life scores. In 2019, approximately 149 clients were served through 915 in-person visits.
- The Emergency and Transitional Housing Program – This program provides regular clinic hours at emergency housing (homeless shelter) locations and/or homeless drop-in centers across York Region where paramedics provide clients with primary health assessments, health coaching and education, health care system navigation, influenza vaccination and human service referrals where appropriate. In 2019, approximately 115 clients were seen at 6 clinics.
- The Hospital to Home (H2H) – This program is provided in partnership with Markham-Stouffville Hospital to reduce transports and readmissions to hospital of patients experiencing common chronic illnesses exacerbations (e.g., diabetes mellitus, congestive heart failure, chronic obstructive pulmonary disease, etc.). Paramedics with an expanded scope of practice provide care under the direction of a physician, integrated with care providers, including Family Health Teams, Nurse Practitioner, and pharmacist. In 2019, approximately 238 clients were served and 586 home visits were completed, including 473 connections with a Markham Stouffville Physician via the Ontario Telemedicine Network (OTN) in this program.

A palliative care program is currently in development with support of the Canadian Partnership Against Cancer and The Canadian Foundation for Healthcare Improvement. The program aims to train all paramedics in the principles of palliative care and community resources to assist palliative care patients in crisis in their homes, and reduce paramedic transports to Emergency Departments when appropriate. Similar programs in other Provinces have demonstrated a greater than 50% reduction in Emergency Department transports.

Figure 5: The Region's Community Paramedicine Program



# RESPONSES TO DISCUSSION PAPER QUESTIONS

## CHALLENGE #1: OUTDATED DISPATCH TECHNOLOGIES

### York Region's Experience

- Similar to other paramedic services, our communication via the radio network had reliability issues. Previous technology required paramedics to manually input data to navigate to 9-1-1 responses.
- The current dispatch triage tool leads to unnecessary lights and sirens responses and triggering Fire Services to respond, an inefficient use of resources. Currently over 76% of 9-1-1 responses are dispatched as lights and siren responses, where less than 10% return as lights and siren and less than 1% are truly critically ill patients.
- The triage tool being used by dispatch is not granular enough to assess the call sufficiently and safely recommend a lower priority of response. Further, because an emergency (Code 4) is not broken down any further based on the severity of the patient, cardiac arrest may not be prioritized over severe abdominal pain.
- This over prioritization leads to safety issues when driving to these calls, and over use of paramedics and other emergency responders who are then unavailable to respond to true emergencies.

## How we are addressing the issue

- Advocating to the Province for improved dispatch technology since 2002.
- In 2018, worked collaboratively with the former Ministry of Health and Long-Term Care to create and pilot a mobile data application connecting the Computer Aided Dispatch platform to both the in-vehicle tablet and paramedics' smart phones
- Successfully deploying a mobile data application which is now being used in all York Region ambulances, with several benefits as shown in Table 2 below.

**Table 2: Benefits of Mobile Computer Aided Dispatch for Dispatchers and Paramedics**

Dispatcher Benefits	Paramedic Benefits
<ul style="list-style-type: none"> <li>• Reduced time on task (reduced key strokes, less repetition of information)</li> <li>• Improved confidence in information transmitted</li> <li>• More time focused on resource management and strategic planning</li> <li>• Faster (easier to assign units/resources to calls)</li> <li>• Reduced noise because of less communication over the radio</li> </ul>	<ul style="list-style-type: none"> <li>• Real-time updates during the call as opposed to waiting until the completion of the incident</li> <li>• Faster documentation</li> <li>• Accurate time capture (paramedics can swipe at arrival at scene, hospital and transfer of care)</li> <li>• Improved situational awareness for other crews</li> <li>• Eliminate communication confusion and reduce errors</li> <li>• More efficient, automated routing/navigation for calls</li> <li>• Get to patient faster, allowing for better patient outcomes for critical patients</li> </ul>

## Questions for Discussion – Recommendations for Provincial Action

**Bottom line: Modernizing dispatch is essential to addressing hallway health care and should be done first.**

1. **Beyond the foundational technologies currently in implementation – Computer-Aided Dispatch, medical triage system, updated phone systems, updated radio network and equipment, and real-time data exchange – are there other technologies or technological approaches that can help to improve responses to 9-1-1 calls and increase the efficient use of resources in the EHS system?**
  - Before making any other changes to the emergency health services system, first accelerate the modernization of dispatch including Medical Priority Dispatch System and the provision of Real Time Data to paramedic services, as well as consider third party decision support software to promote system efficiency
  - More advanced triage tools will allow more accurate triage resulting in:
    - Deferring lower priority calls so the most critical patients receive faster service
    - More efficient use of paramedics and ambulances

- Improved paramedic wellbeing by balancing workload and ensuring adequate breaks during shifts to reduce occupational stress and sick time

## **2. How can communication between dispatch centres, land ambulance services, and air ambulance be improved?**

- Modernize the dispatch triage algorithm to appropriately allocate resources, such as a geriatric/LTC paramedic, a falls assessment paramedic, or a mental health paramedic to respond alongside a traditional ambulance to lower acuity calls
- Add clinicians to provincial dispatch centres to increase capacity of 9-1-1 system by enhancing triage and preventing ambulances from being sent unnecessarily to lower acuity calls
- Ensure dispatch centers can adapt to and meet the needs of their local communities, including the needs for dispatching stretcher transport services and community paramedicine
- Strengthen local Ambulance Communication Centre Management supports to include more local participation and empower their local land ambulance management teams to implement changes and improvements
- Continue pilots such as the collaborative partnership between York Region Paramedic Services and the Ministry of Health to create a mobile data application connecting the Computer Aided Dispatch platform to both the in-vehicle tablet and paramedics' smart phones

## **3. Are there local examples of good information sharing between Paramedic services, hospitals and/or other health services?**

Yes. York Region has two examples to share:

- Paramedics are connected electronically with Markham-Stouffville Hospital's emergency department through notification boards that provide a view of inbound ambulances and the severity of the patients being transported, allowing hospital staff to prepare in advance of their arrival and reduce transfer of care times
- Community paramedics have direct access to both primary care physicians (Family Health Team) and hospital Electronic Medical Records to assist in providing seamless care between health providers. This unique service allows interaction and integration in real-time for paramedics and other care providers to provide seamless care

## **CHALLENGE #2: LENGTHY AMBULANCE OFFLOAD TIMES AND DELAYS IN TRANSPORTING MEDICALLY STABLE PATIENTS**

### **York Region's Experience**

#### **Ambulance Offload Times**

Prior to 2010, York Region was experiencing lengthy offload times at the Region's three hospitals, reducing the availability of paramedics to respond in the community. However, this is not currently the situation as we have achieved improvements in offload times through collaborative approaches; continued dialogue; ongoing supports provided by Dedicated Offload Nursing funding; broad

process improvement initiatives; shared accountability metrics; and, a shared vision to keep paramedic resources in the community and not in the hospital.

Although these initiatives have resulted in an efficient operational model, if hospital capacity remains unchanged, transfer of care times could start to increase and tie up ambulances and staff for longer. In this situation, York Region Paramedic Services will need more resources to ensure we respond within our response time targets.

York Region has developed innovative models of care (e.g., Paramedic Referral Program, CP@Clinic) that would allow paramedics to treat and release/refer patients to more appropriate community supports. This reduces the number of transports to emergency departments, which helps to keep transfer of care times down and reduce “hallway healthcare”. We have not been able to fully implement these models of care due to a lack of Ministry approval and required Ministry directives or regulations.

### **Delays in transporting medically stable patients**

York Region Paramedic Services has seen delays in transporting medically stable patients from hospitals back to their homes or to other health care facilities. These delays lead to backlogs in the emergency department and also in Paramedic Services being called to transport medically stable patients, taking resources away from the community for 9-1-1 response.

### **How we are addressing the issue**

- York Region partnered with its three local hospitals to reduce offload times to less than 30 minutes. In 2009, a Council-approved Memorandum of Understanding with each hospital enabled the Region to withhold a portion of their annual hospital capital funding if transfer of care time targets were not met.
- Offload times have improved steadily since 2010 and have been below the 30-minute target each year since 2014. The percent of ambulance time lost to hospital turnaround for York Region Paramedic Services was 16% in 2018.
- In 2019, a \$1.2 million provincial investment in the Dedicated Offload Nurse Program in York Region saved an estimated 15,300 hours in ambulance time. The Dedicated Offload Nurse Program was created in 2008/2009 to reduce ambulance offload times. This program provides provincial funding for municipalities to have dedicated nurses in emergency departments to receive low-acuity patients brought by ambulance. Having these nurses in York Region’s three hospitals helps to reduce offload times and enables paramedics to respond to other 9-1-1- calls rather than waiting in emergency rooms. By making offload faster, Paramedic Services resources returned to the community have helped in meeting our legislative response times and responding to growth. For this reason, the Region recommends to continue providing this specific funding.
- The Tri-Hospital Committee, a working group between Paramedic Services and the three local hospitals, meets monthly to monitor offload times and trouble shoot any increases
- To provide the best possible care and patient outcomes, Paramedic Services has initiated the following initiatives to transport patients to hospitals where they can receive specialized care

and treatment, rather than to the closest hospital. In 2019, Paramedic Services transported:

- 228 cardiac patients directly to the cardiac catheterization lab at Southlake Regional Health Centre to have their heart attack treated timely and in accordance with best practices.
- Approximately 180 trauma patients directly to the lead trauma centre in Toronto to ensure they received the best possible trauma care and chance of survival
- Approximately 700 patients having a suspected stroke to the Regional Stroke Centre at Mackenzie Health in 2019 to obtain specialized stroke care. York Region Paramedic Services also worked with Mackenzie Health Hospital to transport patients who are experiencing strokes and require transport to Sunnybrook Hospital for Endovascular Therapy, the emerging gold standard in stroke care
- Patients with severe burns directly to Sunnybrook's Ross Tilley Burn Centre for access to expert burn care in a timely manner

### Questions for Discussion – Recommendations for Provincial Action

**Bottom line: Partner with hospitals and enable new models of care to improve ambulance availability and reduce offload delays.**

#### 4. What partnerships or arrangements can improve ambulance offload times?

- Learn from approaches used by York Region to encourage hospitals to achieve their 30 minute target (e.g., attach this target as a condition of providing discretionary hospital funding)
- Increase the use of Dedicated Offload Nursing programs and commit to long-term funding to support local planning and ensure there is capacity in the system to keep paramedic resources in the community
- Work with hospitals to create a shared vision of keeping paramedics in the community, not hospitals (happening with the Ontario Health Teams)
- Consider appropriate self-regulation for paramedics to ensure oversight of paramedic practice and standards and enable better collaboration among other regulated health professionals. Registering paramedics would empower them to provide assessment and the most appropriate clinical disposition for patients for the scene of the 9-1-1 response, helping to reduce off-load delays and end hallway health care
- Empower frontline hospital staff to invoke “fit to sit” (offload patients to the waiting room) or other appropriate internal sites for patients brought in by ambulances
- Establish and enforce criteria for coordinated dispatch and use of Stretcher Transportation Services (STS), and provide alternate transport for ambulatory, stable patients such as specialty and accessible taxis. This would ensure patients discharged from hospital are transferred to their home or other care facility quickly making hospital beds available for acutely ill patients waiting in emergency departments and help to reduce off-load delay and hallway health care.
- Establish offload delay time standards, including maximum permissible times at peak periods,



and hold hospitals to account through pay for performance. This will motivate senior hospital leadership to work with us to improve processes, and our experience with the MOU demonstrates they are up to the challenge

- Establish community partnerships with emergency housing/outreach programs to assist patients who require shelter instead of medical care

#### **5. What other interventions would be helpful to address ambulance availability?**

- Prioritize implementation of new models of care that promote alternate destinations for paramedics and treat and release/refer options. We recommend the Ministry ensure appropriate funding for training, clear standards and directives to enable success of these models of care and limit liability for paramedics and York Region
- Request the Ministry to approve the proposal and funding for the York Region Mental Health and Addictions Hub (Hub). The application submitted by the Canadian Mental Health Association of York and South Simcoe in Spring 2019 is supported by a range of community partners including York Region Paramedic Services, York Regional Police, local hospitals and other mental health providers. No response has been received to date. The proposed Hub would provide both 24/7 access to life saving treatment and ongoing integrated care through connections to appropriate community and social services. The Hub, co-designed with patients and families, would be the first of its kind in York Region and would break the typical cycle of patient transfers to Hospital Emergency Departments by police or paramedic services responding to a 9-1-1 call. This diversion of patients by police and paramedics to a more suitable care environment better supports positive patient outcomes, reduce emergency department visits and drives effective and efficient use of multi-system resources.
- Conduct public advertisement campaigns targeting appropriate 9-1-1 and emergency department use
- Enhance Community Paramedicine diversion programs and pilot emergency diversion programs from dispatch through to paramedic destination, key to maintaining availability of ambulances for the most critically ill patients requiring emergency intervention
- Increase access to primary care to reduce reliance on the 9-1-1 system

#### **6. Should there be changes to oversight for private stretcher transport systems to ensure safety for medically-stable patients?**

- The Ministry should mandate healthcare facilities to have plans and resources in place to manage transferring urgent and non-urgent patients. Costs associated with these transfers should not be the responsibility of municipal taxpayers.
- Regulate private medical transfer services to ensure quality care and reduce patient risk.

## CHALLENGE #3: LACK OF COORDINATION AMONG EHS SYSTEM PARTNERS

### York Region's Experience

**Historically Ambulance and Paramedic Services has been viewed by system stakeholders as 'transportation' and not part of the health care system**

- Until recently, Paramedic Services has not been considered part of the health care system. For example:
  - Paramedics are not a regulated health care profession. Once paramedics complete their care, they cannot receive information from the hospital regarding the patient's condition and outcome data useful to improving the quality of care that we deliver
  - Hospitals complete another intake on patients transported to the hospital, even though paramedics have already done one. This wastes time and resources.
  - Paramedic Services are often not included in discussions or planning system changes which ultimately impact ambulance services. For example, when hospitals moved clinical services from one site to another, it was assumed that ambulance services would be able to absorb the increased call load. In some cases, patients receiving these services have higher clinical needs than paramedics usually provide, yet no training or direction was provided to paramedics
- An encouraging sign is the Ministry has begun to refer to the service as "out-of-hospital care", and as part of "system modernization".

### **Coordination between Paramedic Services and Fire Services could be strengthened**

- In many Ontario communities the local municipal fire service provides a 'first response' to life-threatening events such as cardiac arrest, anaphylaxis, and narcotic overdose, and is dispatched via the Ministry's Central Ambulance Communications Centre. The challenge in York Region is each of the eight fire services has its own medical oversight, directives, training and equipment which are not coordinated with York Region Paramedic Services. Better integration is needed to ensure Fire Departments have the most up-to-date and standardized training to ensure high quality care for residents and their responses are based on medical evidence so they are dispatched appropriately.

### **Cross-border calls**

- Currently in Ontario, the closest ambulance is dispatched to all life-threatening emergency calls regardless of municipal boundaries. Coordination will be further strengthened with the new Computer Aided Dispatch that supports better sharing of real-time electronic vehicle and call information across dispatch center boundaries

### **How we are addressing the issues**

To strengthen coordination with health care system stakeholders, York Region Paramedic Services has done the following:

- Established local partnerships for improved coordination. Examples include:
  - Tri-hospital working group
  - Palliative Care Program
  - Hospital to Home Program from Markham Stouffville Hospital
- Raised the issue of inclusion with system partners and has seen recent improvements, such as invitations to participate in the development of Ontario Health Teams. In September 2019, York Region Council approved York Region's participation as a partner in the full application stage for the Southlake Community Ontario Health Team and Eastern York Region and North Durham Ontario Health Team, and as a collaborating partner for Mackenzie Health. The Ontario Health Teams are primarily interested in exploring how the Region's Community Paramedicine program can support the Ministry's goal of ending hallway medicine by providing patient care outside of a hospital setting when appropriate.
- Connected electronically with Markham-Stouffville Hospital's emergency department through notification boards providing a view of inbound ambulances and the severity of the patients being transported to their emergency department. This allows hospital staff to prepare in advance of their arrival and helps reduce transfer of care times
- Obtained direct access for community paramedics to both primary care physicians and hospital Electronic Medical Records to assist in providing real-time, seamless care between health providers.

### Questions for Discussion – Recommendations for Provincial Action

**Bottom line: Treating Paramedic Services as a health care partner will improve coordination and result in better patient outcomes.**

- 7. How can land ambulance and air ambulance systems be better coordinated to address transportation of medically-stable patients, especially in the North?**
  - Examine the use of a non-paramedic Patient Transport Service division as a component of land ambulance services
- 8. How might municipal land ambulance services address “cross-border calls” to ensure that the closest ambulance is sent to provide care of patients?**
  - For quicker response to cross-border calls:
    - Bring the Toronto CACC and the Niagara Ambulance Communication Service into the electronic cross-border process as soon as possible to facilitate the quickest response to cross border calls
    - Include lower priority calls in the cross-border process and provide adequate funding for the increased call volumes
- 9. How can relationships be improved between dispatch centres and Paramedic Services?**
  - Develop stronger lines of accountability and quality management between dispatch and local

paramedic services, which includes putting operations staff at the dispatch centre.

- Take on dispatching community paramedic resources for routine visits and exacerbations to improve overall deployment and coverage

**10. How can interactions between EHS and the rest of the health care system be improved (e.g., with primary care, home care, hospitals, etc.)?**

- Integrate Paramedic Services within the health care system and as a key partner in the development of Ontario Health Teams and other system innovations. Having paramedics involved and integrated with Ontario Health Teams will enhance system integration, help to mitigate future demand growth, result in potential cost savings and enable paramedics to directly connect patients to the health system, and effectively triage patients to alternate care pathways from the scene of 9-1-1 calls; ideally before patients call 9-1-1
- Establish local accountability agreements with Ontario Health Team partners to ensure roles and responsibilities are clear
- Integrate hospital Electronic Medical Records, and share outcome data, with Paramedic Services. In certain circumstances Electronic integration into the health care system would allow paramedics to receive information about patients and their care plans, helping to reduce need to emergency department visits and transport by paramedics. Outcome data on patients transported to hospital would help Paramedic Services ensure the appropriate training and programs are in place to meet the needs of our community
- Consider self-regulation for Paramedics to ensure oversight of a professional paramedic practice and standards, , increase public trust, transparency, accountability and enable better collaboration among regulated health professionals
- Encourage development of local partnerships across the health care sector, such as the examples provided elsewhere in this response, as well as the following:
  - Create local health care command centres where representatives of various health providers across all sectors meet to plan, communicate, and strategize optimal use of local health care resources
  - Provide access to primary care or emergency care physicians for real-time triage. Along with changes to the *Ambulance Act*, this would allow paramedics to treat and release when appropriate and/or transport patient to most appropriate setting
- Continue to view ambulance service as a key component of Ontario's health system, and include ambulance services in planning and decision making to ensure the impacts and costs of system changes are considered when making decisions and funding is provided to successfully support changes
- Align fire services with a designated base hospital. The base hospital, in partnership with their local ambulance service, would support fire services' medical oversight, training, equipping and using modern interconnected dispatch technology (e.g., automatic notification)

## CHALLENGE #4: NEED FOR INNOVATIONS THAT IMPROVE CARE

### York Region's Experience

#### York Region has:

- A diverse population (income, ethnicity, age, etc.) with varying needs across different communities
- Rapidly changing communities and demographics, shifts seen in economic status, growth in vulnerable populations, and inequity in access to health services
- Growing seniors population that is placing increased demands on Paramedic Services
- Growing wait lists for long-term care means more seniors with complex medical conditions are remaining in their homes, not having care needs fully met, and relying on Paramedic Services for assistance
- Emerging issues include vaping, the opioid crisis, mental health issues and addictions

These issues, plus population growth, are placing increase demands on Paramedic Services. This is increasing the need for Community Paramedicine programs to connect patients to more appropriate community resources. We need innovations to address the diverse needs of the Region's population.

### How we are addressing the issue

York Region Paramedic Services has developed innovative programs (see pages 11-12 for program descriptions) to improve care. Through these innovations, Paramedic Services has reduced the call volume to 9-1-1, particularly from frequent callers, helped to divert patients from visiting hospital emergency departments, demonstrated improved quality of life for seniors, and increased the focus on prevention.

### Questions for Discussion – Recommendations for Provincial Action

**Bottom line: Scale up and fund locally developed community paramedicine programs that have been proven to prevent calls to 9-1-1, visits to emergency departments and reduce hallway health care.**

#### 11. What evaluated, innovative models of care can be spread or scaled to other areas, as appropriate?

- Scale the following York Region Programs:
  - CP@Clinic / CP@Home (as described on page 13)
  - Emergency and Transitional Housing Program
  - Hospital to Home (H2H) - Program from Markham-Stouffville Hospital

- Rapid Response Table/Community Support Rounds
- Paramedic Referral Program

**12. Are there new or different approaches to delivery that could be considered as part of a modern EHS system?**

- Create legislation to clearly define how new models of care can be carried out by paramedic services
- Enhance regulatory oversight and quality assurance over programs allowing treat and release/refer and Emergency Department diversion
- Move to an accreditation model for paramedic services, rather than certification every three years, to ensure regular, impartial review against a set of consistent standards
- Limit the degree of liability assumed by paramedics and municipalities under these new models of care
- Develop clear definitions of “approved/appropriate health service providers” to receive patients and patient referrals from 9-1-1 responses, and provide adequate support to those providers to take on these functions
- Phase in the changes based on local needs, and the capacity and resources of paramedic services

In addition, we recommend the Province:

- Commit to sustainable funding for Community Paramedicine models that are evidence based and provide integrated care with community and hospital based resources that will support people in need of Long Term Care and allow them to age at home
- Have paramedics and mental health service providers respond to 9-1-1 calls together to reduce emergency department visits
- Support the proposal to develop a of Mental Health and Addictions hub in York Region to provide an alternate destination for paramedics to transport patient experiencing crisis situations to provide more appropriate care options and reduce ED visits
- Consider having paramedics provide palliative care at home. This is currently being evaluated in Nova Scotia, PEI, and Alberta, where paramedics provide patients with in-home support, pain and symptom management
- Enable community paramedics to provide both proactive and reactive health care to a community with growing health care needs
- Consider the use of drones for automated external defibrillator delivery
- Provide remote patient monitoring to mitigate the 9-1-1 calls from patients with chronic illness

**13. As new models of care for selected 9-1-1 patients are piloted, how can we adapt these models to elsewhere in the Province, and how can we encourage uptake? What needs to be standardized versus locally-designed?**

- Different jurisdictions in Ontario have different community resources (X-ray clinics, urgent care facilities) which creates opportunities and obstacles to standardization. Depending on the model

of care, there may be circumstances where a specific jurisdiction cannot take part, or will require a modified model of care

- Models of care can be adapted to other areas of the Province by doing the following:
  - Taking local needs into account through partnerships with public health units and data analytics firms to ensure training for, and services provided by paramedics reflect the growing and changing needs of local areas
  - Developing strong partnerships and opportunities for integration with local community and health service providers to ensure efficiency and prevent duplication of services
  - Providing appropriate funding and resources to assist with creation, implementation and sustainability
  - Encouraging uptake of new models, sharing of ideas and collaboration through the Community Paramedicine Secretariat
  - Using analytics to examine health economics
  - Reviewing the models to create standard Province-wide skill sets. This would allow for core directives Province-wide to be created, and auxiliary directives to be added as appropriate for local needs
  - Creating standard processes for implementing new models to a local context
- While York Region supports testing innovative models to improve care in response to local needs, we also suggest removing the requirement to redevelop and deploy studies which have been validated in other jurisdictions if the proper evidence is provided to the Ministry

**14. How can community paramedicine fill gaps in health care services for Ontarians, and how should this be implemented, scaled, or spread across the Province?**

Community paramedicine can fill gaps in health care service by:

- Assessing, treating and referring lower acuity patients or patients with multiple chronic conditions to additional support services
- Helping people stay healthy and reduce pressure on health care services. This should be provincially funded and rolled out Ontario wide
- Reducing the number of patients transported to the emergency department by directing them to other services, or by providing care to the patient

We recommend that the Ministry scale community paramedicine across the Province by:

- Committing to sustainable funding for community paramedicine models that are evidence based and provide integrated care with community and hospital based resources
- Creating a College of Paramedicine (as in other Provinces) - Regulator to oversee education requirements, skill set, medical directives, etc. to have one set of rules
- Educating and training – convene discussions with colleges and existing community paramedicine programs with an expanded scope to determine what education and training currently exists and what would be required to expand/scale

- Leveraging existing programs like the Markham-Stouffville Hospital to Home program or the South West Local Health Integration Network (LHIN) Community Paramedicine program as pilot sites to determine feasibility
- Creating a new cross-jurisdictional contact number to access community paramedicine such as 310-CP4U
- Formalizing a palliative care program such as the one currently in development in York Region with support of the Canadian Partnership Against Cancer. The program aims to train all paramedics in the principles of palliative care and community resources to assist palliative care patients in crisis in their homes, and reduce paramedic transports to Emergency Departments when appropriate.

## CHALLENGE #5: HEALTH EQUITY: ACCESS TO SERVICES ACROSS REGIONS AND COMMUNITIES

### York Region's Experience in serving indigenous communities, rural areas and Francophone communities

#### Indigenous communities

- York Region has adopted the *Inclusion Charter for York Region*, our commitment to “welcoming and inclusive communities where diversity is celebrated and where everyone can develop to their full potential, participate freely in society and live with respect, dignity and freedom from discrimination.”
- York Region has worked to strengthen its relationship with Indigenous residents, communities and organizations through government to government meetings, and partnering with the Central Local Health Integration Network (CLHIN) and Indigenous community members to discuss the idea of creating an Indigenous Health Advisory Circle in York Region
- In the summer of 2019, the Region's Community and Health Services Department conducted a Knowledge Needs Assessment survey of staff to assess potential training needs on Indigenous engagement
- Georgina Island has limited health services available. A physician visits once a month, a nurse practitioner and a social worker visit once a week, and a chiropodist visits every six weeks for orthotics and foot care
- York Region Paramedic Services receives \$18,000 in federal funding annually to support the Region's Indigenous population, with no specific direction on services to be provided
- York Region Paramedic Services receives only a small number of calls from Georgina Island each year: 15 calls in 2018, 25 calls in 2017, 19 calls in 2016 and 18 calls in 2015
- Georgina Island has one vehicle donated by York Region Paramedic Services to be used on the island to support the Georgina Island Emergency First Response Team



- Paramedic Services does not travel to Georgina Island. Currently the only way to get to and from the Island is by ferry during the summer, and by a temporary ice road across the frozen lake during the winter. A person in need of ambulance service is brought to the mainland by the Georgina Island Emergency First Response Team where York Region Paramedic Services picks them up and provides the required medical transport

### **Rural areas**

- York Region's rural areas are located mostly in the north and east of the Region
- The York Region Paramedic Services 10-Year Resources and Facilities' Master Plan identifies optimal station locations, staffing and vehicle requirements to meet the needs of the Region's growing population in all areas, including rural communities. Paramedic Services also has a Deployment and Response Time Plan for maintaining appropriate coverage in all areas relative to demand
- York Region Paramedic Services is an active partner of the Ontario Health Teams in York Region. Through this initiative we are exploring opportunities to work with partners that currently provide services in northern York Region (such as Georgina Nurse-Practitioner led clinic, CMHA-York Region and Vaughan Community Health Centre Keswick Site) to provide timely access to services in rural areas
- York Region Paramedic Services and community paramedics have a comprehensive assessment and referral program that links residents to health and social services provided by York Region and other community providers

### **Francophone communities**

- With respect to the *French Language Services Act*, Markham is a designated area for the purposes of the legislation. However, municipalities are exempted from the Act, except where we provide services on behalf of a government agency or ministry pursuant to an agreement (such as for Children's Services).
- After English, the top 10 languages spoken in the Region are Cantonese, Mandarin, Farsi, Russian, Italian, Tamil, Korean, Urdu, Spanish and Punjabi.
- York Region Paramedic Services arranges for interpretation services through a third party as required. We encourage the Ministry to support the paramedic workforce in developing capacity to serve newcomers and people who do not speak English.

### **Questions for Discussion – Recommendations for Provincial Action**

**Bottom line: Build knowledge and capacity of Paramedic Services to improve health equity and access to services.**

#### **15. What initiatives could improve delivery of emergency health services to Indigenous communities?**

**In consultation with Indigenous communities, consider:**

- Providing Indigenous communities reliable and timely funding based on multi-year capital plans so they can operate ambulance services efficiently and effectively
- Including self-identification of special populations in patient experience surveys and use experiences shared to guide Paramedics' education plans
- Enhancing the role of community paramedicine and support better access to Georgina Island for improved service delivery
- Supporting the paramedic workforce in developing capacity to serve Indigenous peoples
- Maintaining the existing municipal governance and operating model for York Region Paramedic Services, and continue to leverage the benefits of an integrated service delivery model that contributes to the overall health of the community and provides equity of care

**16. How can EHS services be more sensitive to the unique needs of Indigenous people, including providing culturally safe care?**

- Strengthen engagement with Indigenous leaders, communities, health service providers and other stakeholders, including from Georgina Island, NinOsKomtin and other organizations to better understand local needs and priorities and to build relationships
- Continue the work of the Indigenous Health Circle. This group was developed under the leadership of the LHIN with York Region participating as a member. With the LHINs being dissolved, this work has stopped. An advisory council of this type is required to be aware of the needs and seek Indigenous voice in decision making
- Provide cultural sensitivity and awareness training for staff
- Recognize Indigenous people's history and health beliefs

**17. How can EHS support First Nations in creating better services for pre-clinic services in far northern communities?**

- Provide more education and linkages for First Nations to preventative services and social determinants of health supports available to them locally
- Establish an advisory council to seek input on how to best provide paramedic services

**18. What improvements to EHS can be made for rural areas?**

- Investments may be needed in rural/less dense areas to improve service access and quality to urban levels
- Ensure access to critical medical technology such as Automated External Defibrillators for patients in remote and rural communities.

**19. Are there opportunities for partnerships to align and improve health and social services in rural and northern areas?**

- Yes. One such example is York Region Paramedic Services is an active partner of Ontario Health Teams in York Region. As described above, through this initiative we are exploring opportunities to work with partners that currently provide services in northern York Region to provide timely access to services in rural area

**20. Are there opportunities to address social determinants of health and health disparities in**

**rural, remote and Northern regions to reduce the need for EHS transport of patients out of these regions?**

- Overall, solutions to address social determinants of health and health disparities in rural areas differ from solutions for more urban areas. Investments may be needed in rural/less dense areas to improve service access and quality to urban levels
- There are opportunities to continue to work closely with Public Health and primary care providers (such as Ontario Health Teams) to enhance health promotion and prevention, and reduce the need for ambulance transport when appropriate. Since Public Health and Paramedics Services are currently delivered under the same Department in York Region, these strong relationships already exist
- Continue to integrate paramedic services into the Ontario Health Teams. Under the new Ontario Health Team model there are opportunities to enhance the community paramedicine model to provide timely care to low acuity patients and therefore avoiding the need to transport to the hospital. Community paramedics are well versed in social determinants of health and can identify and refer residents to required services
- With changes to the *Ambulance Act*, there are opportunities for paramedics and community paramedics to transport patients to non-hospital settings, such as primary care, urgent care centres and outpatient facilities

**21. What improvements could be made to the provision of services in French to Francophone communities?**

- Include self-identification of special populations in patient experience surveys and use survey results and experiences shared to guide Paramedics' education plan.

## ADDITIONAL RECOMMENDATIONS

York Region Paramedic Services did not limit recommendations to the questions posed in the Discussion Paper. We have additional recommendations around governance, purchasing and funding.

### GOVERNANCE, OPERATING MODEL AND SERVICE BOUNDARIES

#### York Region's Experience

Being part of the municipal governance model provides York Region Paramedic Services with access to tax levy funding, the ability to influence how those funds are spent, and access to larger policy and influence tables, such as the Association of Municipalities of Ontario.

Paramedic Services is well integrated within the Regional Municipality of York, and leverages corporate supports such as Information Technology, Legal Services, Risk, Finance, Procurement and Human Resources; and benefits from the economies of scale achieved from being embedded in a larger organization.

Being part of the Community and Health Services Department allows Paramedic Services to collaborate with the Department's different human service areas and community partners on program development and delivery using the social determinants of health lens to provide seamless customer service.

## **Recommendations for the Province**

For the reasons stated above, York Region recommends maintaining the existing municipal governance model, operating model and current service boundaries for York Region Paramedic Services. This will allow us to continue accessing the corporate supports available within the Region and to benefit from our partnerships with community partners to provide seamless customer service across nine municipalities and beyond.

## **PURCHASING**

### **York Region's Experience**

As York Region Paramedic Services' technology requirements are often unique, as they are for other emergency health services, any bulk buying model being considered will require working with the province and our partners to identify opportunities for collaboration.

### **Recommendations for Provincial Action**

The Province is interested in the potential of cooperative procurement for Paramedic Services across the province to drive efficiencies. The benefits of co-operative procurement would first require cooperative work to determine what the best equipment and technology would be across the system, and York Region staff support working with the Province and our partners to do this analysis.

## **FINANCIAL CONSIDERATIONS**

### **York Region's Experience**

Paramedic Services is funded through provincial and municipal contributions. The Land Ambulance Service Grant from the Province funds up to 50% eligible paramedic service costs with the remainder funded by the municipality.

Over the last five years, the Land Ambulance Service Grant funding increases from the Province have ranged from 4.7% to 9.1%, averaging 6.3% in annual growth. This has allowed for optimal resourcing to meet response targets mandated by the Province and Regional Council.

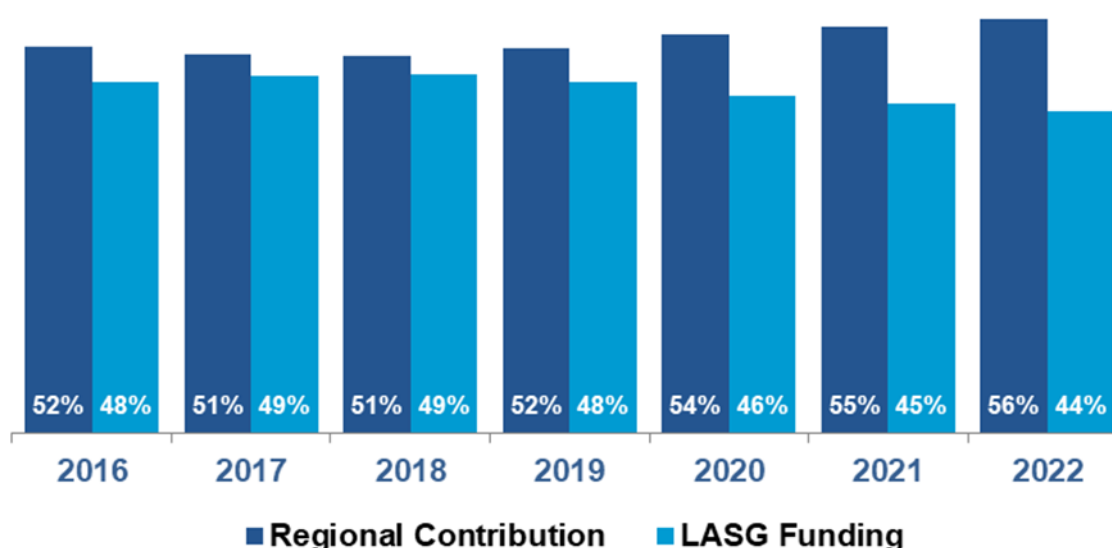
In 2019, provincial funding increased by only 2.6%, and it is anticipated that annual increases will continue to remain near this level. However, to meet service demands identified for the 2020-22 operating period, the gross operating budget for paramedic services is increasing annually at a rate

of 5% due to increasing call volumes and population growth. Provincial funding for Paramedic Services is not keeping pace with cost of delivering services.

Despite the Land Ambulance Service Grant 50/50 cost share formula, as displayed in Figure 8, in 2019 the Province funded 48% of the total eligible land ambulance costs. By 2022, based on current budgets, the provincial contribution is expected to decrease to 44%, with York Region responsible for the remaining 56%. (Note: this analysis includes only operating costs eligible for the Land Ambulance Grant, including the Paramedic Services gross operating budget and corporate and departmental support costs based on the 2020 approved budget.)

We request the Province commit to funding 50% of actual operating costs, which would restore the 50:50 cost share formula and annual increases consistent with funding contributions received prior to 2019.

**Figure 8: Paramedic Services Operating Funding, 2016-2022**



As capital infrastructure is paramount for running an effective and efficient paramedic service, including meeting mandated response times, the Province should consider funding a portion of the Paramedic Services' capital costs. This includes providing upfront capital funds to support the renovations of current stations and building new ones, purchasing medical equipment such as stretchers, and purchasing new ambulances and other emergency response vehicles. Between 2005 and 2019, York Region invested \$49.3M in capital funding for paramedic services. Municipalities should not have to rely on development charges and the local tax levy to support all of the capital costs required to run a Paramedic Service. Without provincial support, there is a risk to patient safety as some municipalities might not have the tax base for increasing their capital budgets. It is important that patients receive the best care possible, which requires reliable capital assets that will not breakdown during an emergency. This is consistent with other healthcare providers that receive capital funding support, such as the hospital and community service sectors.

## Recommendations for Provincial Action

York Region should not be forced to choose whether to keep or eliminate tax levy funded programs and services to make up for provincial underfunding. Modernization of triage and dispatch should generate efficiencies across the system once implemented, and this is where the Province should look to find savings.

Therefore, we request that the Province commit to funding at 50% of all actual costs associated with operating the service, both direct and indirect costs; providing capital costs to support capital projects; and to find the savings it seeks through efficiencies and innovations rather than underfunding municipal emergency health services or requiring increased municipal investments.

## CONCLUSION

York Region supports the proposed direction the Ministry is taking to modernize emergency health services, and encourages the Ministry to accelerate modernization of dispatch technologies and triage algorithms. This will make the most efficient use of paramedic resources and ensure the most critical patients receive care as soon as possible.

We are pleased the Ministry has begun to position Paramedic Services as a partner in the health care system and suggest fully integrating Paramedic Services in the health care system for improved coordination and better patient outcomes. We suggest the Ministry enable new models of care to improve ambulance availability and reduce offload delay.

We also encourage the Ministry to scale up the innovative programs such as those developed by York Region Paramedic Services for meeting the needs of residents and prevent calls to 9-1-1 and visits to emergency departments.

In addition, we suggest building the knowledge and capacity of Paramedic Services to improve health equity and access to services.

Finally, we also recommend the Province maintain the current municipal governance model for emergency health services, work with Paramedic Services across the province to identify opportunities for bulk buying, provide funding for municipal paramedic services at 50% of actual operating costs and provide upfront funding for capital costs to support capital projects.

Taking action on the recommendations provided within this response will help to modernize emergency health services, support community health, safety and wellbeing and assist the Province to achieve the goal of ending hallway health care.

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**To:** Regional Clerk  
**Subject:** RE: Regional Council Decision - 2019 Drinking Water Systems Report

**From:** Switzer, Barbara **On Behalf Of** Regional Clerk  
**Sent:** Friday, April 3, 2020 3:23 PM  
**Subject:** Regional Council Decision - 2019 Drinking Water Systems Report

**CAUTION: This email originated from a source outside the City of Markham. DO NOT CLICK on any links or attachments, or reply unless you recognize the sender and know the content is safe.**

On April 2, 2020 Regional Council made the following decision:

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 attached 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 1-877-464-9675 ext. 75323 if you have any questions with respect to this matter.

Regards,

**Christopher Raynor** | Regional Clerk, Regional Clerk's Office, Corporate Services

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The Regional Municipality of York | 17250 Yonge Street | Newmarket, ON L3Y 6Z1  
**O:** 1-877-464-9675 ext. 71300 | [christopher.raynor@york.ca](mailto:christopher.raynor@york.ca) | [www.york.ca](http://www.york.ca)

Our Mission: **Working together to serve our thriving communities – today and tomorrow**

# The Regional Municipality of York

Committee of the Whole  
Environmental Services  
March 12, 2020

Report of the Commissioner of Environmental Services

## 2019 Drinking Water Systems Report

### 1. Recommendation

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 the Council reporting requirements for water quantity and compliance 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* (the Act).

Key Points:

- In 2019, 99.98% of the 17,920 laboratory analyzed samples and 99.99% of 39.5 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. Additional information on 2019 adverse results is found in Attachment 1
- In 2019, all Ministry inspections at the Region's 15 drinking water systems scored 100%. Additional information on all 2019 calendar year inspections is found in Attachment 2
- York Region received excellent scores in the Chief Drinking Water Inspector's Annual Report Card for the 2018-2019 fiscal year, with a score of 100% for water samples meeting Ontario's drinking water quality standards, and an overall average inspection and sample score of 99.54%
- Drinking water systems operated within permitted volume and capacity limits. Additional information is found in Attachment 3
- Advanced systems monitoring, controls, and a multi-barrier approach protect drinking water and public health



### 3. Background

#### **York Region complies with the *Safe Drinking Water Act, 2002* to protect public health through drinking water**

The Ministry of the Environment, Conservation and Parks (the Ministry) regulates municipal drinking water systems in Ontario. The Act was developed to address factors that led to the Walkerton tragedy. As a result, Ontario now has some of the safest drinking water in the world.

The Act requires municipalities to report annually on drinking water. It also imposes a standard of care upon Municipal Council members. Council protects the people in their communities by ensuring financial sustainability, asset management, risk mitigation, and continual improvement for the Region's water systems.

This report summarizes 2019 calendar year drinking water systems information:

- Water quality and water quantity performance
- Reported adverse water quality events and corrective actions (Attachment 1)
- Summary of 2019 Ministry inspection findings and corrective actions (Attachment 2)
- Summary of 2019 performance data for each drinking water system (Attachment 3)
- Summary of 2019 monetary expenses for each drinking water system (Attachment 4)

#### **York Region partners with Public Health, its nine local municipalities, and neighbouring municipalities to provide safe drinking water**

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 maintain their distribution systems to distribute the high quality water to residents and businesses.

Environmental Services and Public Health maintain a 24/7 response system to address potential water quality issues. Public Health assesses potential health impacts from all adverse water quality test results. There were no follow up corrective actions required in 2019. No boil water advisories or drinking water avoidance advisories due to water quality concerns have been ordered by Public Health in over a decade. Procedures are in place to ensure close cooperation with Public Health, local municipalities, and the Ministry to ensure effective communication and protect public health for all water quality concerns.

In 2019, the media profiled concerns about lead content in drinking water tested across Canada. Lead is not detected in York Region's drinking water systems, because the Region does not have any lead water service lines.

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

The multi-barrier approach proactively protects drinking water quality and safety, and informs corrective actions when required. 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.

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

Staff continue to identify, mitigate, and report current and future threats to drinking water sources as required by the *Clean Water Act, 2006*. York Region's Drinking Water Source Protection Program identifies and manages potential threats to drinking water. Continued focus areas in 2020 include:

- Requiring proposed developments in vulnerable areas to plan carefully to ensure the safety of our immediate and long term drinking water supply
- Delivery of the Source Water Protection Incentive Program which encourages and supports businesses to make changes to protect drinking water sources. In 2019, over \$11,500 was provided to local businesses through the incentive program to implement risk management measures
- Working together 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

### **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 training program 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 manages a statutory quality standard that protects public health through consistent practices for managing and operating water systems, and by proactively identifying and mitigating risks. It is also a tool for identifying and resolving inefficiencies through process and procedure updates. The 2020 Integrated Management System Update Report, also on today's agenda, provides more information.

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

York Region facilities are regularly inspected by the Ministry to confirm compliance with regulations, licenses, permits and Ministry procedures. Staff maintains a positive working relationship with regulators to identify and mitigate risks identified in our watersheds.

## **York Region's data management supports industry-leading water operations**

Online instruments and a comprehensive sampling program generate mountains of data about the performance of drinking water systems. Automated data analysis processes save staff time by comparing the data against environmental regulations and prompting staff to follow up as appropriate. Empowering staff with the right tools, technology, and training allows them to dig into data that supports our industry-leading drinking water operations.

An added benefit of the data management processes is the minimal effort required to share meaningful datasets on the Region's website. The interactive report found on [york.ca](http://york.ca) provides an engaging and effective way for anyone to learn about the Region's drinking water systems. Citizen scientists also have the option to download the reported data from the Region's Open Data site. Website statistics show that more people access and download this data every year. Easy to access and transparent data supports the Strategic Plan Objective of "Maintaining public confidence in Regional government" and the Vision 2051 goal of "Open and Responsive Governance".

## **4. Analysis**

### **WATER QUALITY**

#### **99.98% of laboratory samples met limits in 2019, and results confirm York Region's high quality drinking water continues to be safe**

The comprehensive sampling program includes both regulatory and research samples, and is updated in response to operational needs and regulatory changes. In 2019, the York-Durham Environmental Laboratory performed 17,920 water quality tests for York Region's drinking water systems, resulting in four adverse test results. This means 99.98% of all samples collected and analyzed by the laboratory in 2019 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. There were no risks to public health as a result of these adverse events.

Table 1 summarizes the laboratory analyzed water quality test results reported as adverse water quality events in 2019. Attachment 1 summarizes all reported adverse water quality events.

**Table 1**  
**Adverse Water Quality Events Reported from**  
**Laboratory Analyzed Samples in 2019**

Parameter, Drinking Water System (DWS) and Number of Occurrences	Summary of Reported Sample Results and Corrective Actions Taken
Microbiological <ul style="list-style-type: none"> <li>Holland Landing DWS (2)</li> </ul>	<ul style="list-style-type: none"> <li>Total Coliform bacteria detected in two separate samples collected from the Holland Landing East Elevated Tank in June 2019</li> <li>Resample results and ongoing weekly sampling results confirm these tests were an anomaly</li> <li>For due diligence, staff also reviewed sample collection and handling procedures</li> </ul>
Sodium <ul style="list-style-type: none"> <li>Aurora DWS (1)</li> <li>King City DWS (1)</li> </ul>	<ul style="list-style-type: none"> <li>Sodium levels between 22 and 26.7 mg/L were reported in April for two storage facilities – the King City Dufferin Elevated Tank and the Aurora North Elevated Tank</li> <li>The reporting standard is once every 57 months for results exceeding 20 mg/L. Health Canada's guideline for sodium in drinking water is an aesthetic taste objective of 200 mg/L</li> <li>Operators resampled these facilities to confirm sodium levels were meeting the aesthetic taste objective</li> </ul>

### **Continuous monitoring analyzers and online equipment safeguard drinking water delivered to residents**

In addition to sampling conducted by operators, 376 online analyzers continuously monitor system performance, creating approximately 39.5 million records in 2019. Online analyzers continuously monitor several water quality parameters, including chlorine residual, which is an indicator of disinfection level. Analyzers and other online equipment are calibrated regularly by trained operators and technicians.

The system records point-in-time measurements from highly sensitive analyzers. When a potential issue is detected, a facility alarm is triggered and flow is stopped. Control panel operators monitor the system and dispatch operators to respond to alarms or unusual trends. Facilities can only restart 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. Because the analyzers are sensitive and trigger facility shut down quickly, disinfection level analyzer readings that are reported as adverse do not always represent the overall disinfection level of water in the distribution system.

## Online monitoring system and analyzer readings showed over 99.99% compliance with Regulatory limits for water safety parameters

Of the 39.5 million analyzer readings in 2019, staff reported 34 adverse water quality events. Most self-corrected or required minor equipment adjustment, and required no operator intervention aside from confirming drinking water was safe through on-site tests and restarting the facility operation. There were no risks to public health as a result of these adverse events.

Table 2 summarizes the continuously monitored analyzer readings reported as adverse water quality events in 2019. Attachment 1 summarizes all reported adverse water quality events.

**Table 2**  
**Adverse Water Quality Events Reported from**  
**Continuous Monitoring Analyzer Readings in 2019**

Parameter, Drinking Water System (DWS) and Number of Occurrences	Summary of Reported Results and Corrective Actions
High Disinfection Level (combined chlorine) <ul style="list-style-type: none"> <li>Aurora DWS (5)</li> <li>Holland Landing DWS (1)</li> <li>Kleinburg DWS (1)</li> <li>Newmarket DWS (5)</li> <li>Schomberg DWS (8)</li> <li>Sharon/Queensville DWS (1)</li> <li>York DWS (Markham, Richmond Hill, Vaughan) (2)</li> </ul>	<ul style="list-style-type: none"> <li>Most high residual events resulted from temporary, minor equipment errors or maintenance</li> <li>Many of the high residual events occurred at facilities operating near the upper regulatory limit in targeted areas. This practice helps to optimize water quality in the farthest parts of the distribution system</li> <li>Corrective actions for high disinfection level include collecting grab samples and recalibrating analyzers</li> </ul>
Low Disinfection Level (free chlorine, primary disinfection) <ul style="list-style-type: none"> <li>Mount Albert DWS (1)</li> <li>Newmarket DWS (3)</li> <li>Stouffville DWS (1)</li> </ul>	<ul style="list-style-type: none"> <li>Low disinfection events were caused by process issues where analyzers briefly received no water or previously disinfected water. In each case, these readings did not reflect the true quality of the drinking water at that moment</li> <li>Corrective actions included collecting grab samples and restoring normal operation of the facility to ensure the analyzer was receiving appropriate process water</li> </ul>

Parameter, Drinking Water System (DWS) and Number of Occurrences	Summary of Reported Results and Corrective Actions
High Fluoride Level <ul style="list-style-type: none"> <li>Georgina DWS (2)</li> <li>Keswick DWS (3)</li> </ul>	<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 Medical Officer of Health</li> <li>If fluoride is read as exceeding operational limits, the facility immediately stops directing water to the distribution system</li> <li>If required, an operator may backflush the system to prevent water from leaving the facility and restore the correct fluoride dose</li> </ul>
Low System Pressure <ul style="list-style-type: none"> <li>Newmarket DWS (1)</li> </ul>	<ul style="list-style-type: none"> <li>Low water pressure has the potential to introduce foreign materials into the distribution system</li> <li>A low pressure incident occurred in Newmarket due to a watermain break. The break was repaired, disinfected and flushed. Disinfection was restored, and microbiological sampling results confirmed no contamination</li> </ul>

## 2019 CALENDAR YEAR MINISTRY INSPECTIONS

### In 2019, all 16 drinking water system inspections scored 100%

In the 2019 calendar year, all Ministry inspections scored 100%. There were 16 inspections completed for the Region's 15 drinking water systems. Attachment 2 outlines the 2019 calendar year inspection results. There were no non-compliance findings identified, and Ministry staff included some best management practice recommendations to improve system efficiency and performance.

## CHIEF DRINKING WATER INSPECTOR 2018-2019 RATINGS

### York Region received high scores in the Greater Toronto Area for the Ontario Chief Drinking Water Inspector's 2018-2019 Annual Report

Ontario's Chief Drinking Water Inspector releases an annual report, which rates all regulated drinking water systems in Ontario. Reporting timelines are based on the Ministry's previous fiscal year from April 1, 2018 to March 31, 2019. York Region achieved high scores for inspections and for samples meeting provincial water quality standards. In the 2018-2019 Chief Drinking Water Inspector's Report, York Region's combined average score was 99.54%. The City of Toronto and Peel Region, which supply the majority of York Region's drinking water, also received high scores. Table 3 outlines the scores for GTA municipalities.

**Table 3**  
**Ministry of the Environment, Conservation and Parks**  
**2017-2019 Chief Drinking Water Inspector's Annual Report Scores**

Municipality	Inspection Rating (%)		Water Quality Tests Meeting Standards (%)		Overall Score (%)	
	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019
York Region*	98.45	99.09	99.89	100.00	99.17	99.54
Durham Region*	98.14	99.65	99.81	99.84	98.98	99.74
Peel Region*	98.08	98.47	99.93	99.88	99.00	99.17
City of Toronto*	95.00	99.00	99.55	99.79	97.27	99.39
Provincial Average	98.64	98.45	99.78	99.83	99.21	99.14

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

York Region achieved an overall inspection rating of 99.09% in the Chief Drinking Water Inspector's Report. Twelve of the 15 inspections conducted from April 1, 2018 to March 31, 2019 scored 100%. Non-compliances found in three inspections were identified and promptly addressed. There were no risks to public health relating to the inspection findings identified by the Ministry. Details on 2018 inspections are found in [the 2018 Drinking Water Systems report to Council on March 7, 2019](#).

York Region achieved an overall sample compliance rating of 100% 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, 2018 to March 31, 2019. Details on 2018 adverse water quality incidents are found in [the 2018 Drinking Water Systems report to Council on March 7, 2019](#).

## **WATER VOLUME AND CAPACITY**

### **All drinking water systems operated within permitted water volume and capacity limits**

In 2019, York Region's drinking water systems operated within the monthly average flow, maximum daily withdrawal and allowable daily withdrawal limits.

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
- 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. Attachment 3 illustrates important data about the amount of water taken from each water source. This data informs decision making regarding long-term, reliable 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 updated Water and Wastewater Master Plan which is currently underway.

## 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. In December 2019, Environmental Services presented the 2020 to 2022 budget and operating outlook. In addition to funding to maintain assets that are wholly owned and maintained by York Region, many projects are cost-shared with the Regional Municipality of Peel and the City of Toronto. 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 and sustain our growing communities. The [2020 Capital and Operating budget report and presentation, presented to Council on December 5, 2019](#), shares information on how asset management is funded.

In [October 2015](#), Council approved 2016-2021 water and wastewater rates. The plan was implemented commencing in April 2016, and the Region is on track to achieving full cost recovery pricing by 2021, which will eliminate shortfalls in asset management funding. In the [10 year Capital Plan tabled on November 21, 2019](#), asset management projects for water rehabilitation and replacement totaled \$300.6 million.

### **York Region spent \$14.0 million in 2019 to maintain and improve drinking water systems**

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 2019, York Region spent \$14.0 million installing, repairing or replacing equipment used to treat, store and deliver safe drinking water. These rate-supported costs are funded through the 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 customers. In 2019, the Regional Water Quality Committee developed a new set of internal quality objectives for new watermain acceptance based on industry standards and a review of surrounding municipalities. This committee will focus upcoming efforts on distribution system maintenance, monitoring, and water quality best practices, to look for opportunities to further improve system performance and inter-municipal cooperation.

## 7. Conclusion

This report and attachments satisfy the Council 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*. The drinking water quality and systems data, posted on [york.ca/opendata](http://york.ca/opendata) and on [york.ca/drinkingwater](http://york.ca/drinkingwater), satisfies the public-facing water quality and systems information 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 must comply with strict provincial regulations to keep public drinking water safe. Results from the 2019 reporting year continue to demonstrate the compliant and 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 27, 2020  
Attachments (4)  
10341022

## 2019 SUMMARY OF ADVERSE WATER QUALITY INCIDENTS AND CORRECTIVE ACTIONS

The Ministry of Environment, Conservation and Parks and the York Region Medical Officer of Health were satisfied with corrective actions taken for all events in the summary below and had no further direction.

### Aurora Sub-System (York Drinking Water System)

Incident Description	Date	Test Result	Corrective Action
Combined Chlorine Residual > 4.0 mg/L (Regulatory Relief Sites)	Apr 06	5.00 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	May 16	4.10 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	May 20	4.22 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	May 31	5.00 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Oct 21	9.99 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.
Sodium > 20.0 mg/L	Apr 17	23.0 mg/L	Operator attended site. Resample taken.

### Georgina Drinking Water System

Incident Description	Date	Test Result	Corrective Action
Fluoride > 1.5 mg/L	Mar 18	2.0 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Jun 20	2.0 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.

### Holland Landing Sub-System (York Drinking Water System)

Incident Description	Date	Test Result	Corrective Action
Combined Chlorine Residual > 4.0 mg/L (Regulatory Relief Sites)	Jul 23	6.36 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
Presence of Total coliform	Jun 05	Present	Operator attended site. Resample taken. Resample result non-detectable for total coliform.
	Jun 26	Present	Operator attended site. Resample taken. Resample result non-detectable for total coliform.

**Keswick Sub-System (York Drinking Water System)**

Incident Description	Date	Test Result	Corrective Action
Fluoride > 1.5 mg/L	Jan 24	1.6 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Feb 13	1.65 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Dec 05	1.51 mg/L	Reported as due diligence. Operator attended site. Facility returned to normal operation. Compliant grab sample taken.

**King City Sub-System (York Drinking Water System)**

Incident Description	Date	Test Result	Corrective Action
Sodium > 20.0 mg/L	Apr 03	26.7 mg/L	Operator attended site. Resample taken.

**Kleinburg Sub-System (York Drinking Water System)**

Incident Description	Date	Test Result	Corrective Action
Combined Chlorine Residual > 3.0 mg/L	Sep 30	4.05 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.

**Mount Albert Drinking Water System**

Incident Description	Date	Test Result	Corrective Action
Free Chlorine Residual < 0.05 mg/L	Mar 10	0.00 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.

**Newmarket Sub-System (York Drinking Water System)**

Incident Description	Date	Test Result	Corrective Action
Combined Chlorine Residual > 4.0 mg/L (Regulatory Relief Sites)	Jan 25	4.37 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Feb 22	4.03 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Feb 24	4.30 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Oct 09	4.14 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Nov 19	4.62 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
Primary disinfection not met	Jan 24	0.03 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Jan 26	0.07 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Jan 28	0.03 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
System Pressure < 20 psi	Sep 19	< 20 PSI	Watermain break was repaired, disinfected, and flushed. Microbiological samples confirmed no contamination.

### Schomberg Drinking Water System

Incident Description	Date	Test Result	Corrective Action
Combined Chlorine Residual > 3.0 mg/L	Feb 27	3.08 mg/L	Operator attended site, restored facility to normal operation
	May 11	3.02 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	May 14	3.16 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Jul 25	3.06 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Aug 24	3.03 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Oct 05	3.07 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Oct 10	3.10 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Nov 20	3.06 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.

### Sharon/Queensville Sub-System (York Drinking Water System)

Incident Description	Date	Test Result	Corrective Action
Combined Chlorine Residual > 4.0 mg/L (Regulatory Relief Sites)	May 25	12.39 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.

### Stouffville Sub-System (York Drinking Water System)

Incident Description	Date	Test Result	Corrective Action
Free Chlorine Residual < 0.05 mg/L	Mar 16	0.05 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, Vaughan

Incident Description	Date	Test Result	Corrective Action
Combined Chlorine Residual > 3.0 mg/L	Jun 01	4.26 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.
	Oct 26	3.17 mg/L	Operator attended site, restored facility to normal operation. Compliant grab sample taken.

# SUMMARY OF 2019 INSPECTION FINDINGS AND CORRECTIVE ACTIONS

## System Name and Inspection Date      Inspection Score (%)      Summary of Findings and Corrective Actions

### Municipality: Aurora

<b>Aurora DWS</b> (York DWS sub-system) June 3, 2019	100	There were no non-compliance findings from this inspection. There was one best management practice recommendation to review procedures and train contracted staff on the importance of protecting wells during maintenance and rehabilitation. Staff reviewed procedures to confirm regulatory requirements are reflected, and communicated the importance of protecting wells during maintenance and rehabilitation with the contractors.
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### Municipality: East Gwillimbury

<b>Holland Landing DWS</b> (York DWS sub-system) July 11, 2019	100	There were no non-compliance findings or best management practice recommendations from this inspection.
<b>Mount Albert DWS</b> May 16, 2019	100	There were no non-compliance findings or best management practice recommendations from this inspection.
<b>Sharon/Queensville DWS</b> (York DWS sub-system) February 13, 2019	100	There were no non-compliance findings from this inspection. There was one best management practice recommendation to assess the effectiveness of the Region's keyed entry system to ensure operators have access to facilities at all times. Staff assessed the effectiveness of the keyed entry system to ensure operator access to facilities at all times.
<b>Sharon/Queensville DWS</b> (York DWS sub-system) September 26, 2019	100	There were no non-compliance findings or best management practice recommendations from this inspection.

### Municipality: King

<b>Ansnerfeldt DWS</b> June 13, 2019	100	There were no non-compliance findings or best management practice recommendations from this inspection.
<b>King City DWS</b> (York DWS sub-system) November 13, 2019	100	There were no non-compliance findings or best management practice recommendations from this inspection.
<b>Nobleton DWS</b> April 10, 2019	100	There were no non-compliance findings or best management practice recommendations from this inspection.
<b>Schomberg DWS</b> May 24, 2019	100	There were no non-compliance findings from this inspection. There was one best management practice recommendation to update some administrative details in the System's Drinking Water Works Permit when it is renewed. Staff updated the administrative details during the Permit renewal process.

### Municipality: Newmarket

<b>Newmarket DWS</b> (York DWS sub-system) July 23, 2019	100	There were no non-compliance findings from this inspection. There were two best management practice recommendations; one to ensure all the chemicals required for the system are stored in a secondary spill containment and the other to ensure all wells on the property are secure and free from damage. Staff moved the treatment chemicals to be stored within secondary spill containment, and the minor damage observed on the monitoring well was repaired the same day as the inspector and staff continue to check wells on the property during site visits.
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## SUMMARY OF 2019 INSPECTION FINDINGS AND CORRECTIVE ACTIONS

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

<b>Keswick DWS</b> (Georgina DWS sub-system) January 15, 2019	100	There were no non-compliance findings from this inspection. There was one best management practice recommendation to assess the effectiveness of the Region's keyed entry system to ensure operators have access to facilities at all times. Staff assessed the effectiveness of the keyed entry system to ensure operator access to facilities at all times.
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<b>Georgina DWS and Georgina Water Treatment Plant</b> August 27, 2019	100	There were no non-compliance findings or best management practice recommendations from this inspection.
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### Municipality: Vaughan

<b>Kleinburg DWS</b> (York DWS sub-system) June 5, 2019	100	There were no non-compliance findings or best management practice recommendations from this inspection.
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### Municipality: Vaughan, Richmond Hill, Markham

<b>York Distribution System</b> (part of the York DWS) February 8, 2019	100	There were no non-compliance findings or best management practice recommendations from this inspection.
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### Municipality: Whitchurch-Stouffville

<b>Ballantrae- Musselman's Lake DWS</b> April 25, 2019	100	There were no non-compliance findings or best management practice recommendations from this inspection.
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<b>Stouffville DWS</b> (York DWS sub-system) November 18, 2019	100	There were no non-compliance findings or best management practice recommendations from this inspection.
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## 2019 PERFORMANCE DATA SUMMARIES FOR YORK REGION'S DRINKING WATER SYSTEMS (DWS)

### 2019 Water Quality & Capacity Summary | Ansnorveldt DWS

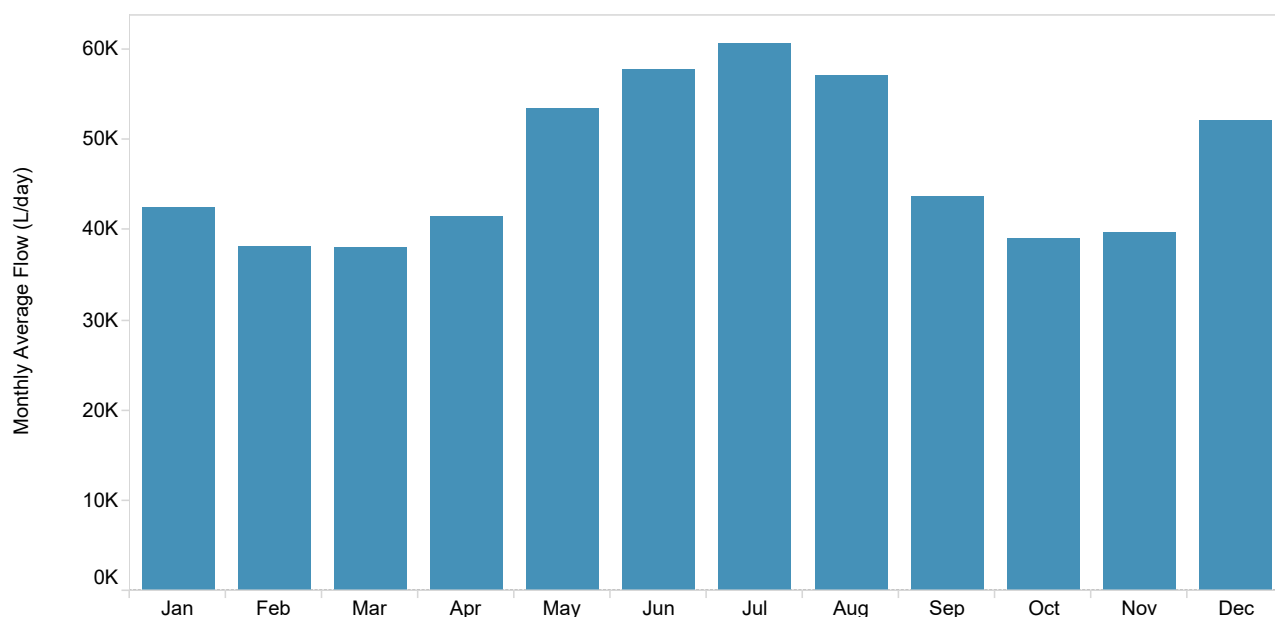
#### Top Requested Water Quality Parameters

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
1.55 mg/L	0.26 mg/L	41 mg/L	Not Detected (<0.0005 mg/L)

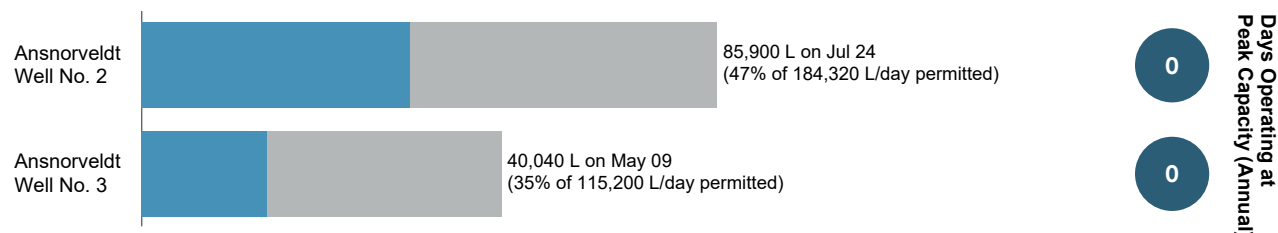
#### System Monthly Average Flow

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 withdrawn 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 (greater than 80% of the permitted withdrawal).





2019 Water Quality & Capacity Summary | Aurora DWS

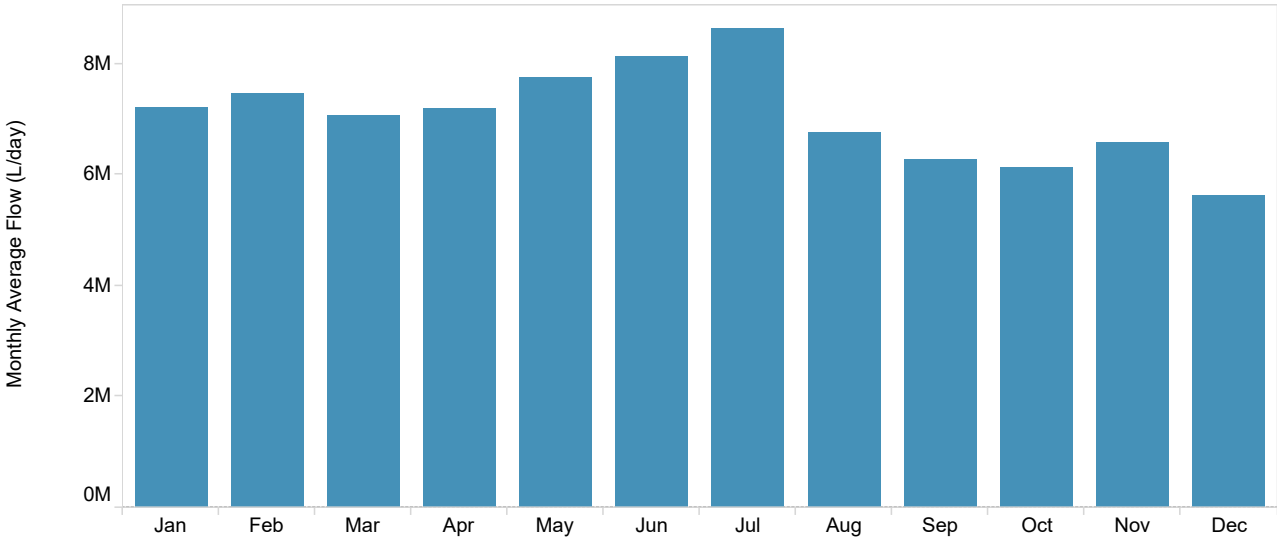
Top Requested Water Quality Parameters

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
2.54 mg/L	0.37 mg/L	18 mg/L	Not Detected (<0.0005 mg/L)

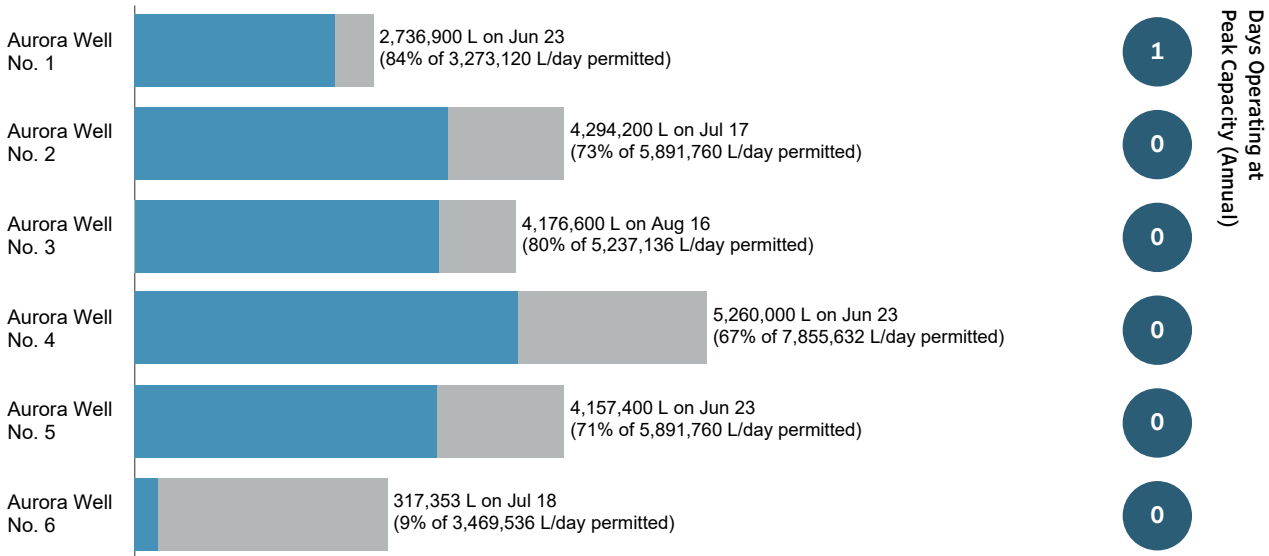
System Monthly Average Flow

The following chart shows the average flow of water withdrawn from wells (but not directed to users) 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 withdrawn 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 (greater than 80% of the permitted withdrawal).



## 2019 Water Quality & Capacity Summary | Ballantrae/Musselman's Lake DWS

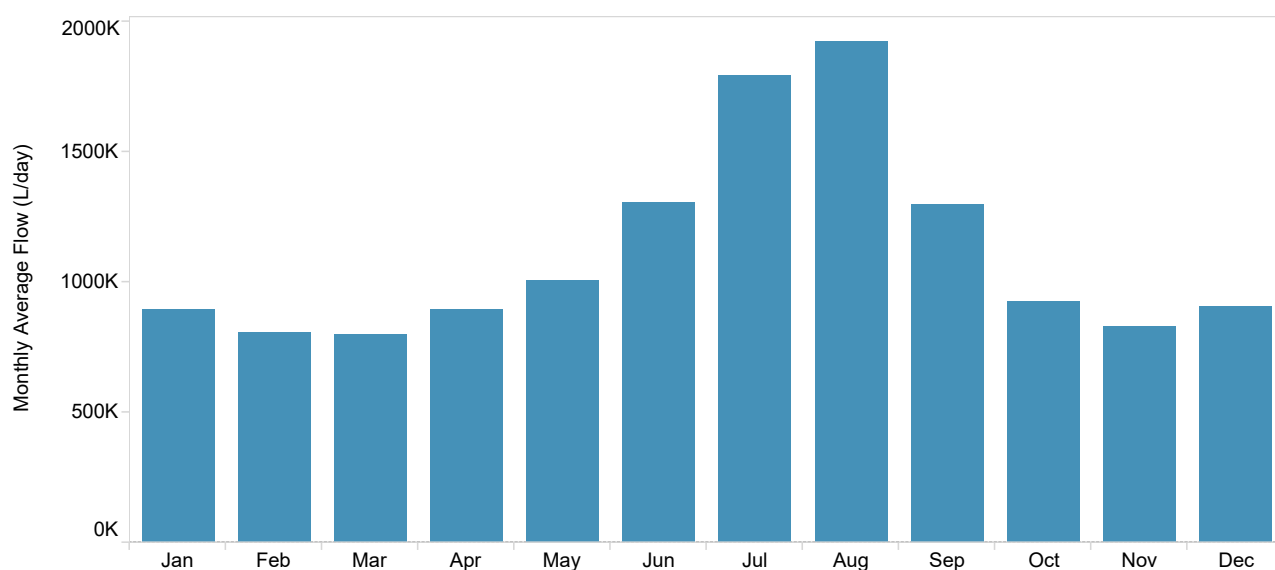
### Top Requested Water Quality Parameters

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
1.33 mg/L	0.08 mg/L	11 mg/L	Not Detected (<0.0005 mg/L)

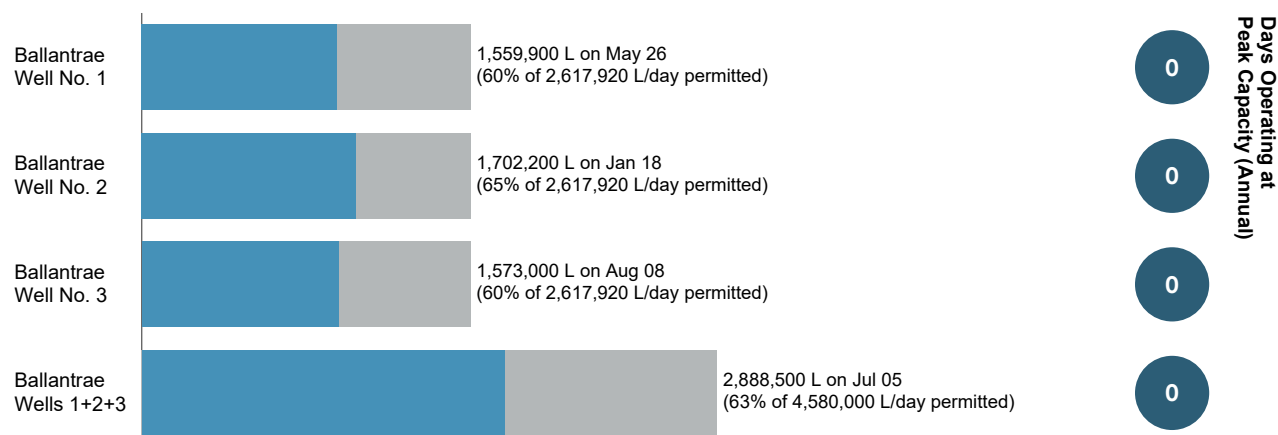
### System Monthly Average Flow

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 withdrawn 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 (greater than 80% of the permitted withdrawal).



2019 Water Quality & Capacity Summary | Georgina DWS

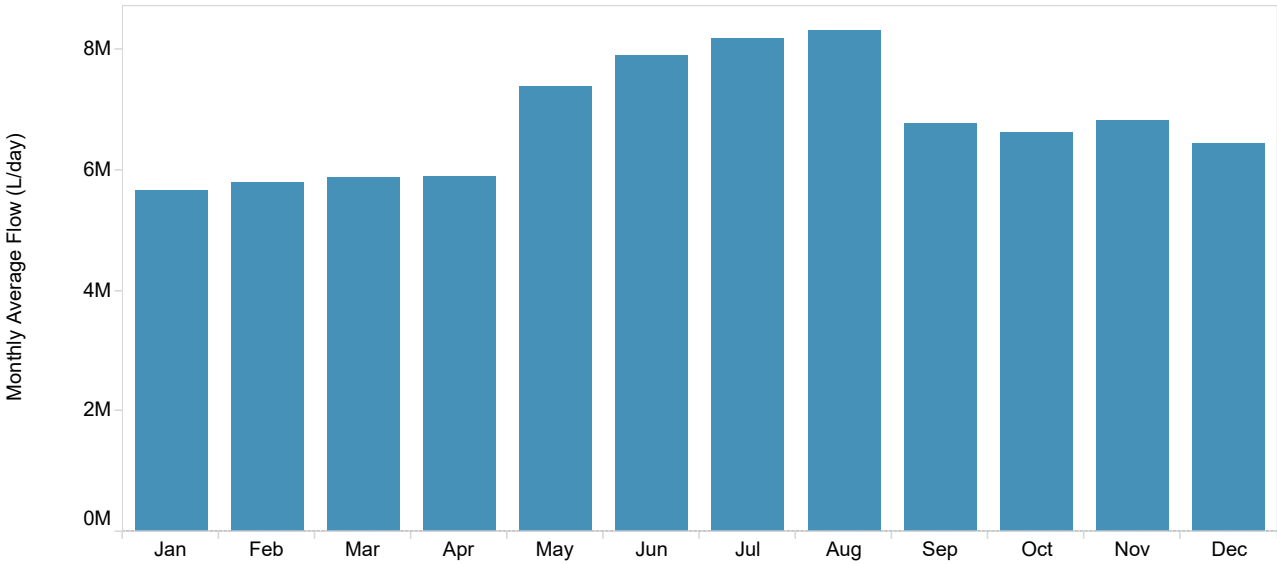
Top Requested Water Quality Parameters

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
1.61 mg/L	0.68 mg/L	32 mg/L	Not Detected (<0.0005 mg/L)

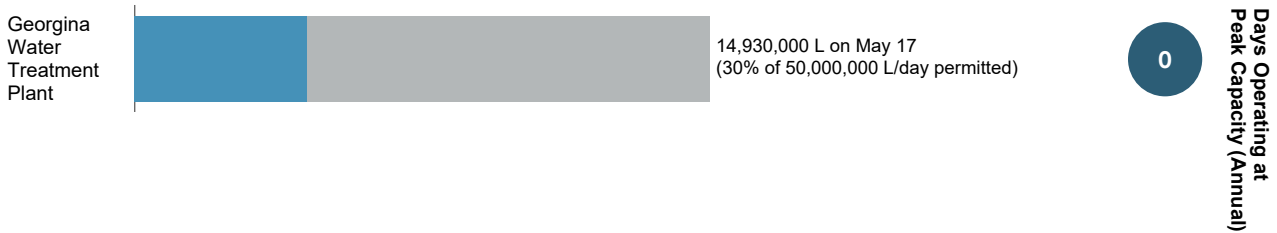
System Monthly Average Flow

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 withdrawn 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 (greater than 80% of the permitted withdrawal).



## 2019 Water Quality & Capacity Summary | Holland Landing DWS

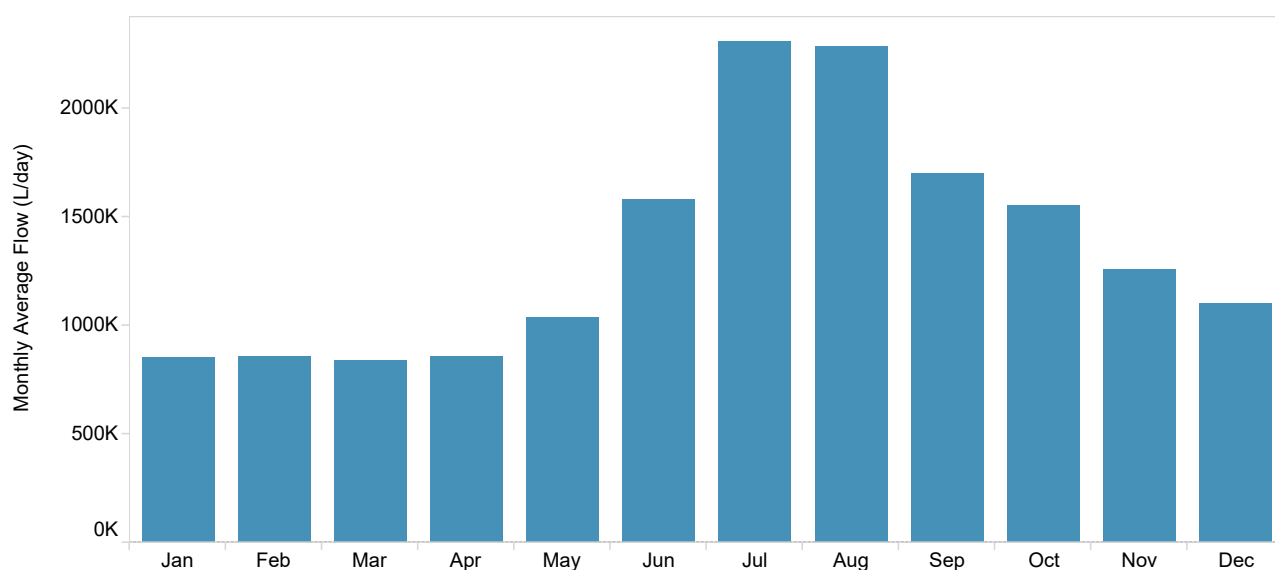
### Top Requested Water Quality Parameters

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
2.37 mg/L	0.21 mg/L	21 mg/L	Not Detected (<0.0005 mg/L)

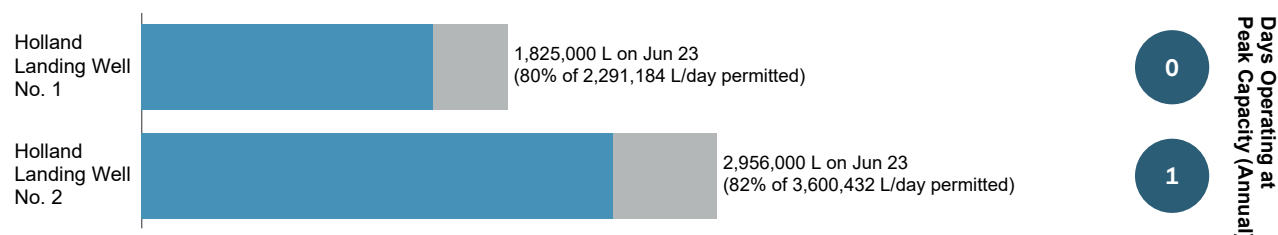
### System Monthly Average Flow

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



### Permitted and Actual Maximum Daily Withdrawal

The following chart shows the maximum volume of water withdrawn 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 (greater than 80% of the permitted withdrawal).



## 2019 Water Quality & Capacity Summary | Keswick DWS

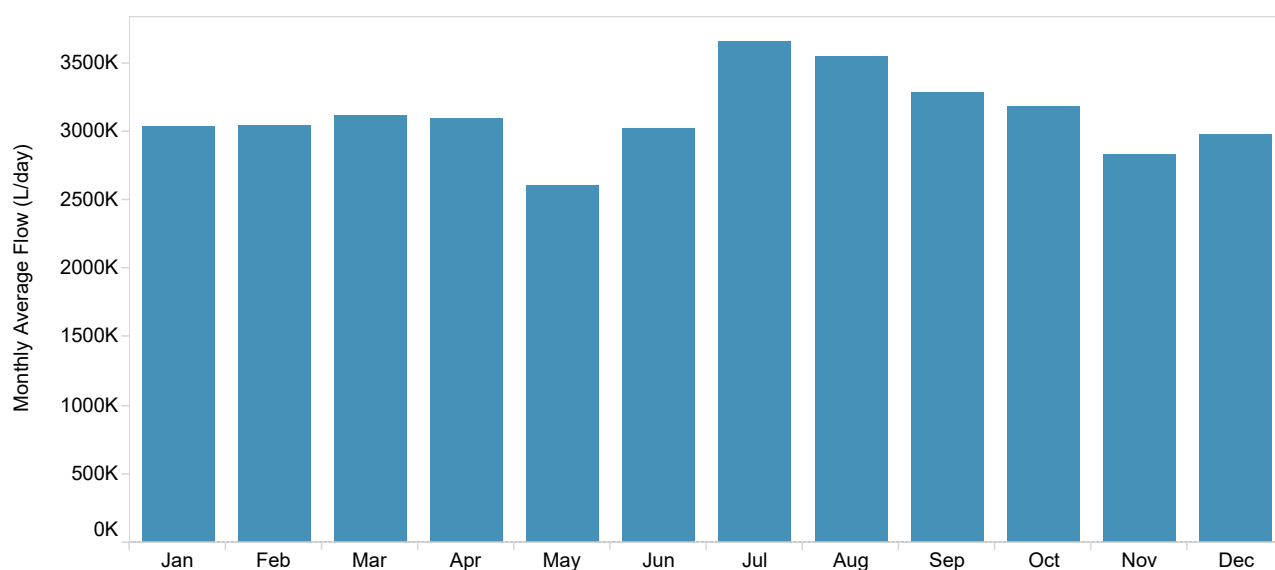
### Top Requested Water Quality Parameters

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
1.43 mg/L	0.68 mg/L	34 mg/L	Not Detected ( $<0.0005$ mg/L)

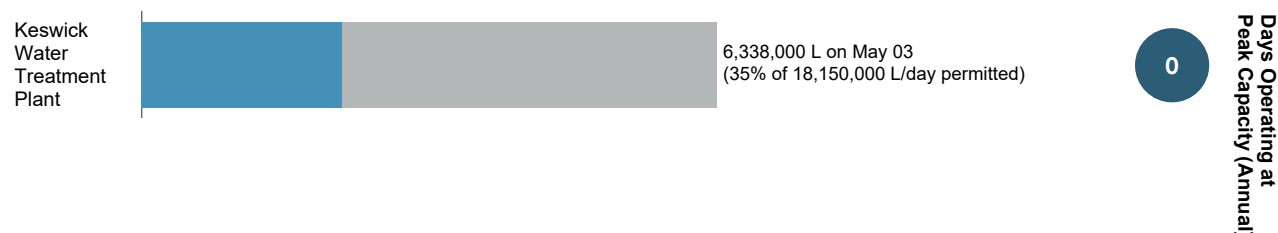
### System Monthly Average Flow

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 withdrawn 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 (greater than 80% of the permitted withdrawal).



## 2019 Water Quality & Capacity Summary | King City DWS

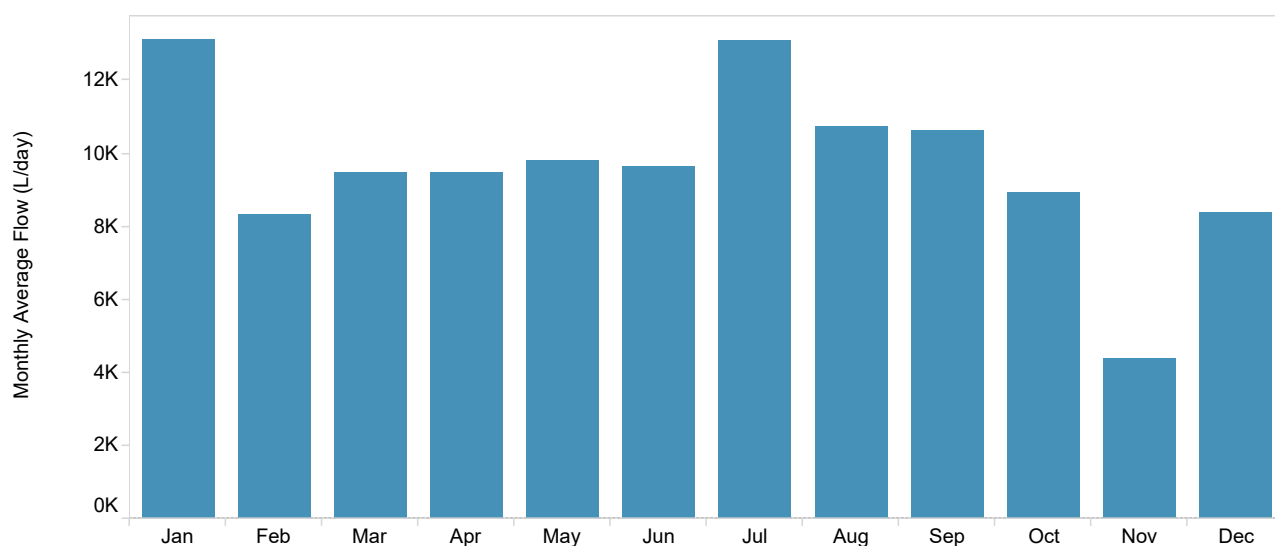
### Top Requested Water Quality Parameters

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
1.92 mg/L	0.60 mg/L	25 mg/L	Not Detected (<0.0005 mg/L)

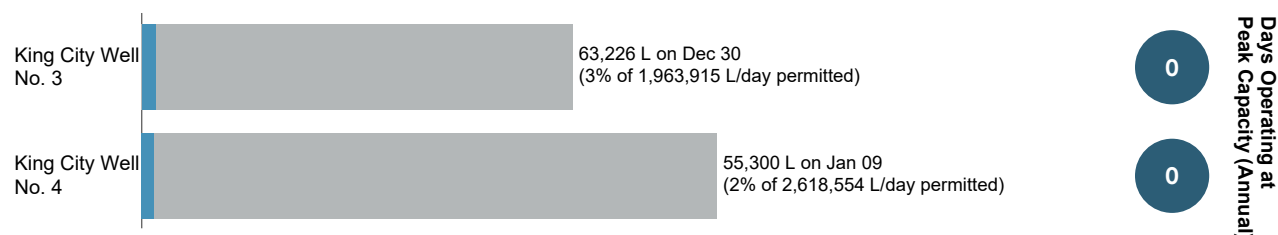
### System Monthly Average Flow

The following chart shows the average flow of water withdrawn from wells (but not directed to users) 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 withdrawn 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 (greater than 80% of the permitted withdrawal).



2019 Water Quality & Capacity Summary | Kleinburg DWS

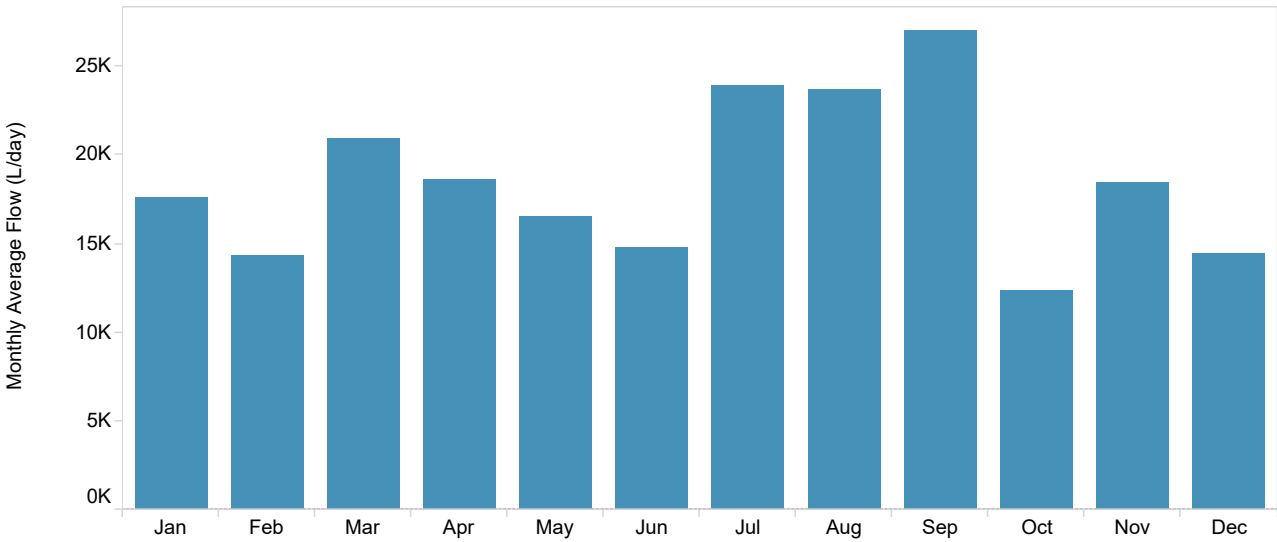
Top Requested Water Quality Parameters

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
1.81 mg/L	0.64 mg/L	22 mg/L	Not Detected (<0.0005 mg/L)

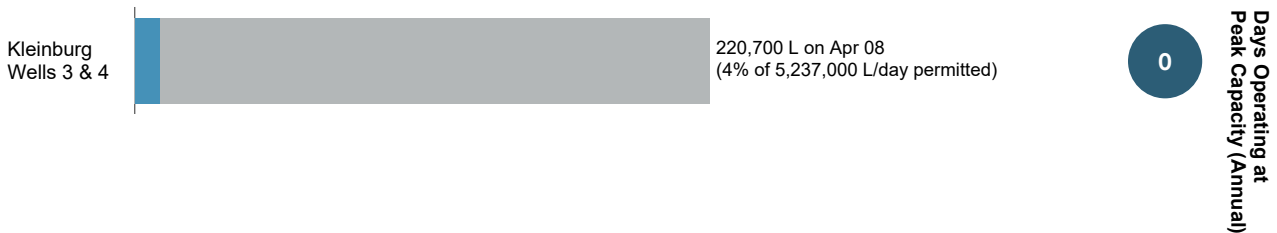
System Monthly Average Flow

The following chart shows the average flow of water withdrawn from wells (but not directed to users) 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 withdrawn 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 (greater than 80% of the permitted withdrawal).



## 2019 Water Quality & Capacity Summary | Mount Albert DWS

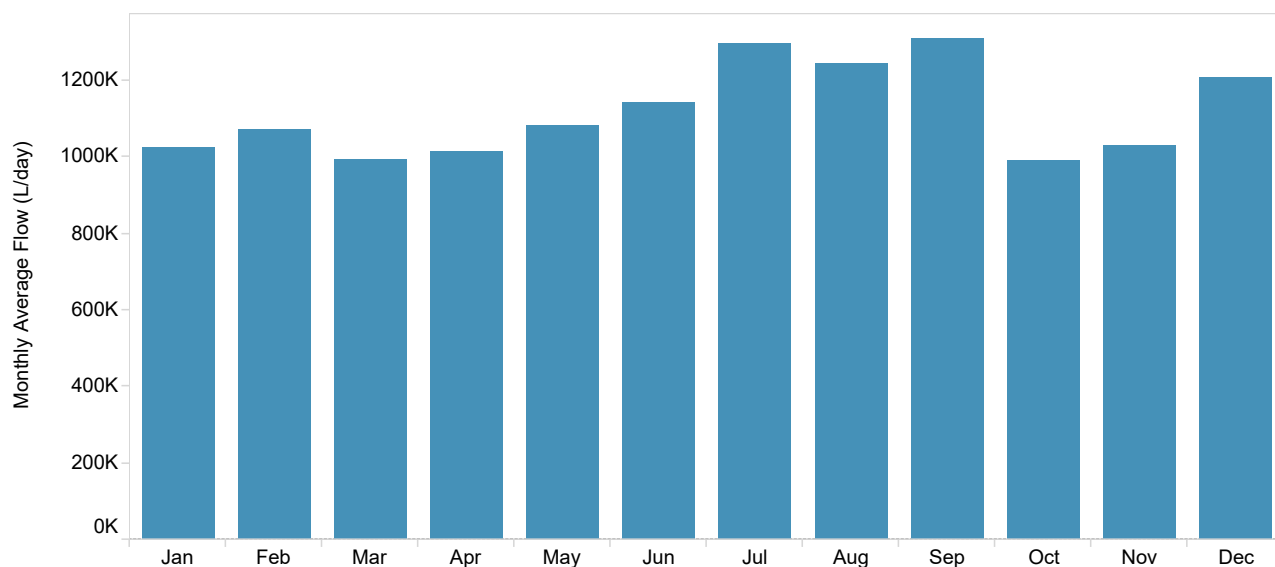
### Top Requested Water Quality Parameters

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
1.49 mg/L	0.05 mg/L	12 mg/L	Not Detected (<0.0005 mg/L)

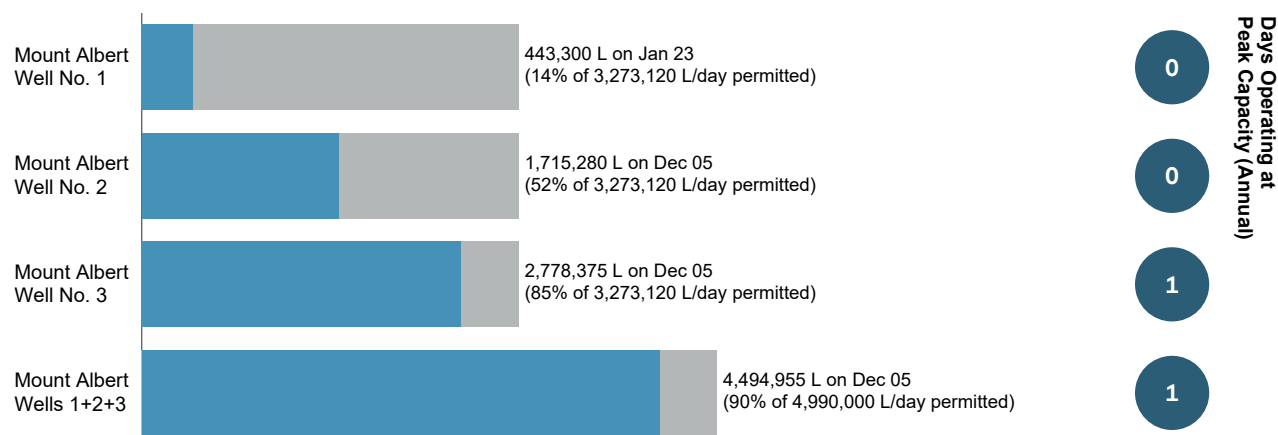
### System Monthly Average Flow

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 withdrawn 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 (greater than 80% of the permitted withdrawal).





## 2019 Water Quality & Capacity Summary | Newmarket DWS

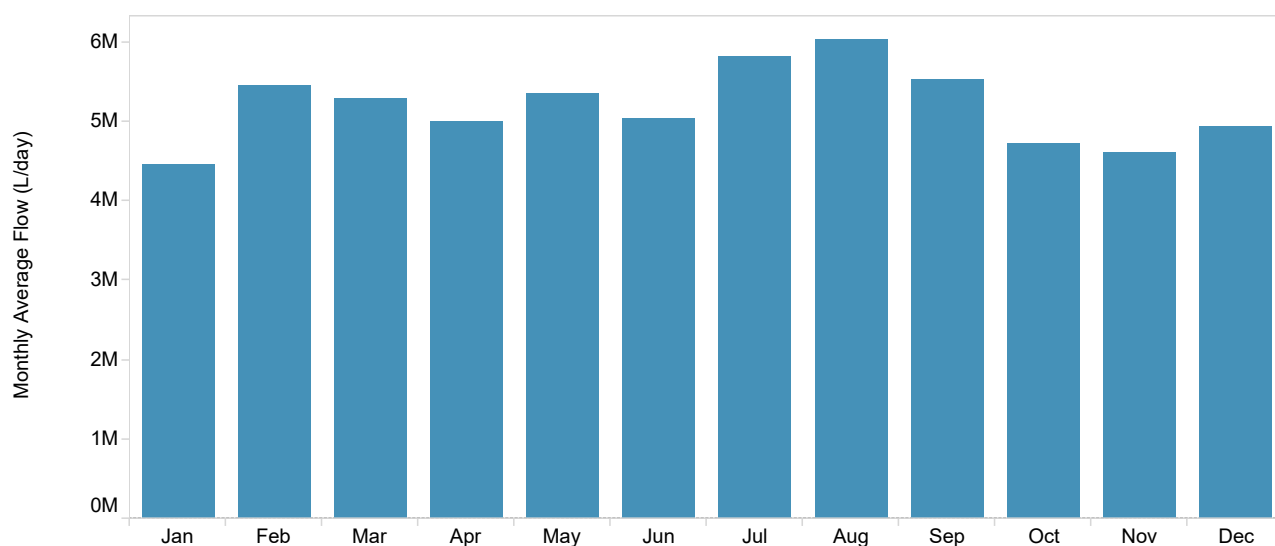
### Top Requested Water Quality Parameters

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
2.47 mg/L	0.30 mg/L	19 mg/L	Not Detected (<0.0005 mg/L)

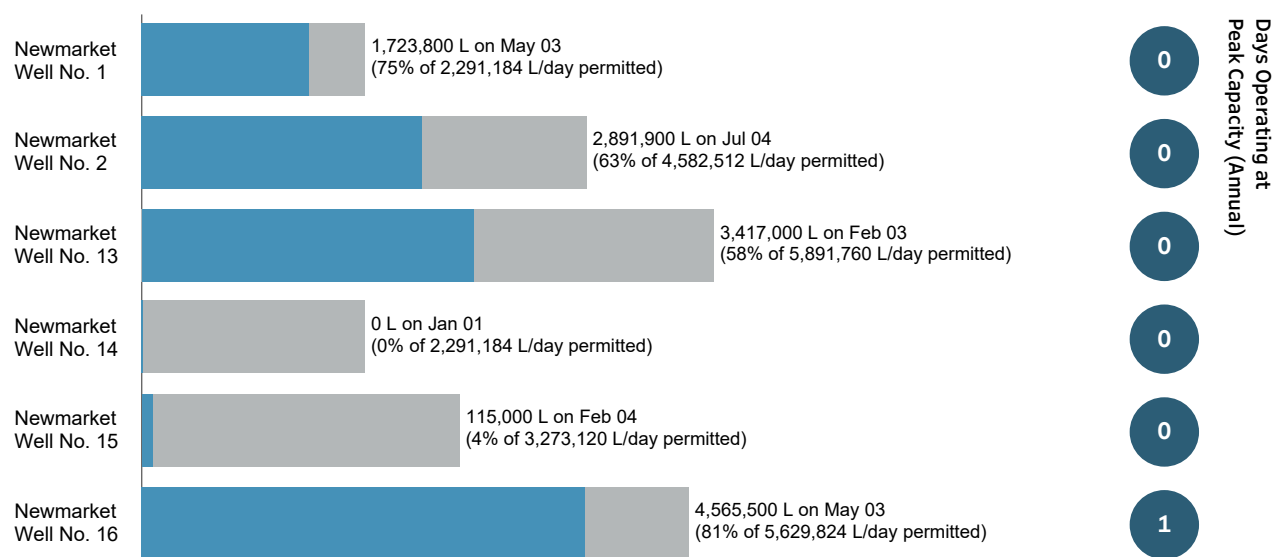
### System Monthly Average Flow

The following chart shows the average flow of water withdrawn from wells (but not directed to users) 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 withdrawn 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 (greater than 80% of the permitted withdrawal).



## 2019 Water Quality & Capacity Summary | Nobleton DWS

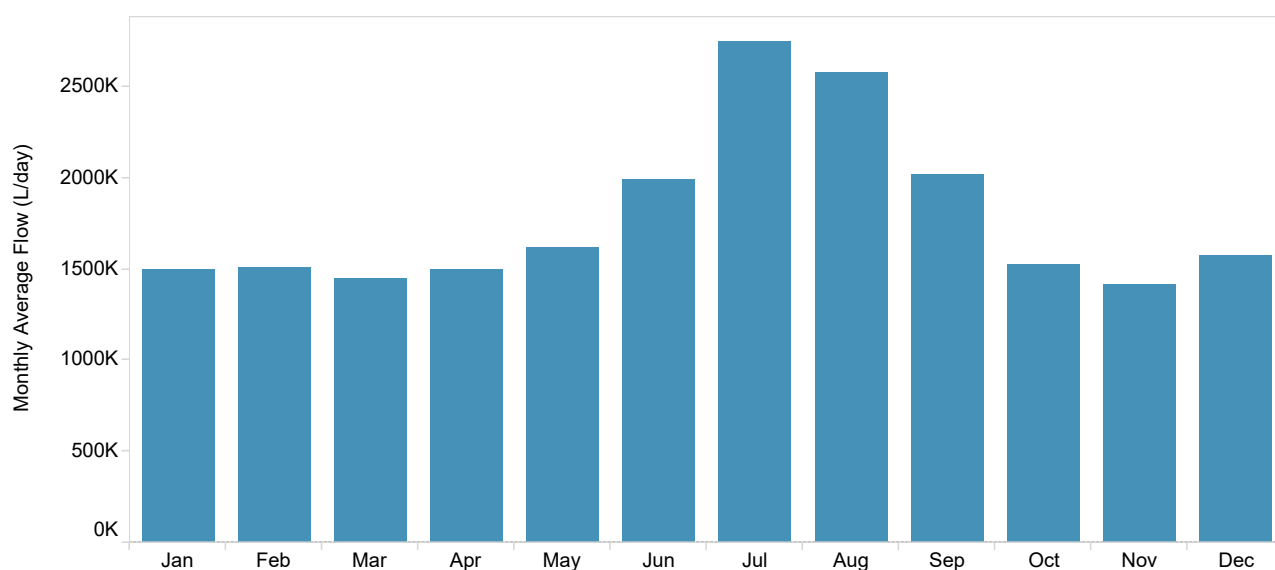
### Top Requested Water Quality Parameters

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
1.56 mg/L	0.12 mg/L	16 mg/L	Not Detected (<0.0005 mg/L)

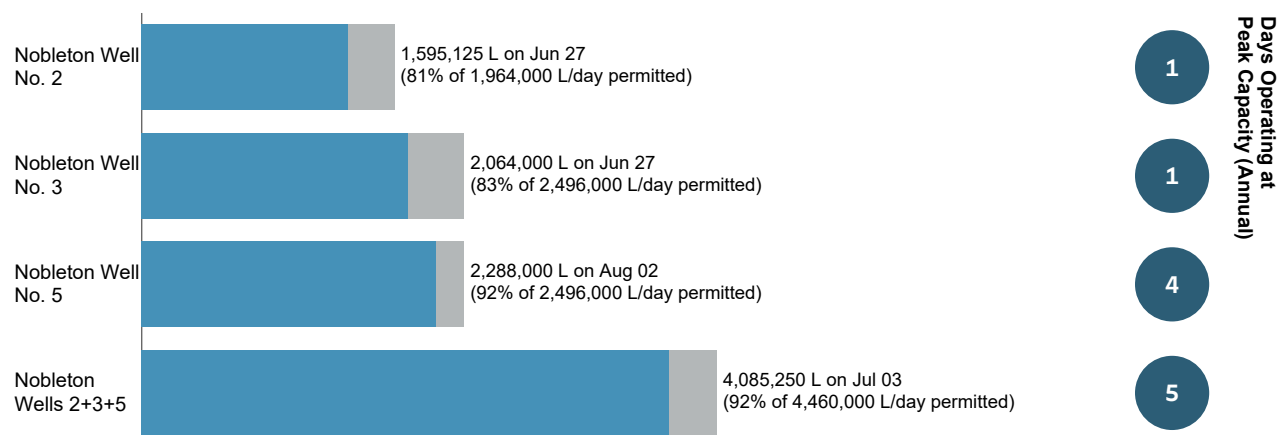
### System Monthly Average Flow

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 withdrawn 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 (greater than 80% of the permitted withdrawal).



## 2019 Water Quality & Capacity Summary | Schomberg DWS

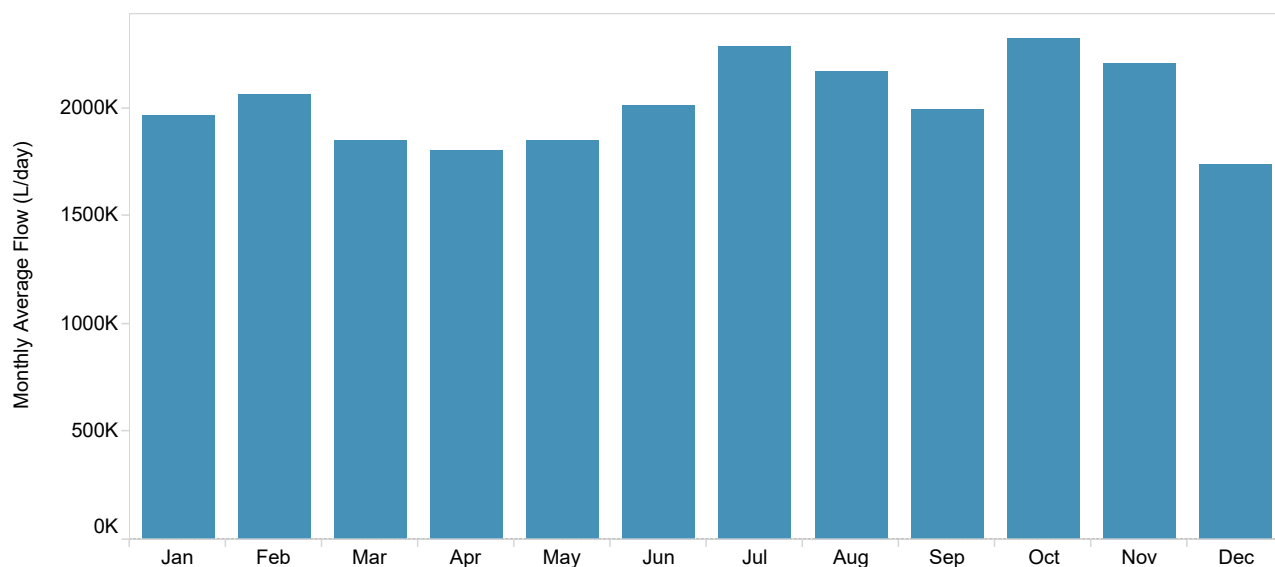
### Top Requested Water Quality Parameters

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
2.30 mg/L	0.15 mg/L	20 mg/L	Not Detected ( $<0.0005$ mg/L)

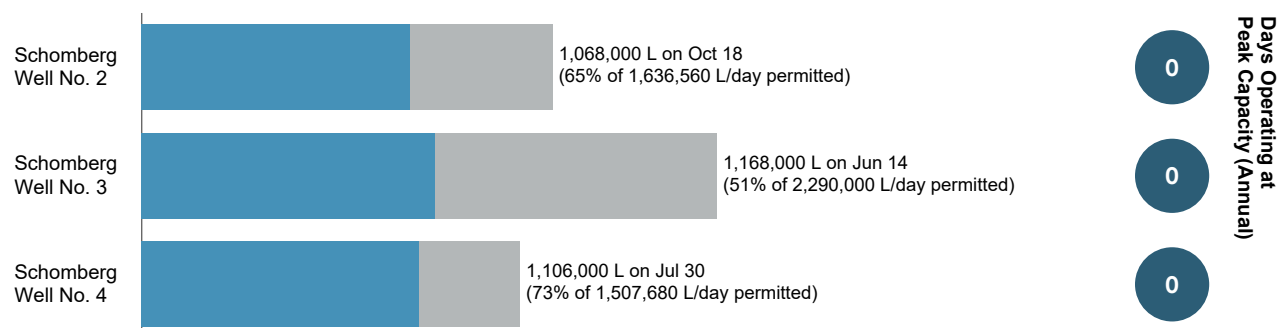
### System Monthly Average Flow

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 withdrawn 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 (greater than 80% of the permitted withdrawal).



## 2019 Water Quality & Capacity Summary | Sharon/Queensville DWS

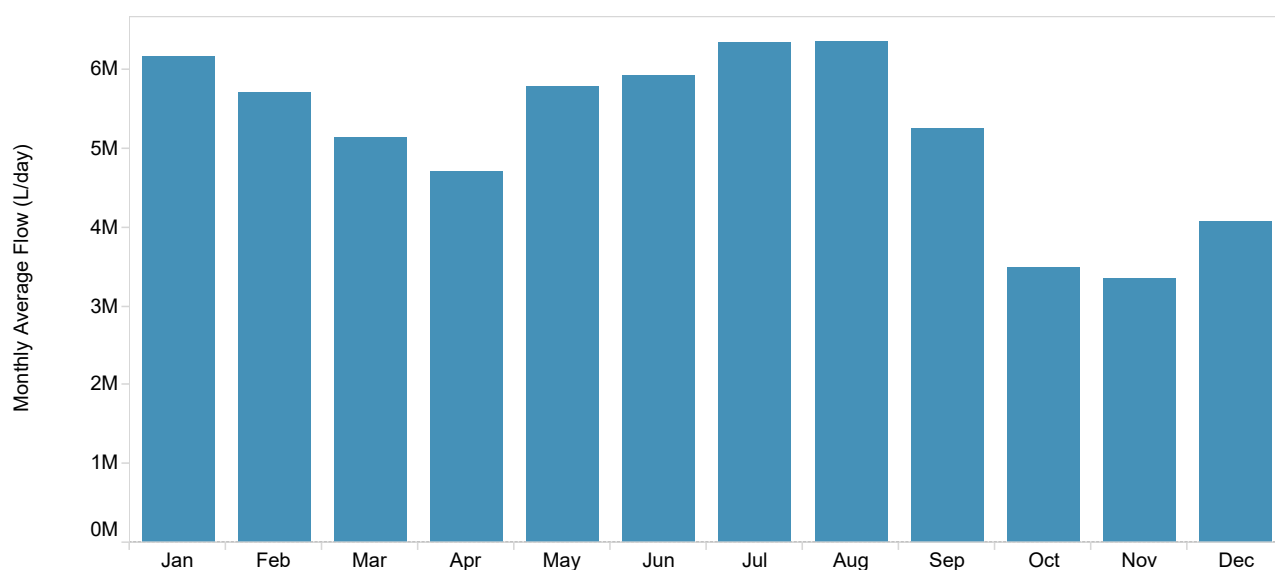
### Top Requested Water Quality Parameters

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
2.57 mg/L	0.20 mg/L	20 mg/L	Not Detected (<0.0005 mg/L)

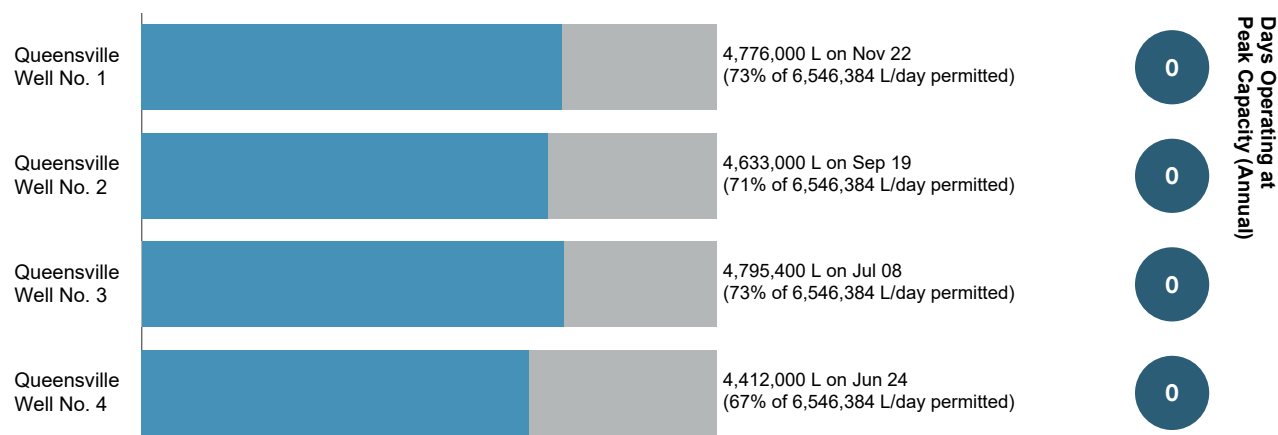
### System Monthly Average Flow

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 withdrawn 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 (greater than 80% of the permitted withdrawal).



## 2019 Water Quality & Capacity Summary | Stouffville DWS

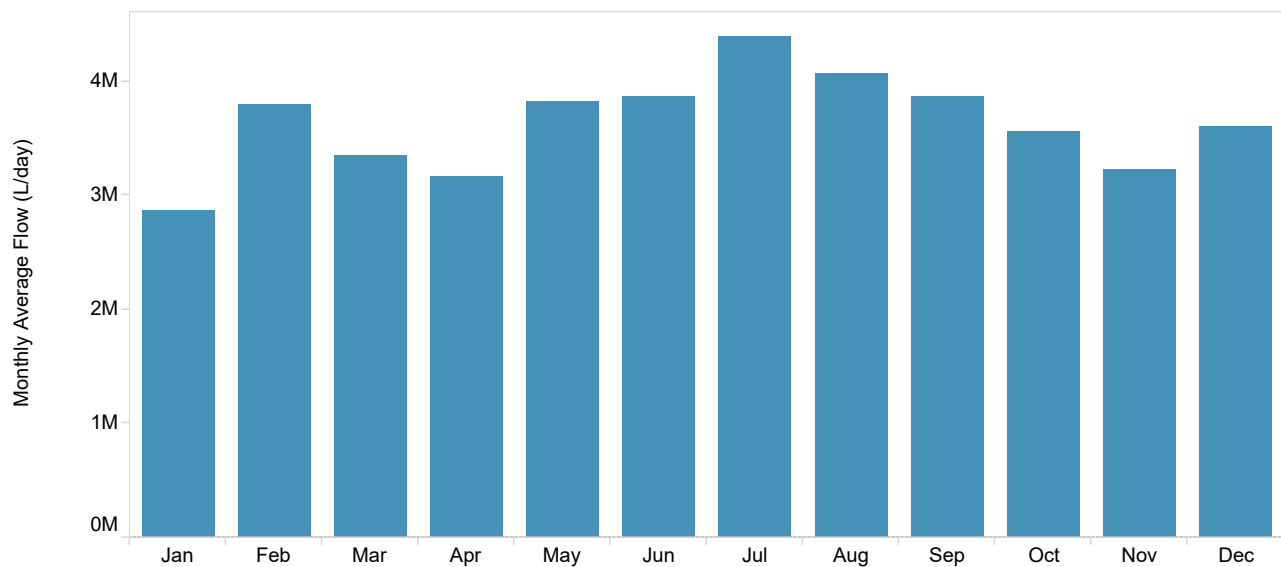
### Top Requested Water Quality Parameters

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
1.48 mg/L	0.10 mg/L	42 mg/L	Not Detected ( $<0.0005$ mg/L)

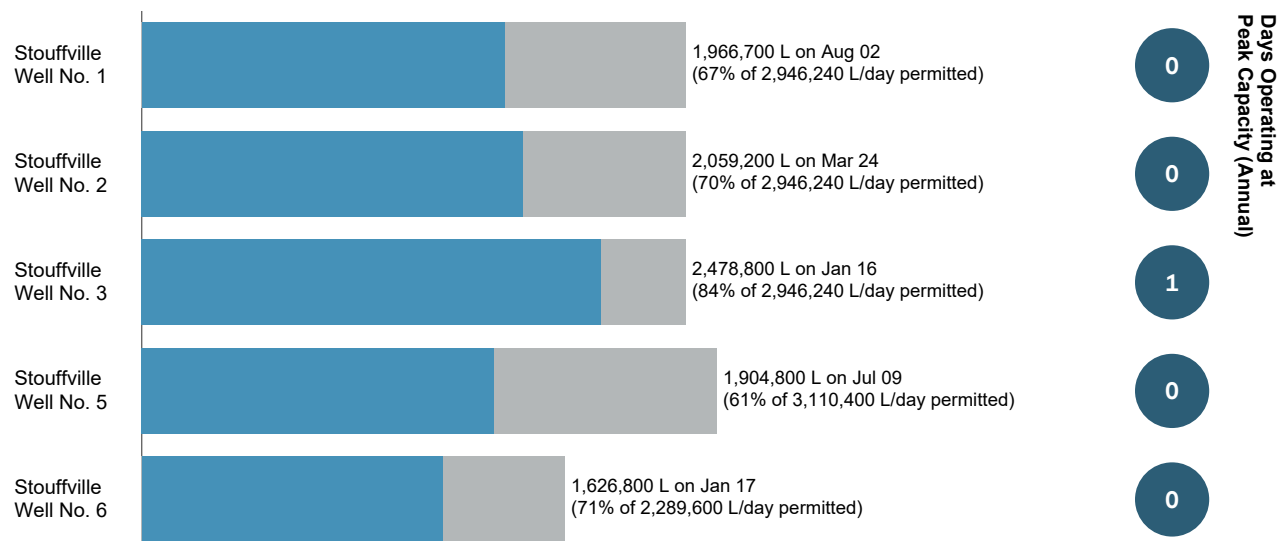
### System Monthly Average Flow

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



### Permitted and Actual Maximum Daily Withdrawal

The following chart shows the maximum volume of water withdrawn 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 (greater than 80% of the permitted withdrawal).



## 2019 Water Quality & Capacity Summary | York DWS

Vaughan | Richmond Hill | Markham

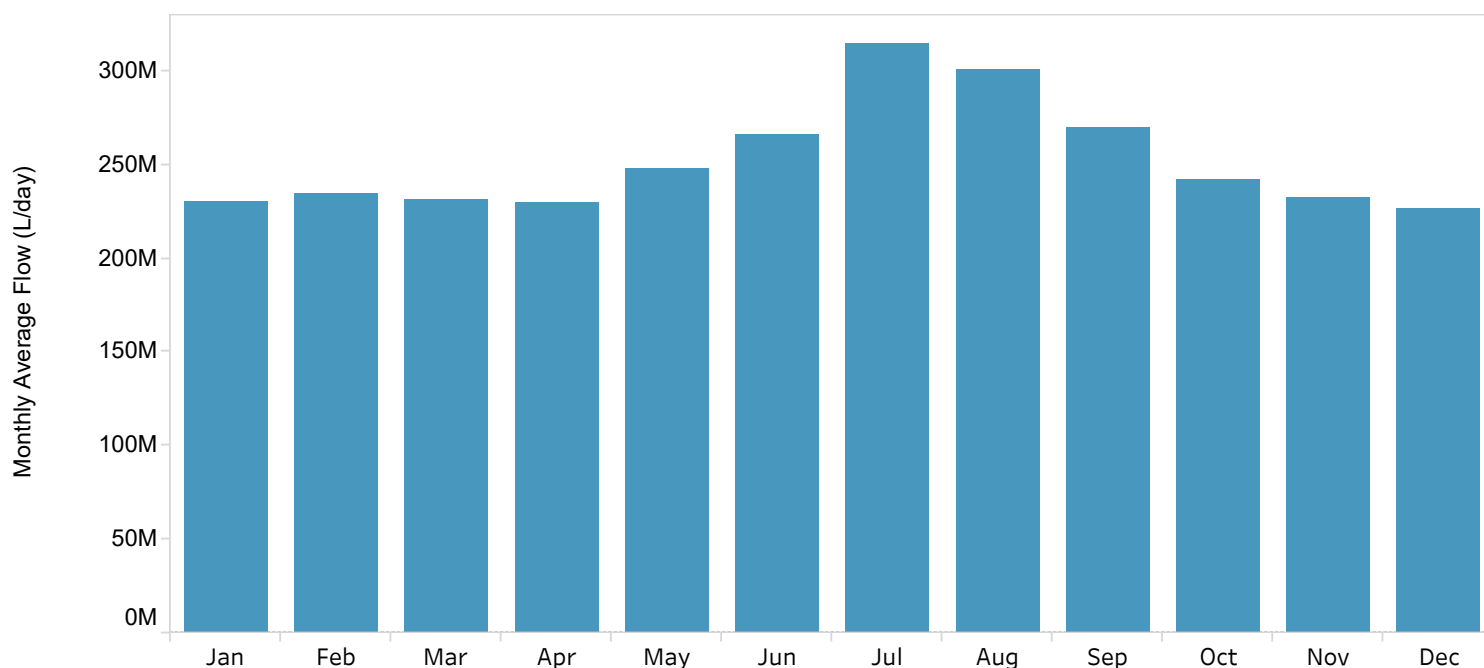
### Top Requested Water Quality Parameters

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	0.65 mg/L	22 mg/L	Not Detected ( $<0.0005$ mg/L)

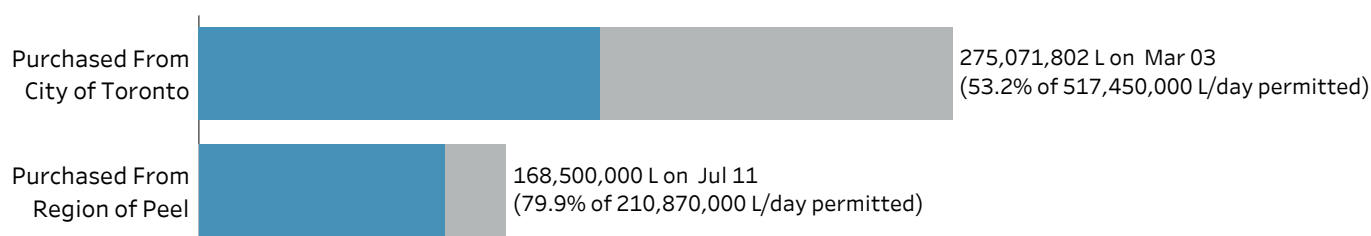
### System Monthly Average Flow

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****2019 SUMMARY OF EXPENSES TO INSTALL, REPAIR OR REPLACE REQUIRED EQUIPMENT**

This summary fulfills reporting requirement under *Ontario Regulation 170/03 – Drinking Water Systems* to summarize any major expenses incurred to install, repair or replace required equipment. Operating costs are not reflected in these totals.

<b>Drinking Water System</b>	<b>Description of Monetary Expenses</b>	<b>Total</b>
Ansnoerveldt DWS	General maintenance and repairs.	\$3,428
Aurora DWS	Groundwater management works, well rehabilitation and pump maintenance, pumping station repairs, general maintenance and repairs.	\$357,314
Ballantrae/Musselman's Lake DWS	Well rehabilitation and pump maintenance, general maintenance and repairs.	\$48,464
Georgina DWS	General maintenance and repairs.	\$63,121
Holland Landing DWS	Well rehabilitation and pump maintenance, pumping station upgrades, general maintenance and repairs.	\$106,048
Keswick DWS	General maintenance and repairs.	\$78,187
King City DWS	Elevated tank repairs and upgrades, control panel replacement, general maintenance and repairs.	\$242,487
Kleinburg DWS	General maintenance and repairs.	\$23,005
Mount Albert DWS	Standby generator replacement and upgrades, general maintenance and repairs.	\$1,047,968
Newmarket DWS	Well rehabilitation and pump maintenance, elevated tank repairs and upgrades, water meter chamber upgrades, general maintenance and repairs.	\$405,698
Nobleton DWS	Well rehabilitation and pump maintenance, general maintenance and repairs.	\$57,658
Schomberg DWS	Well rehabilitation and pump maintenance, general maintenance and repairs.	\$98,789
Sharon/Queensville DWS	General maintenance and repairs.	\$8,081
Stouffville DWS	Well rehabilitation and pump maintenance, elevated tank re-coating and upgrades, system valve replacements, general maintenance and repairs.	\$661,149
York DWS	Pump maintenance, emergency standby power generator, watermain and valve chamber rehabilitation and replacement, new watermain and service connections, control panel replacement, general maintenance and repairs.	\$10,771,462
<b>Total</b>		<b>\$13,972,859</b>

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**Subject:** RE: Regional Council Decision - Water and Wastewater Master Plan Update Project Plan and Progress

**From:** Switzer, Barbara **On Behalf Of** Regional Clerk

**Sent:** Friday, April 3, 2020 3:26 PM

**Subject:** Regional Council Decision - Water and Wastewater Master Plan Update Project Plan and Progress

**CAUTION: This email originated from a source outside the City of Markham. DO NOT CLICK on any links or attachments, or reply unless you recognize the sender and know the content is safe.**

On April 2, 2020 Regional Council made the following decision:

1. The Regional Clerk circulate this report to the Clerks of the local municipalities, conservation authorities (Toronto and Region and Lake Simcoe Region Conservation Authorities) and the Director of the Central Region Office, Ministry of the Environment, Conservation and Parks.

The original staff report is attached for your information.

Please contact Wendy Kemp, Acting Director, Infrastructure Asset Management at 1-877-464-9675 ext. 75141 if you have any questions with respect to this matter.

Regards,

**Christopher Raynor** | Regional Clerk, Regional Clerk's Office, Corporate Services

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The Regional Municipality of York | 17250 Yonge Street | Newmarket, ON L3Y 6Z1

O: 1-877-464-9675 ext. 71300 | [christopher.raynor@york.ca](mailto:christopher.raynor@york.ca) | [www.york.ca](http://www.york.ca)

Our Mission: **Working together to serve our thriving communities – today and tomorrow**



# The Regional Municipality of York

Committee of the Whole  
Environmental Services  
March 12, 2020

Report of the Commissioner of Environmental Services

## Water and Wastewater Master Plan Update Project Plan and Progress

### 1. Recommendation

The Regional Clerk circulate this report to the Clerks of the local municipalities, conservation authorities (Toronto and Region and Lake Simcoe Region Conservation Authorities) and the Director of the Central Region Office, Ministry of the Environment, Conservation and Parks.

### 2. Summary

This report provides information on the project plan and current progress of the Water and Wastewater Master Plan Update (Master Plan Update).

Key Points:

- The Water and Wastewater Master Plan is a long term servicing plan that identifies infrastructure and programs required to support projected growth as envisioned in the Regional Official Plan
- The Master Plan Update is being advanced in coordination with the Municipal Comprehensive Review currently in progress
- The Master Plan Update commenced in Q3 2019 and is expected to be completed in 2021
- The first of three rounds of public engagement were successfully completed in October and November 2019 with a total of 878 online and in-person participants

### 3. Background

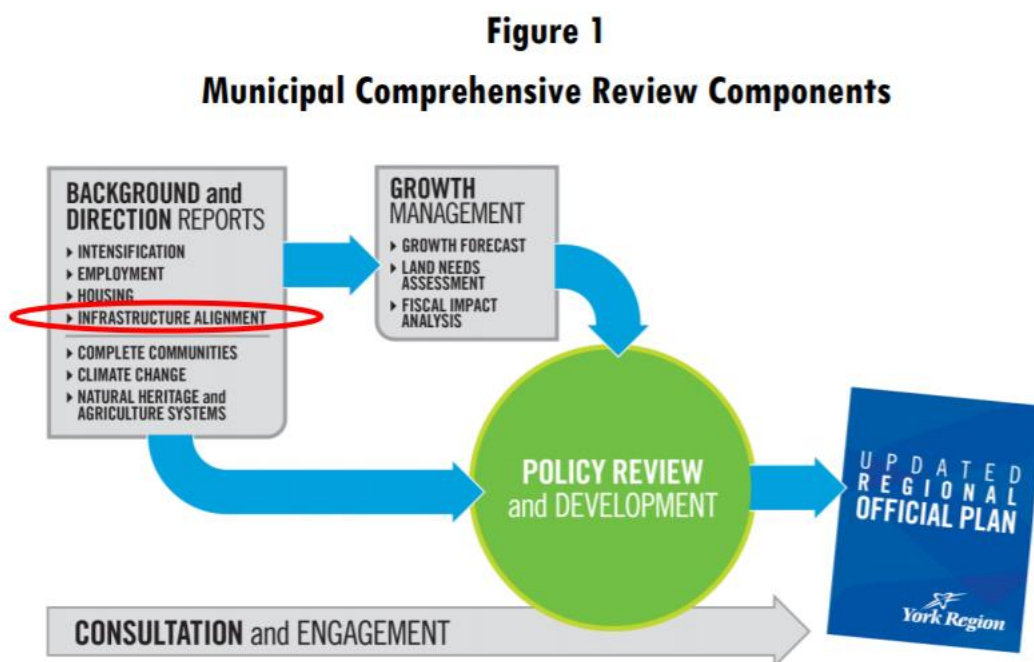
#### **The Water and Wastewater Master Plan Update outlines critical infrastructure to support growth as envisioned in the Regional Official Plan**

Master Plans develop the policy and strategy framework for water and wastewater servicing and serve as blueprints for future capital projects to support growth. The master planning process fulfills Phases 1 and 2 of the Municipal Class Environmental Assessment (MCEA) in identifying the need and justification for recommended projects and programs. The process includes consultations with the public and key stakeholders to receive feedback that will help

shape the Master Plan Update. The Region has undertaken regular updates to the Master Plan for over two decades to ensure that long-term strategies reflect evolving needs. The most recent update, [completed and endorsed by Council in 2016](#), recommended water and wastewater capital infrastructure projects totaling \$3.1 billion up to 2041 (in 2016 dollars). The Master Plan is now being recalibrated to reflect changes since 2016 including provincial policies, the Region's Strategic Plan and Fiscal Strategy, as well as the ongoing Municipal Comprehensive Review. This new work will review the infrastructure strategy recommended in the 2016 Master Plan and will identify any updates needed as a result of changes that have occurred over the last four years.

### **The Master Plan Update is carried out in conjunction with the Region's Municipal Comprehensive Review**

The Master Plan Update will identify the preferred servicing solution and associated infrastructure needs to support projected growth as set out in the Provincial Growth Plan and Regional Official Plan. This will occur in conjunction with the Region's Municipal Comprehensive Review as illustrated in Figure 1. Staged infrastructure needs will be identified in five-year intervals to the year 2041.



As part of the Master Plan Update process, capital and life cycle costs of water and wastewater infrastructure required to support growth contemplated through the Municipal Comprehensive Review will be identified. This work will inform a fiscal impact analysis to assess cost implications of future growth.

### **The Master Plan provides input to the next Development Charges Bylaw Update**

With completion of the Master Plan Update expected in mid-year 2021, updated water and wastewater infrastructure costs supporting the Region's future growth will be developed. This

will inform the Development Charge Background Study as part of the Development Charge Bylaw Update process, expected to occur in 2022. The infrastructure strategy identified through the Master Plan Update is also an input to the upcoming Water/Wastewater User Rate Study (Water and Wastewater Financial Sustainability Plan).

## 4. Analysis

### **Master Plan Update will build on findings and principles of the 2016 Master Plan**

Since the 1990s, the Region has prepared Master Plans approximately every five years. Similar to previous Master Plans, the main purpose of the Master Plan Update is to achieve two key objectives:

- Develop a cost-effective, resilient water and wastewater infrastructure plan to service future growth to 2041 and beyond
- Develop an integrated, long-term strategy to provide sustainable water and wastewater services

Building on the servicing strategy set out in the previous Master Plan, the Master Plan Update will review and recalibrate the cost, need and timing of projects. It will also continue to apply the three guiding principles for infrastructure planning as outlined in the 2016 Plan, as listed below:

- Integration – Take a coordinated, holistic approach to water resource and growth management
- Innovation – Practice and explore new concepts and ideas to promote cost efficiency and environmental sustainability
- Infra-stretching – Maximize the useful life and capacity of built infrastructure to defer and/or minimize capital investment

These guiding principles will be used in developing and evaluating servicing alternatives and recommendations in the Master Plan Update.

### **Moving beyond the last Master Plan Update, this update will integrate several key considerations to shape the updated servicing strategy**

Since the 2016 Master Plan, the Region's circumstances and needs have continued to evolve, including continued growth, increased pressures on available resources, changing customer expectations, climate change impacts and updated regulatory requirements. To adapt to these changing needs, the Master Plan Update will integrate key considerations to inform and guide development of the servicing strategy, as illustrated in Figure 2 and further described below.

**Figure 2**  
**Master Plan Update Reflects Changing Needs**



#### Align Growth and Infrastructure Needs with Fiscal Strategy

To create fiscal room for the next generation of infrastructure projects, the Master Plan will work in collaboration with the Municipal Comprehensive Review to develop population projections that align growth within existing and planned infrastructure projects.

#### Advance Long-Term Sustainability

Since 2016, key sustainability initiatives have been updated or are planned to be updated, including the Energy Conservation and Demand Management Plan (updated in 2019), Long Term Water Conservation Strategy and Inflow and Infiltration Reduction Strategy (both planned to be updated in 2021). Updates to these initiatives will be integrated in the long-term servicing strategy to support responsible resource management, sustainable service delivery and maximized use of existing infrastructure through demand management.

#### Plan for Resilient and Robust Water and Wastewater Services

Resilient communities and robust services are key priorities set out by the province in the Growth Plan and asset management regulation for municipal infrastructure, which include planning for climate change. Master planning provides an opportunity to integrate:

- new infrastructure to support growth
- asset renewal needs informed by condition assessments
- considerations for infrastructure resilience to manage the impact of climate change in alignment with the York Region Climate Change Action Plan (also on this Council's agenda)

Underpinning and influencing all of these evolving needs are changes in regulatory requirements that affect servicing. Staff recognize the importance of remaining adaptive to regulatory changes. Potential changes in the near- to medium-term include provincial policy changes that affect population and employment forecasts and updates to drinking water quality guidelines as science advances. The Master Plan Update will ensure that infrastructure planning remains responsive to ongoing regulatory changes by continuing to work closely with regulators.

### **Master Plan Update is targeted for completion mid-year 2021**

The Master Plan Update is scheduled for completion in Q2/Q3 2021. Major recommendations for new infrastructure will be finalized in Q1 2021 for timely input to the Development Charge Bylaw Update process. Key project milestones including public consultations and planned reports to Council are shown in Table 1.

**Table 1**  
**Key Milestones of the Master Plan Update**

Timing	Milestone	Status
2019	Notice of Study Commencement	Complete
	Open House 1 – Introduction to the Master Plan	Complete
2020	Council Report on Project Plan and Progress	Complete
	Assess Current Servicing Needs and Changes since previous Master Plan Update	In progress
	Open House 2 – Alternative Servicing Strategies	Planned Q4
2021	Council Report on Progress	Planned Q1
	Open House 3 – Recommended Solution	Planned Q1
	Council Endorsement of Master Plan and Notice of Study Completion	Planned Q2/Q3

## **First round of Master Plan Public Open Houses successfully completed in Q4 2019 with 878 online and in-person participants**

In October and November 2019, York Region hosted the first of three rounds of Public Open Houses for the Master Plan Update. This first round of Public Open Houses introduced the project and provided information about the planned process for the Master Plan Update.

Staff from the Planning and Economic Development branch of Corporate Services that are involved in the Regional Official Plan Review and local municipalities participated in the events. This provided attendees a more fulsome understanding of the two-tier system in place to deliver safe and reliable servicing from infrastructure and community planning to eventual construction and operation. Open House events were well received and provided an opportunity for residents to learn about and engage with staff on the Master Plan project.

Open Houses were hosted in three locations across the Region and attendance at the open houses included a broad representation of residents, landowners, development industry representatives, and other stakeholders. To extend the reach of the project's engagement, an interactive Online Open House was created and advertised on [York.ca](http://York.ca) as an alternative means for residents and stakeholders to participate.

A total of 165 people from across York Region attended the events in-person, and the [online Open House](#) was viewed 713 times. Participants were generally supportive of the Master Plan Update process.

Feedback collected indicated:

- Participants appreciated the opportunity to learn about York Region's water and wastewater services, including sources of water supply, where wastewater goes and how it is treated
- Long-term sustainability of water and wastewater servicing, and responsible resource management for future generations is a priority for residents
- Strong interest in future infrastructure details including location, timing and implications to potential developments

Feedback received will inform the next phases of the Master Plan Update.

## **5. Financial**

Costs to prepare the Master Plan Update are included in the Environmental Services approved 2020 budget. The Master Plan will be carried out in conjunction with the Municipal Comprehensive Review (Official Plan Review and Update). A fiscal impact analysis will be carried out as part of the process to plan for growth and the associated preferred servicing alternative.

It is expected that the long-term infrastructure plan for the preferred servicing strategy will be finalized in Q2 2021. This will provide input to the background study required for the next Development Charge Bylaw Update planned to be completed in 2022.

## **6. Local Impact**

A key input to the Master Plan is the growth management exercise undertaken through the Municipal Comprehensive Review, which integrates Local Official Plans and Secondary Plans. These projections balance growth-related needs across the Region through an iterative and collaborative process. In consultation with local municipalities, the Master Plan Update will detail a sustainable, reliable servicing strategy to support growth as envisioned in the Regional Official Plan Update. This servicing strategy will form the basis for updating the Region's future capital works program, and in turn, the capacity assignment program to support growth in the nine local municipalities.

Involvement of each local municipality throughout the course of the Water and Wastewater Master Plan Update is key to achieving successful outcomes with our shared water and wastewater systems (see Attachment 1). Coordination of the Region's Master Plan with local municipalities' master plans will support more integrated planning of Regional and local capital works and programs.

The Region's servicing partners, Region of Durham, Region of Peel and City of Toronto, have been informed of the project and will be engaged as it progresses.

## **7. Conclusion**

The Master Plan Update supports the Region's Municipal Comprehensive Review process to update the Region's Official Plan in alignment with the provincial growth target for York Region and provides input to the planned Development Charge Bylaw Update in 2022. The Master Plan Update will follow the principles of integration, infra-stretching and innovation to guide its decision-making process. Completion of the York Region Water and Wastewater Master Plan Update is expected in Q2/Q3 2021.

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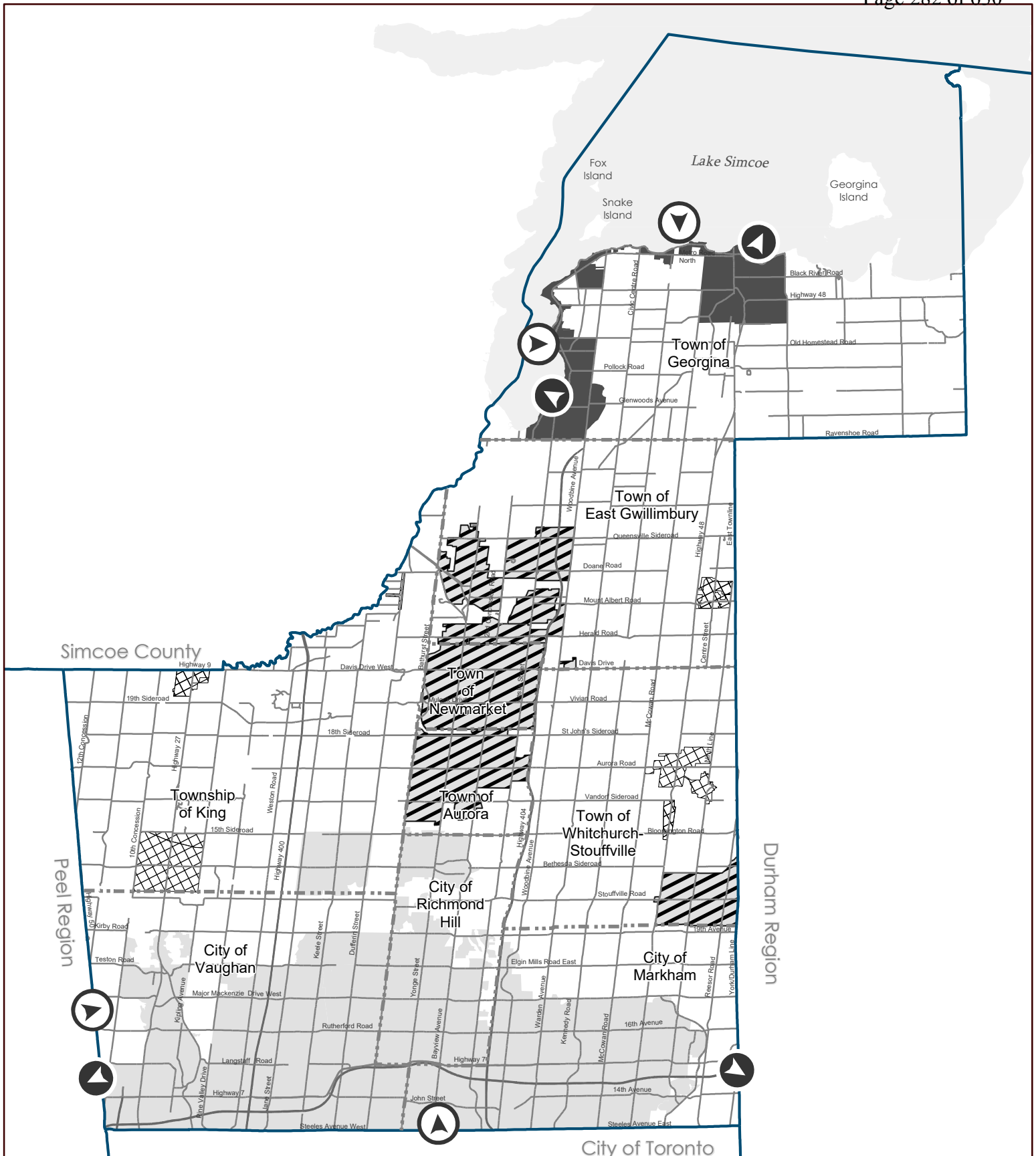
For more information on this report, please contact Wendy Kemp, Acting Director, Infrastructure Asset Management at 1-877-464-9675 ext. 75141. Accessible formats or communication supports are available upon request.

Recommended by: **Erin Mahoney, M. Eng.**  
Commissioner of Environmental Services

Approved for Submission: **Bruce Macgregor**  
Chief Administrative Officer

February 27, 2020  
Attachments (1)  
#10381470



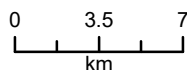


# Overview of System Water Sources and Wastewater Flows

## Water and Wastewater Master Plan Update

### Project Plan and Progress

March 12, 2020



Produced by:  
The Regional Municipality of York  
IAM Branch, Environmental Services Department  
February 2020  
Data: Queen's Printer for Ontario 2003-2020

- Lake Ontario
- Lake Ontario and Groundwater
- Lake Simcoe
- Groundwater
- Drinking Water Source
- Transfer of Treated Wastewater

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**Subject:** RE: Regional Council Decision - 2019 Integrated Management System Update Report for Water, Wastewater and Waste Management

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**From:** Switzer, Barbara **On Behalf Of** Regional Clerk

**Sent:** Friday, April 3, 2020 3:24 PM

**Subject:** Regional Council Decision - 2019 Integrated Management System Update Report for Water, Wastewater and Waste Management

**CAUTION: This email originated from a source outside the City of Markham. DO NOT CLICK on any links or attachments, or reply unless you recognize the sender and know the content is safe.**

On April 2, 2020 Regional Council made the following decision:

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

The original staff report is attached for your information.

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

Regards,

**Christopher Raynor** | Regional Clerk, Regional Clerk's Office, Corporate Services

---

The Regional Municipality of York | 17250 Yonge Street | Newmarket, ON L3Y 6Z1

O: 1-877-464-9675 ext. 71300 | [christopher.raynor@york.ca](mailto:christopher.raynor@york.ca) | [www.york.ca](http://www.york.ca)

Our Mission: **Working together to serve our thriving communities – today and tomorrow**

# The Regional Municipality of York

Committee of the Whole

Environmental Services

March 12, 2020

Report of the Commissioner of Environmental Services

## **2019 Integrated Management System Update Report for Water, Wastewater and Waste Management**

### **1. Recommendation**

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

### **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.

Key points:

- Environmental Services' Integrated Management System is mature, well-established and provides a structured approach to risk mitigation and continual improvement
- Audits performed at water, wastewater and waste management facilities provide continued insight into delivery of our services and result in improved operational performance and regulatory due diligence
- Accomplishments achieved in 2019 through the Integrated Management System include successful third party audits resulting in zero non-conformities and successful transition to version two of the Provincial government's Drinking Water Quality Management Standard

### **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. This requirement is further defined in the 2019 Drinking Water Summary Report (also on this agenda), which includes the Ministry of the Environment, Conservation and Parks inspection results.

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 (IMS)**

Who	Roles and Responsibilities for IMS
<b>Corporate Top Management</b>	– Exercise standard of care
– Council	– Overall direction for Environmental Services’ IMS
– 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	

## **Mature 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 International Organization for Standardization (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**

<b>Operations</b>	<b>Management Standard</b>	<b>Registered Since</b>
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. Service delivery is confirmed through on-site audits, which mitigate operational risks, provide feedback for continual improvement and gauge operational resilience.

## **Integrated Management System is a framework to manage risk, protect public health and the environment**

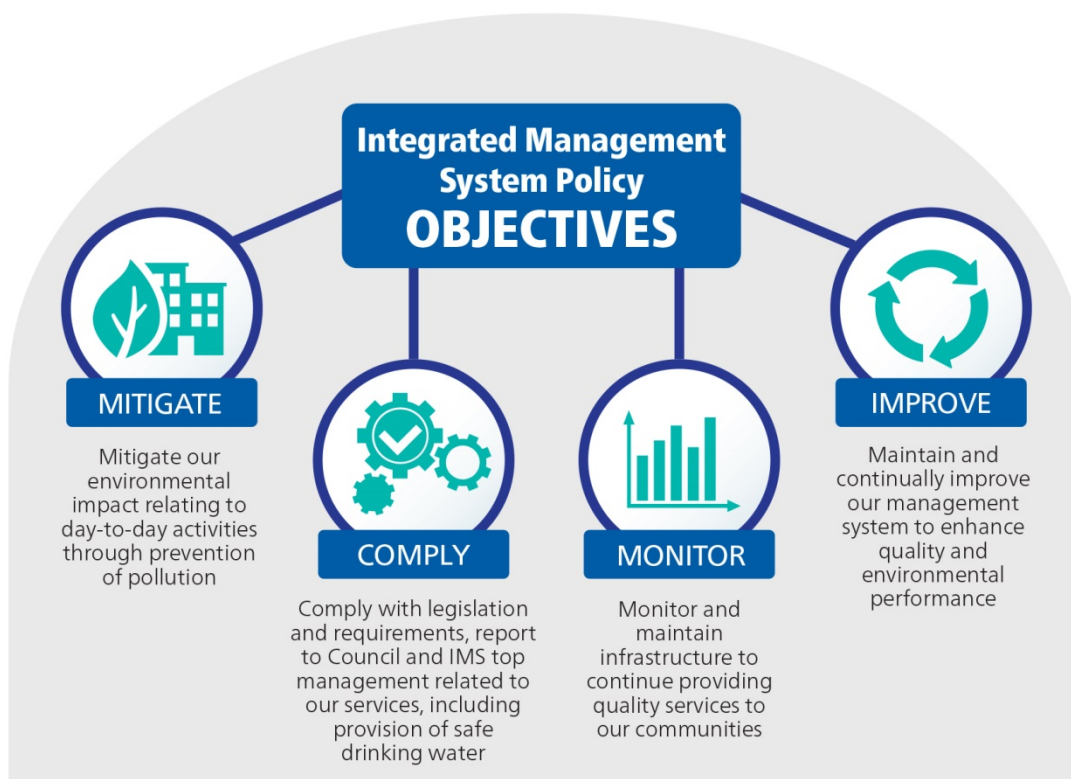
The Integrated Management System Policy (Figure 1) is a requirement of our registration and provides the foundation for management system commitments. It sets the framework for water, wastewater and waste management quality and environmental objectives. It is displayed at all registered water, wastewater 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 strengthens 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
- International Organization for Standardization (ISO) external audits
  - Completed annually by a third party registration body to confirm conformance to ISO 9001 and ISO 14001

- Regulatory Drinking Water Quality Management Standard (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

## 4. Analysis

### **Comprehensive audit program continues to evolve and confirms high level of compliance**

Environmental Services' 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 delivery of programs and services. In 2019, Environmental Services conducted 71 internal proactive audits. Each year, audit findings identify internal business process improvements and system enhancements. Table 3 summarizes the number of audit findings by audit type, from 2017 to 2019.

**Table 3**  
**Number of Audit Findings for Water, Wastewater and Waste Management**

<b>Audit Type</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Internal Proactive Audit	91	74	60
ISO External Audit	3	8	0
Regulatory DWQMS Audit	0	0	0

A decrease in number of audit findings demonstrates system maturity and successful implementation of continual improvement initiatives. Audit processes and data management practices continue to evolve, which allow us to refine how audits are conducted and what information is audited. This evolution has allowed us to leverage data and analytics to provide deeper insight into system-wide performance and mitigate system risks.

### **Audit findings highlight key priorities and continual improvement initiatives for 2020**

Our audits identified several continual improvement opportunities. A few opportunities include continuing to monitor and implement safety improvements at operating facilities, monitoring and verifying staff training requirements and improving timely documentation updates to reflect process improvements.

Findings also highlight key areas of focus for 2020, including verification of physical and cyber system security and confirmation of electronic access to documentation for field staff.

Environmental Services' Integrated Management System has provided a systematic approach to addressing audit findings for the past 20 years. This practice minimizes risk to the Region and ensures public safety.

### **Third party audits result in zero non-conformities and successful accreditation to new version of Drinking Water Quality Management Standard**

Third party audits are intended to confirm that the Integrated Management System is in line with requirements of the standards and has demonstrated an ability to sustain services compliant with applicable regulations, and Regional service level targets. In 2019, three external audits were conducted, which resulted in zero non-conformities. Results achieved and auditor feedback received during these audits indicates that the Integrated Management System is mature, systematically achieves requirements, and demonstrates strong leadership and engagement.

Integrated Management System changes were implemented to meet Ministry of the Environment, Conservation and Parks Drinking Water Quality Management Standard version two requirements, including risk assessment updates that include an assessment of climate change implications. In July 2019, an external review was conducted to verify conformance of water operations and program administration to the updated Drinking Water Quality Management Standard. This audit resulted in successful accreditation to the updated standard, with zero non-conformities identified. This outcome supports legal requirements under the *Safe Drinking Water Act, 2002* and the Municipal Drinking Water Licensing Program.

### **Operational Top Management confirms adequacy, suitability and effectiveness of the Integrated Management System**

Annual management review meetings are required by all 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, resources, operational risks and opportunities. 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 in Q1 2020 to review system performance for 2019 and confirm the adequacy, suitability and effectiveness of the Integrated Management System.

### **Continual improvement initiatives drive efficiencies in performance**

Environmental Services made several enhancements to systems and processes in 2019 to drive efficiencies in water, wastewater and waste management services and mitigate environmental risk. Some of these include:

- Delivered customized online training for operating staff to ensure awareness and understanding of emergency response procedures



- Conducted ongoing identification and review of service delivery risks and opportunities through monthly discussions to identify potential mitigation measures
- Improved analysis and trending of quarterly customer communications reporting and developed plan to track via Customer Relationship Management (CRM) system to streamline information gathering and provide spatial mapping opportunities
- Finalized Integrated Management System Policy Manual to address new requirements of updated Drinking Water Quality Management Standard

Together, these initiatives support efficiency, cost savings, risk mitigation and enhanced system performance, which help strengthen service delivery.

## 5. Financial

### **Integrated Management System helps mitigate risk, comply with regulatory requirements and support continual improvement**

Total annual program costs to operate the Integrated Management System are \$1.38 million, including staffing and external audit services, and were approved by Council through the 2020 budget process. 80% of program costs are funded from water and wastewater user rates, representing 0.2% of Environmental Services' rate budget. 20% of program costs are funded from the tax levy designated for waste management activities, representing 0.3% of Environmental Services' tax levy budget.

Investing in the Integrated Management System achieves risk management benefits, which assist in meeting obligations prescribed in the *Safe Drinking Water Act*. 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.

## 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 meets regularly with municipal and provincial partners to address challenges, share best practices, evaluate operating procedures and develop common approaches for effective service delivery.

## 7. Conclusion

Providing information on performance and enhancements to the Integrated Management System supports Council in meeting standard of care requirements under the *Safe Drinking Water Act, 2002*. Rigorous and comprehensive evaluation performed through the management system, including internal and external audits demonstrates York Region's commitment to ongoing improvement of its programs and services. Successful external audits in 2019, resulting in zero non-conformities, confirm the Integrated Management System is well-established, mature and systematically reduces operational risk. Continual improvement initiatives support system efficiencies and accomplish improved risk mitigation. On an ongoing basis, management reviews and confirms adequacy and effectiveness of the Integrated Management System to strengthen the delivery of programs and services.

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For more information on this report, please contact David Szeptycki, Director, Strategy and 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

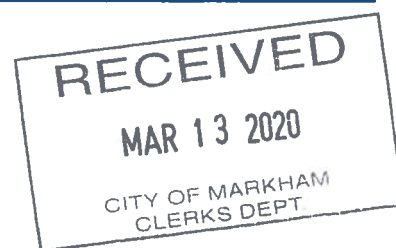
Approved for Submission:

**Bruce Macgregor**  
Chief Administrative Officer

February 27, 2020  
#10361451



Regional Clerk's Office  
Corporate Services



March 6, 2020

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

Dear Ms. Kitteringham:

**Re: Bylaw 2020-07 Regional Municipality of York**

Please find attached a copy of Bylaw 2020-07, authorizing an agreement for the provision of a municipal capital facility at 4261 Highway #7 in the City of Markham.

Sincerely,

A handwritten signature in black ink, appearing to be "Chris Raynor", written over a horizontal line.

Christopher Raynor  
Regional Clerk

Attachment

## THE REGIONAL MUNICIPALITY OF YORK

### BYLAW NO. 2020-07

A bylaw to authorize an agreement for the provision of a  
municipal capital facility at  
4261 Highway #7, City of Markham

WHEREAS section 110 of the *Municipal Act, 2001* provides that The Regional Municipality of York (the "**Region**") may exempt from taxation for municipal and school purposes land or a portion of it on which municipal capital facilities are, or will be, located and that an agreement for municipal capital facilities may allow for the lease, operation or maintenance of the facilities; and

WHEREAS paragraph 2 of subsection 2(1) of Ontario Regulation 603/06 prescribes facilities used for the general administration of the Region as an eligible class of municipal capital facility; and

WHEREAS paragraph 10 of subsection 2(1) of Ontario Regulation 603/06 prescribes facilities related to the provision of social and health services as an eligible class of municipal capital facility;

WHEREAS paragraph 12 of subsection 2(1) of Ontario Regulation 603/06 prescribes facilities that combine the facilities described in paragraphs 1 to 11 as an eligible class of municipal capital facility; and

WHEREAS the Region has entered into a lease with Transmark Developments Ltd. (the "**Owner**") for the use of the premises described in the attached Schedule A (the "**Premises**") for the general administration of the Region and/or the provision of social and health services (the "**Lease**"); and

WHEREAS Regional Council wishes to enter into an agreement with the Owner for the provision of a municipal capital facility at the Premises;

NOW THEREFORE, the Council of The Regional Municipality of York hereby enacts as follows:

Page 2 of 4 pages of Bylaw No. 2020-07

1. That The Regional Municipality of York is authorized to enter into an agreement under section 110 of the *Municipal Act, 2001* with the Owner for the provision of municipal capital facilities used for the general administration of the Region and/or the provision of social and health services in accordance with Ontario Regulation 603/06 (the "**Agreement**").
2. The Premises are exempt from taxation for municipal and school purposes.
3. This Bylaw shall be deemed repealed:
  - a. if the Owner ceases to own the Premises without having assigned the Agreement to the new owner of the Premises;
  - b. if the Region or its successor in law ceases to use the Premises as a municipal capital facility specified in Section 1;
  - c. when the Lease or any renewal or extension of the Lease expires;
  - d. if the Lease or any renewal or extension of the Lease is terminated for any reason whatsoever; or
  - e. if the Agreement is terminated for any reason whatsoever.
4. Schedule A shall form part of this Bylaw.
5. The Regional Clerk shall give written notice of the contents of this Bylaw to:
  - a. the Municipal Property Assessment Corporation;
  - b. the Clerk of the City of Markham; and
  - c. the Secretaries of the York Region District School Board and the York Region Catholic District School Board.
6.
  - a. Sections 1, 3, 4, 5 and 6 of this Bylaw shall come into force on the day that this Bylaw is enacted.
  - b. Section 2 of this Bylaw shall come into force on the later of the following:
    - i. the day that this Bylaw is enacted; and
    - ii. the day that the Agreement is entered into by the Region and the Owner.

ENACTED AND PASSED on February 27, 2020.

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Regional Clerk

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Regional Chair

*Authorized by Clause 2, Report 1 of the Finance and Administration Committee,  
adopted by Regional Council at its meeting on January 24, 2013.*

## **SCHEDULE A**

### **Description of the Premises at 4261 Highway #7, City of Markham**

16,997 square feet of space: Units B-9, B-4-8, C-1

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**Subject:** RE: Regional Council Decision - Community Benefits Charges – Proposed Regulatory Framework

**From:** Van Dusen, Regina **On Behalf Of** Regional Clerk

**Sent:** Monday, April 6, 2020 8:43 AM

**Subject:** Regional Council Decision - Community Benefits Charges – Proposed Regulatory Framework

**CAUTION: This email originated from a source outside the City of Markham. DO NOT CLICK on any links or attachments, or reply unless you recognize the sender and know the content is safe.**

On April 2, 2020 Regional Council made the following decision:

1. The Regional Clerk circulate this report to the local municipalities, the Building Industry and Land Development Association – York Chapter (BILD) and the Ministry of Municipal Affairs and Housing (MMAH).

The original staff report is enclosed for your information.

Please contact Edward Hankins, Director, Treasury Office and Deputy Treasurer at 1-877-464-9675 ext. 71644 if you have any questions with respect to this matter.

Regards,

**Christopher Raynor** | Regional Clerk, Office of the Regional Clerk, Corporate Services

---

The Regional Municipality of York | 17250 Yonge Street | Newmarket, ON L3Y 6Z1  
1-877-464-9675 ext. 71300 | [christopher.raynor@york.ca](mailto:christopher.raynor@york.ca) | [york.ca](http://york.ca)

Our Mission: **Working together to serve our thriving communities – today and tomorrow**



# The Regional Municipality of York

Committee of the Whole  
Finance and Administration  
March 12, 2020

Report of the Commissioner of Finance

## Community Benefits Charges – Proposed Regulatory Framework

### 1. Recommendations

The Regional Clerk circulate this report to the local municipalities, the Building Industry and Land Development Association – York Chapter (BILD) and the Ministry of Municipal Affairs and Housing (MMAH).

### 2. Summary

On February 28, 2020, the Province released additional regulatory guidance to underpin the new community benefits charges framework, as well as further guidance for development charge-eligible services. This report summarizes staff comments on the proposed regulatory guidance.

Key Points:

- Staff support the provincial regulatory proposals, which are positive and largely reflect previous submissions and recommendations
- The proposed changes may impact the local municipalities differently than the Region
- The Region will continue to work with the Province in the development of the regulatory framework underpinning Bill 108, *More Homes, More Choice Act, 2019* (“Bill 108”)

### 3. Background

#### **Bill 108 introduced changes to how municipalities fund growth-related community infrastructure**

Bill 108, the cornerstone of the Provincial Housing Supply Action Plan, was tabled on May 2, 2019 and received Royal Assent in early June. One change the Bill introduced was the new community benefits charge regime under the new section 37 of the *Planning Act*. This new tool is to be used to fund community infrastructure such as acquiring land for parks, affordable housing and building child care facilities.

Under the new funding regime, municipalities have flexibility in determining the methodology for the charge. However, to provide cost certainty to stakeholders, the community benefits charge will be capped at a prescribed percentage of the land value on the day before the date of the building permit issuance for a development (also known as the “valuation date”).

In terms of the process for passing a community benefits charges bylaw, the legislation is somewhat less prescriptive than the *Development Charges Act, 1997*. For example, municipalities are only required to give notice after the passing of a community benefits charge bylaw. While municipalities are required to consult on their Community Benefits Charges Strategy, it is at their discretion to determine the level of consultation.

Finally, changes to the *Planning Act*, through Bill 138, *Plan to Build Ontario Together Act, 2019* (“Bill 138”), has provided developers with a right to appeal a community benefits charges bylaw to the Local Planning Appeal Tribunal (LPAT) .

### **During the summer of 2019, the Province released proposed regulations for the changes to the *Development Charges Act, 1997* and the new community benefit charge regime**

On June 21, 2019, the Province released the proposed regulatory framework supporting changes to the Act (Environmental Registry of Ontario posting # 019-0184) and the community benefits charge regime under the *Planning Act* (Environmental Registry of Ontario posting #019-0183). Staff submitted [comments](#) under both postings, both of which were later approved by Council.

While these postings addressed a number of areas, further clarification was requested from the Province regarding the proposed community benefits charges regime, including:

- Whether the transition deadline of January 1, 2021 could be extended
- The prescribed percentage cap on the community benefits charge payable
- Services eligible for the charge
- Treatment of the cap in a two-tier jurisdiction
- Contents of the Community Benefits Charge Strategy and the requirements of the associated consultation

### **On February 28, 2020 the Province released further regulatory guidance for the community benefits charges regime and the *Development Charges Act, 1997***

On February 28, 2020, the Ministry of Municipal Affairs and Housing released [Environmental Registry of Ontario posting number 019-1406](#), entitled, “Proposed Regulatory Matters Pertaining to Community Benefits Authority under the *Planning Act*, the *Development Charges Act*, and the *Building Code Act*”. The Province has provided stakeholders with a 31 day commenting period for the proposals, ending on March 30, 2020.

Key areas covered in this posting include:

- Transition matters related to the community benefits charges regime
- Eligible services under the *Development Charges Act, 1997*
- Prescribed percentage cap for the community benefits charge and treatment of the charge in a two-tier jurisdiction
- Contents of the Community Benefits Charges Strategy
- Other administrative matters (e.g., guidance on the of notice of passage of a community benefits charges bylaw)

## 4. Analysis

### **Staff support the proposed regulations as they are reflective of previous consultation and recommendations**

The regulatory framework on the community benefits charges proposes additional guidance that largely reflects previous staff position and/or recommendations made through the previous commenting periods. Previous staff recommendations included:

- Extending the transition period from the previous proposal of January 1, 2021
- Reviewing the list of services eligible for development charge funding
- Clarifying that, in a two-tier jurisdiction, the community benefits charges for each tier are capped and levied independently to one another
- Clarifying that municipalities can determine the consultation required for the Community Benefits Charges Strategy

Table 1 summarizes the key changes being proposed.

**Table 1**  
**Summary of Key Proposed Changes/Guidance**

Area	Bill 108 or Previous Regulatory Framework	Changes/Guidance Being Proposed
Transition	January 1, 2021	Extended to, at minimum, second quarter of 2021*
Eligible services under the <i>Development Charges Act, 1997</i>	Public health and senior services (long term care) ineligible for development charges recovery	Public health and senior services (long term care) eligible for development charges recovery Neither would be subject to a 10% statutory deduction** and 10 year planning horizon

Area	Bill 108 or Previous Regulatory Framework	Changes/Guidance Being Proposed
Prescribed cap as a % of land value	No guidance provided	<p>Caps applied separately based on municipal structure:</p> <ul style="list-style-type: none"> <li>• Upper-tier municipalities: 5%***</li> <li>• Lower-tier municipalities: 10%</li> <li>• Single-tier municipalities: 15%</li> </ul>
Requirements of the Community Benefits Charge Strategy and of consultation	No guidance provided	<ul style="list-style-type: none"> <li>• Requirement for the Strategy are similar to those for a background study under the <i>Development Charges Act, 1997</i></li> <li>• Consultation determined by the municipality</li> </ul>
Administrative changes	No guidance provided	<ul style="list-style-type: none"> <li>• Guidance related to notice of passage of a community benefits charges bylaw and refunds upon successful appeal of a bylaw</li> <li>• Change to <i>Building Code</i> requiring payment prior to building permit issuance</li> </ul>

\*Note: Based on the indication that the specified date for municipalities to transition to the community benefits charges regime would be one year after the date the proposed community benefits charge regulation comes into force (after the commenting deadline closes on March 30, 2020)

\*\*Note: Other services that were made development charge eligible, but which the Region does not currently provide are public libraries, parks development (e.g., playgrounds, equipment and other park amenities) and recreation (e.g., community centres and arenas)

\*\*\*Note: Based on the proposed regulatory framework it would appear that, in a two-tier jurisdiction, the community benefits charges for each tier would be capped and levied independently to one another

## Since the tabling of Bill 108, the Province and the municipal sector have engaged in meaningful consultations

Since the tabling of Bill 108 staff have submitted comments and made recommendations to the Province through the Environmental Registry of Ontario during all consultation periods. The Region has also actively worked with its Provincial counterparts through the provincially established 'Bill 108 Technical Working Group'. Finally, Regional staff have also engaged in bi-monthly consultations with Provincial staff (beginning in May 2019) as well as consultation with Ministry staff.

As a result of these engagements, the Province has taken positive steps to address concerns from municipalities. These include:

- Removing commercial and industrial development as eligible for phased development charge payments through Bill 138;

- Not prescribing a cap on interest charges for frozen and phased development charges;
- Moving paramedic/ambulance services back to the list of development charge-eligible services (through the Standing Committee process); and
- Clarifying that the exemption for additional units comprising less than 1% of existing units applies to rental only.

### **Pending further regulatory change, staff work on a Community Benefits Charges Strategy and Bylaw is expected to proceed in 2020**

The commenting period for this regulatory proposal expires on March 30, 2020. Assuming the Province finalizes and enacts the regulation as proposed, and fully proclaims Bill 108 in a timely fashion, staff expect to begin work on a new Community Benefits Charge Strategy and Bylaw in the second quarter of 2020.

If possible, and in recognition of feedback from the Building Industry and Land Development Association – York Chapter (BILD), staff will endeavour to align these timelines with the Region's [2020 Development Charge Bylaw amendment](#).

### **Providing an update on the proposed regulatory framework aligns with Vision 2051**

Providing an update on the Province's proposed regulatory framework relating to community benefits charges, as well as staff efforts at consultation and engagement, aligns with the Vision 2051 Goal Area of 'Open and Responsive Government', including:

- Open government
- Service delivery through collaboration and partnerships
- Operational excellence

## **5. Financial**

### **The Province proposed a prescribed percentage cap of 5% of land value on the Regional community benefits charges**

The Province has proposed that the cap on the Region's community benefits charge be set at 5% of the value of the land on the day before the day of building permit issuance for the proposed development. As a result of the proposed changes, the only Regional services that remain under the community benefits charge framework will be court services and social housing. Currently these services account for approximately \$270 or 0.43% of the development charge rate for a single-family detached dwelling unit, and approximately 3 cents per square foot or 0.05% of the current retail development charge rate.

With the proposed 5% cap, the Region is likely to achieve revenue neutrality for those services recovered through this charge. There may be rare site-specific instances where the entirety of the Region's community benefits charge is not collected as a result of the 5% cap.

## **Removing the 10% statutory deduction from waste diversion, paramedics and public health could increase the development charge-recoverable share**

While, yet to be proclaimed, Bill 108 and the proposed regulatory framework would remove the 10% statutory discount for all services eligible for development charge recovery. This change would improve the growth-related cost recovery of waste diversion, paramedics/ambulance services, public health, and long-term care/senior service. Based on the 2017 Development Charge Background Study, just over \$7 million in growth-related projects were ineligible for development charge recovery as a result of the 10% statutory deduction being applied to these services.

## **6. Local Impact**

### **The proposed community benefit charges framework will likely impact local municipalities more significantly**

Under the proposed regulatory framework, community benefits charges are proposed to replace density bonusing (section 37 contributions), parkland dedication (if the basic parkland dedication provisions of the *Planning Act* are not used) and other development charge-ineligible services such as those for child-care facilities. Public libraries, parks development (e.g., playgrounds, equipment and other park amenities), and recreation (e.g., community centres and arenas) have moved back to the development charges framework.

The proposed cap on the charge for local municipalities is 10% of land value. This may prove to be restrictive and may not provide for revenue neutrality. This cap may have a direct impact on how local municipalities continue to grow and how they are to fund vital infrastructure required to accommodate that growth. Staff will continue to work with the local municipalities as the transition to this new regime occurs.

## **7. Conclusion**

### **Staff support the proposed regulatory framework underpinning the community benefits charges regime**

In [June of 2019](#) staff indicated a hope to work with the Province in order to develop a regulatory framework that struck an equitable balance between the needs of development industry and the concerns of municipalities. The largely positive proposals in the regulatory framework reflect that equitable balance.

Staff will continue to work with the Province as these regulations are finalized and will report back to Council should any subsequent proposals be deemed necessary.

---

For more information on this report, please contact Edward Hankins, Director, Treasury Office and Deputy Treasurer at 1-877-464-9675 ext. 71644. Accessible formats or communication supports are available upon request.

Recommended by: **Laura Mirabella, FCPA, FCA**  
Commissioner of Finance and Regional Treasurer A

Approved for Submission: **Bruce Macgregor**  
Chief Administrative Officer

March 3, 2020  
10628661

---

**Subject:** RE: Regional Council Decision - Draft York Region Climate Change Action Plan

**From:** Van Dusen, Regina **On Behalf Of** Regional Clerk

**Sent:** Monday, April 6, 2020 8:48 AM

**Subject:** Regional Council Decision - Draft York Region Climate Change Action Plan

**CAUTION: This email originated from a source outside the City of Markham. DO NOT CLICK on any links or attachments, or reply unless you recognize the sender and know the content is safe.**

On April 2, 2020, Regional Council made the following decision:

1. The Regional Clerk circulate this report and the draft Climate Change Action Plan to Ontario Ministry of Environment, Conservation and Parks, Ministry of Municipal Affairs and Housing, Lake Simcoe and Toronto and Region Conservation Authority, and the local municipalities with a request that comments be provided by June 30, 2020.

The original staff report is enclosed for your information.

**Your comments on the Climate Change Action Plan are requested by June 30, 2020.**

Please contact Teresa Cline, Program Manager, Climate Change at 1-877-464-9675 ext. 71591 if you have any questions with respect to this matter.

Regards,

**Christopher Raynor** | Regional Clerk, Office of the Regional Clerk, Corporate Services

-----  
The Regional Municipality of York | 17250 Yonge Street | Newmarket, ON L3Y 6Z1  
1-877-464-9675 ext. 71300 | [christopher.raynor@york.ca](mailto:christopher.raynor@york.ca) | [york.ca](http://york.ca)

Our Mission: **Working together to serve our thriving communities – today and tomorrow**



# **The Regional Municipality of York**

Committee of the Whole  
Planning and Economic Development  
March 12, 2020

Joint Report of the Commissioner of Environmental Services  
and  
Commissioner of Corporate Services and Chief Planner

## **Draft York Region Climate Change Action Plan**

### **1. Recommendation**

The Regional Clerk circulate this report and the draft Climate Change Action Plan to Ontario Ministry of Environment, Conservation and Parks, Ministry of Municipal Affairs and Housing, Lake Simcoe and Toronto and Region Conservation Authority, and the local municipalities with a request that comments be provided by June 30, 2020.

### **2. Summary**

This report presents the draft York Region Climate Change Action Plan (Action Plan) provided in Attachment 1 and outlines next steps.

Key Points:

- In 2017, York Region Council endorsed development of a Climate Change Action Plan to coordinate and align efforts to address climate change
- Internal and external stakeholders were engaged to help develop the draft Action Plan
- The draft Action Plan identifies corporate and community actions to reduce greenhouse gas emissions and adapt to impacts of climate change
- Staff will undertake public and stakeholder consultation on the draft Action Plan
- Staff will report back to Council in early 2021 with a final Action Plan

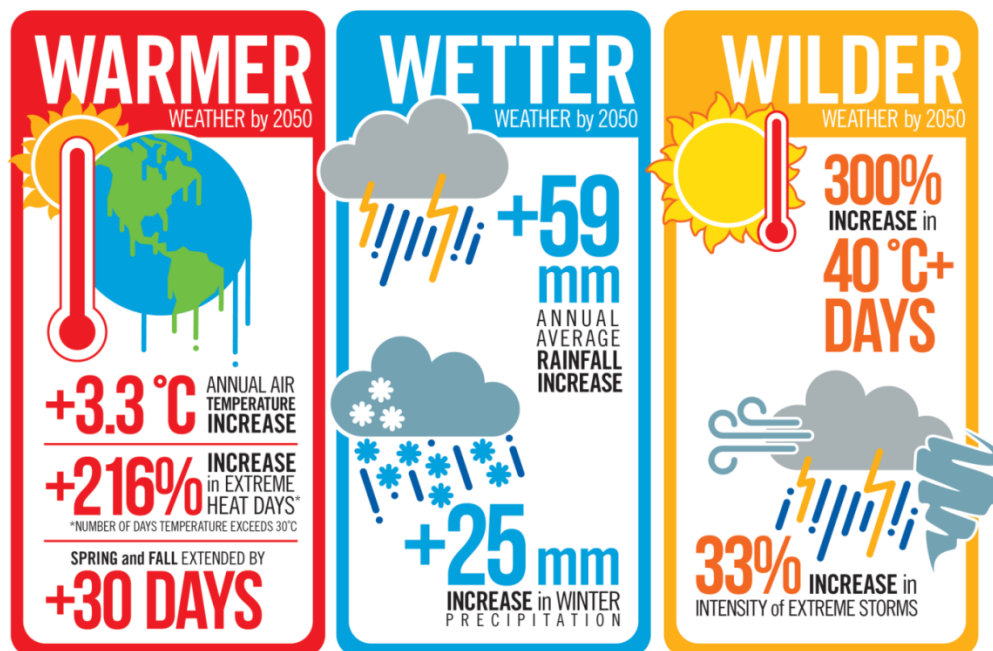
### **3. Background**

#### **York Region is experiencing impacts of climate change**

Impacts of a changing climate result in winter getting shorter, annual average temperatures growing warmer and an increasing number of extreme weather events, as shown in Figure 1. Regional climate projections indicate these trends will continue to increase over time.

Communities in York Region will likely continue to experience financial impacts and service disruptions resulting from intense storms, heat waves and flooding.

**Figure 1**  
**Future Climate Projections for York Region**



Source: Ontario Climate Consortium

### **Public awareness of cause and effect of climate change has increased**

Climate change is a complex issue, with no single entity directly responsible for causing it or fixing it. Addressing climate change requires collective effort and innovation at multiple levels. Increasingly, the public is asking governments to issue 'climate emergencies' to drive local action. Aurora, King, Newmarket and Vaughan Councils have declared climate emergencies indicating the importance of taking action to address climate change in York Region. Development of the Action Plan will clearly identify York Region's commitment and leadership to address climate change.

### **Council's commitment to address climate change is well established**

York Region Council has demonstrated commitment to address Climate Change through endorsement of the Sustainability Strategy (2007), Corporate Clean Air Strategy (2008) and Climate Change Adaptation Strategy (2010). Council's commitment to address climate change is identified in Vision 2051 and the York Region Official Plan, 2010 (ROP). In 2016, this commitment was reaffirmed through Council's endorsement of the Energy and Conservation Demand Management Plan Update that sets corporate greenhouse gas emission reduction targets to 2051.

## **A comprehensive and integrated approach will align efforts to address climate change**

In [November 2017](#), Council endorsed development of an Action Plan recognizing the need for a comprehensive and integrated approach to address climate change. The draft Action Plan aligns action required to address climate change including meeting legislative and regulatory mandates, delivering on corporate strategic priorities and demonstrating leadership.

An Internal Climate Change Working Group was created to bring together staff from across all departments to provide strategic direction on development of the Action Plan. Through the Joint Municipal Climate Change Working Group, local municipal staff provided input and identified opportunities for collaborative action to address climate change.

A jurisdictional scan and best practice review was undertaken to support development of the draft Action Plan to help identify innovative and regionally-relevant initiatives. Development of the draft Action Plan was also informed by consultation with community stakeholders and youth. A detailed list of research and consultation activities is included in Attachment 1.

## **4. Analysis**

### **The draft York Region Climate Change Action Plan identifies how our communities can mitigate and adapt to effects of climate change**

Addressing climate change mitigation and adaptation simultaneously results in synergies that support cost effective implementation and long term resiliency of communities. This approach is emerging as a best practice among government bodies to drive more comprehensive outcomes given the complex nature of taking action to address climate change. To leverage these opportunities, the draft Action Plan is structured to address four components, including:

- Corporate Mitigation
- Corporate Adaptation
- Community Mitigation
- Community Adaptation

The draft Action Plan (Attachment 1) is founded on the goal that York Region communities will continue to thrive under changing climate conditions. To achieve this goal, the Action Plan proposes two key outcomes:

- Reducing greenhouse gas emissions with a long term goal of becoming a net-zero Region by 2050 (climate mitigation)
- Increasing resilience and capacity of the Region to withstand and respond to current and future climate change impacts (climate adaptation)

## **Priority Actions have been identified to focus efforts on reducing greenhouse gas emissions and adapting to climate change**

To achieve the expressed outcomes, actions have been organized into three priority areas: Resilient Communities and Infrastructure, Low Carbon Living and Supporting an Equitable Transition. Key actions in the draft Action Plan include:

- Undertaking vulnerability and risk assessments on all Regional infrastructure, systems and assets using a common methodology
- Prioritizing infrastructure and asset repairs in climate vulnerable areas
- Establishing community-wide greenhouse gas emissions reduction targets
- Coordinating strategies York Region and its partners can undertake to increase community resilience and emergency preparedness
- Applying an equity lens to prioritizing and supporting climate mitigation and adaptation actions. Essentially this means prioritizing and balancing actions to reduce the most pressing vulnerabilities while recognizing climate change impacts can magnify other existing inequalities.
- Developing communication and education strategies on the impacts of climate, reducing greenhouse gas emissions and increasing resiliency

## **The draft York Region Climate Change Action Plan builds on existing efforts to address climate change already underway**

Leveraging climate-related initiatives that York Region, local municipalities and other stakeholders are already undertaking is essential to focus efforts. The draft Action Plan builds on work and key policies guiding climate-related action aligned with York Region's core service areas.

The Growth Plan 2019 requires Official Plans to include policies that address climate mitigation and adaptation to make communities more resilient to the impacts of a changing climate. The draft Action Plan is being developed in alignment with Municipal Comprehensive Review and will inform Official Plan policy development.

In addition to the draft Action Plan, a Community Energy and Emissions Plan is also under development and will address community energy use and greenhouse gas emissions across a broad range of sectors. Community actions developed through the Community Energy and Emissions Plan will contribute toward the goal and outcomes identified in the York Region Energy Conservation Demand Management Plan and York Region Climate Change Action Plan.

## **Developing and implementing community action requires governance to drive engagement and partnerships**

The draft Action Plan identifies community actions that will require an internal governance structure to drive engagement and partnership across multiple disciplines and jurisdictions. A clear definition of roles and responsibilities will be further explored through development of an Implementation Plan and as projects move forward. As discovered through development of the draft Action Plan development, there are multiple opportunities to leverage existing partnerships to undertake community-scale climate analysis, coordinate consistent climate action at the local municipal level and encourage public participation.

Staff will develop an Implementation Plan to track progress on implementation of the Action Plan. Given the unique combination of corporate and community actions, additional discussion is required to identify key performance indicators and a regular monitoring and reporting schedule for the Action Plan. The implementation plan will also have to identify how actions are prioritized, resourced and coordinated.

## **A Final York Region Climate Change Action Plan will be presented to Council following public consultation**

Consultation on the draft York Region Climate Change Action Plan is proposed to confirm actions, partnerships and implementation. To the extent feasible, consultation efforts will be aligned with planned engagement opportunities such as those occurring through the Municipal Comprehensive Review and Official Plan Update. Subject to any refinements made through consultation, a final version of the Action Plan, including an implementation and monitoring plan will be presented to Council early 2021.

## **Initiative supports strategic goals of Vision 2051 and Strategic Plan**

Development of the draft Action Plan supports the Living Sustainably and Open and Responsive Governance goal areas of Vision 2051. The draft Action Plan is also aligned with Strategic Plan Priority to Build Sustainable Communities and Protect the Environment. The draft Action Plan will also support implementation of the Healthy Communities policies in the ROP.

## **5. Financial**

### **Investing in climate change action has an anticipated return on investment**

The National Round Table on Environment and Economy estimates that, at a national level, the economic costs of failing to address climate change risks could be between \$21 and \$43 billion a year by 2050. Building on existing actions and making new investments to give York Region greater resiliency will help minimize high costs and severe impacts of inaction.

To the extent possible, short term corporate actions build or incrementally improve upon work already underway. Like the Corporate Energy Conservation and Demand Management Plan, this Plan builds on programs across departments. For longer term actions, lead

departments will develop detailed work plans and business cases to support additional resources or future budget requests, if required.

York Region has been successful in obtaining funding to support climate action from other levels of government. In 2019, York Region was awarded over \$66 million in Disaster Mitigation and Adaptation funding through Infrastructure Canada for shovel ready projects that help reduce wastewater failures due to flooding and reduce greenhouse gas through increased forest and street tree cover. It is anticipated that developing the Action Plan will better position the Region to leverage additional funding opportunities.

## **6. Local Impact**

Local municipalities are already taking action to address climate change including corporate and community energy plans, sustainability and environmental strategies, vulnerability assessments and climate adaptation action plans. In some cases, local municipalities have dedicated staff offering a corporate focus on these efforts.

To promote alignment, York Region established the Joint Municipal Climate Change Working Group to work collaboratively with our local municipal partners on addressing climate change. This Working Group was used to seek local municipal input into development of the draft Action Plan.

The draft Action Plan identifies opportunities for collaborative action to address climate change by recognizing and building on local municipal efforts. Local municipalities can use York Region's Climate Change Action Plan as a starting point from which to build more locally-specific plans. The Working Group will continue to provide local municipal perspective on implementation of the Action Plan.

## **7. Conclusion**

York Region is already experiencing a changing climate. Increasingly, the work York Region undertakes will need to consider climate change. The draft Action Plan identifies priority actions that leverage existing efforts already underway and promote collective action with internal and external partners. York Region staff propose to undertake public and stakeholder consultation on this draft Action Plan. A final Action Plan informed by feedback received and including an implementation and monitoring plan will be presented to Council in early 2021.

---

For more information on this report, please contact Teresa Cline, Program Manager, Climate Change at 1-877-464-9675 ext. 71591. Accessible formats or communication supports are available upon request.

Recommended by: **Paul Freeman, MCIP, RPP**  
Chief Planner

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

**Dino Basso**  
Commissioner of Corporate Services

Approved for Submission: **Bruce Macgregor**  
Chief Administrative Officer

February 28, 2020  
Attachment (1)  
#10105595



# YORK REGION DRAFT CLIMATE CHANGE ACTION PLAN

MARCH 2020

  
**York Region**

Attachment 1





Mayor  
Frank Scarpitti  
City of Markham



Regional Councillor  
Don Hamilton  
City of Markham



Regional Councillor  
Jack Heath  
City of Markham



Regional Councillor  
Joe Li  
City of Markham



Regional Councillor  
Jim Jones  
City of Markham



Mayor  
David Barrow  
City of Richmond Hill



Regional Councillor  
Joe DiPaola  
City of Richmond Hill



Regional Councillor  
Carmine Perrelli  
City of Richmond Hill



Mayor  
Maurizio Bevilacqua  
City of Vaughan



Chairman & CEO  
Wayne Emmerson

### A Message from York Region Chairman and CEO and Members of Regional Council

Climate change has both immediate and long-lasting impacts on our infrastructure, health care, human services, emergency services, natural systems and economies. Changes to the climate are also impacting how we plan communities and deliver programs.

York Regional Council recognizes the importance of addressing climate change and has long been committed to taking action to mitigate the impacts and improve climate resiliency.

Through endorsement of Vision 2051, the Sustainability Strategy and the Corporate Clean Air Plan, we are reducing greenhouse gas emissions, piloting electric buses and integrating climate change considerations into infrastructure design and asset management.

These actions, combined with good planning and robust infrastructure, provide a solid foundation to build the York Region Climate Change Action Plan.

Developed over two years and based on the principles of sustainable urban development, this plan addresses climate mitigation and adaptation from a corporate and community perspective. By working in alignment with local, provincial and federal levels of government, we are providing benefits to residents and businesses to create more sustainable lifestyles and help our communities thrive under changing climate conditions.

We are continuously improving our programs and services to provide convenient, efficient and sustainable options to our growing community.



Mayor  
John Taylor  
Town of Newmarket



Regional Councillor  
Tom Vegh  
Town of Newmarket



Regional Councillor  
Gino Rosati  
City of Vaughan



Regional Councillor  
Linda Jackson  
City of Vaughan



Mayor  
Margaret Quirk  
Town of Georgina



Regional Councillor  
Robert Grossi  
Town of Georgina



Mayor  
Tom Mrakas  
Town of Aurora



Mayor  
Virginia Hackson  
Town of East Gwillimbury



Mayor  
Steve Pellegrini  
Township of King



Mayor  
Iain Lovatt  
Town of Whitchurch-Stouffville

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## ACKNOWLEDGMENTS

This report reflects accumulated knowledge, insights and expertise of a wide range of people within Regional government, in our nine local municipalities, at other organizations, and across the community. York Region extends its thanks and appreciation.



## YORK REGION AT A GLANCE

WE ARE COMMITTED TO  
DELIVERING QUALITY SERVICES:

- Children's Services
- Court Services
- Economic Development
- Forestry
- Housing Services
- Long-Term Care
- Paramedic Services
- Planning
- Police Services
- Public Health
- Regional Roads
- Social Assistance
- Transit
- Waste Management
- Water

Comprised of  
**9** MUNICIPALITIES



Source: York Region, Corporate Services, Long Range Planning Branch, based on Statistics Canada data and CMHC Housing Completion data. Note: Population totals do not total to estimated population due to rounding.

## WHAT DOES YORK REGION DO?

York Region offers a wide range of programs and services in 15 key areas ranging from children's services to water and wastewater infrastructure. As an upper-tier municipality, York Region works through various plans and processes to ensure delivery of high quality programs and services to meet the evolving needs of our communities.



# INTRODUCTION

The Intergovernmental Panel on Climate Change determined the need for urgent action to reduce carbon emissions by 2030 to avoid catastrophic climate change impacts. The need for urgent action is equally significant for Canada, Ontario<sup>1</sup> and York Region. Canada's climate is projected to warm at twice the global rate and this accelerated pace of warming is anticipated regardless of the emissions scenario resulting from human activity.<sup>2</sup>

York Region has already experienced effects of climate change with higher average temperatures, increased extreme heat and rainfall and more extreme weather events.<sup>3</sup>

As a result of this warming, York Region has experienced the following impacts:

- › Blacklegged ticks that can spread Lyme Disease are increasing in York Region as a result of warmer temperatures<sup>4</sup>
- › Extended season for road maintenance as a result of less predictable patterns for snow and ice storms
- › Heat island effect in areas of increased urbanization
- › Flooding as a result of extreme rain events (as in the spring of 2019 when 52mm of rain fell in 12 hours)
- › Power outages and tree loss as a result of ice storms (as in December 2013)
- › Need to increase capacity of wastewater infrastructure to adapt to more extreme weather events

These and other impacts are expected to increase with further warming of our climate.

<sup>1</sup> Annual Report, 2019 of the Office of the Auditor General of Ontario Reports on the Environment

<sup>2</sup> Bush, E. and Lemmen, D.S., editors (2019): *Canada's Changing Climate Report*; Government of Canada, Ottawa, ON. 444 p.

<sup>3</sup> Fausto, E., Milner, G., Nikolic, V., Briley, L., Basile, S., Behan, K., and Trainor, E. 2015. *Historical and Future Climate Trends in York Region*. Ontario Climate Consortium: Toronto, ON: pp.48.

<sup>4</sup> York Region Vector Borne Diseases Statistics, September 19, 2019



York Region recognizes the need to address climate mitigation and adaptation from a corporate and community perspective. This commitment is identified in Vision 2051 and the York Region Official Plan. Initial efforts to address climate change occurred through implementing the Sustainability Strategy in 2007 and Corporate Clean Air Strategy in 2008.

The York Region Climate Change Action Plan (Action Plan) builds upon foundational work and key policies that have guided climate-related action at York Region. Through this Action Plan, York Region continues to expand the use of a climate change lens on its own activities and inspires others to do the same. The Action Plan:

- › Outlines the projected impacts of climate change on York Region
- › Describes and prioritizes actions needed in three priority areas: Resilient Communities and Infrastructure, Low Carbon Living, and Supporting an Equitable Transition
- › Identifies the role York Region will play in implementing actions, and
- › Provides a framework for all levels of government, businesses and communities to work together

The intent of these actions is to maintain residents' quality of life, minimize disruptions to the natural environment, avoid significant costs over the coming decades and to ensure communities in York Region continue to thrive under changing climate conditions.





# CLIMATE CHANGE and its POTENTIAL IMPACTS on YORK REGION

## CLIMATE CHANGE is HERE

Climate change occurs when long-term weather patterns are altered through natural or human causes. Global warming, a rise in the average global temperature, is one aspect of climate change.

Scientific evidence shows human activity is a major contributor to climate change. Burning fossil fuels release carbon dioxide and other heat-retaining gases into the atmosphere. The build up of these gases creates a “greenhouse” effect that raises temperatures globally and has other profound climatic effects.<sup>5</sup>

Canada’s climate has warmed and will continue to warm in the future, driven by human influence. Canada’s Changing Climate Report, identifies Canada’s climate has been and is projected to continue warming at twice the global rate.<sup>6</sup> Effects of widespread warming are evident in many parts of Canada and are projected to intensify in the future.<sup>7</sup>

Any benefits resulting from climate change, such as longer growing seasons and increased agricultural yields, will be outweighed by long-term changes in York Region’s climate from both warming and more extreme weather. Impacts from the changing climate have already begun:

- › According to data from Lake Simcoe Region Conservation Authority, average annual air temperature in northern York Region has increased by 1.1 °C over the last 30+ years, starting in the 1980s
- › From 1985 to 2015, southern Ontario, including York Region, saw more frequent and powerful rain and snow storms, greater temperature volatility and more episodes of extreme heat
- › In August 2009, a powerful tornado touched down in Vaughan, with clean up costs to the city of \$730,000, not including the cost of replacing 1,800 street trees
- › In December 2013, an ice storm across eastern North America resulted in widespread and prolonged power outages and 27 deaths. York Region spent \$20 million in clean-up costs
- › In June 2019, heavy spring rains and rapid snow melt resulted in localized flooding in close proximity to wastewater infrastructure in Aurora, East Gwillimbury and Newmarket

<sup>5</sup> Definition of Climate Change. (2017, October 5). Retrieved from <https://davidsuzuki.org/what-you-can-do/what-is-climate-change/>

<sup>6</sup> Bush, E. and Lemmen, D.S., editors (2019): *Canada’s Changing Climate Report*; Government of Canada, Ottawa, ON. 444 p.

<sup>7</sup> Bush, E. and Lemmen, D.S., editors (2019): *Canada’s Changing Climate Report*; Government of Canada, Ottawa, ON. 444 p.

There are significant benefits to acting quickly to prepare for climate change including avoiding future damages and associated costs, new jobs through transition to a low-carbon economy, improved air quality by reducing greenhouse gas emissions, and delivering co-benefits to vulnerable populations and businesses.

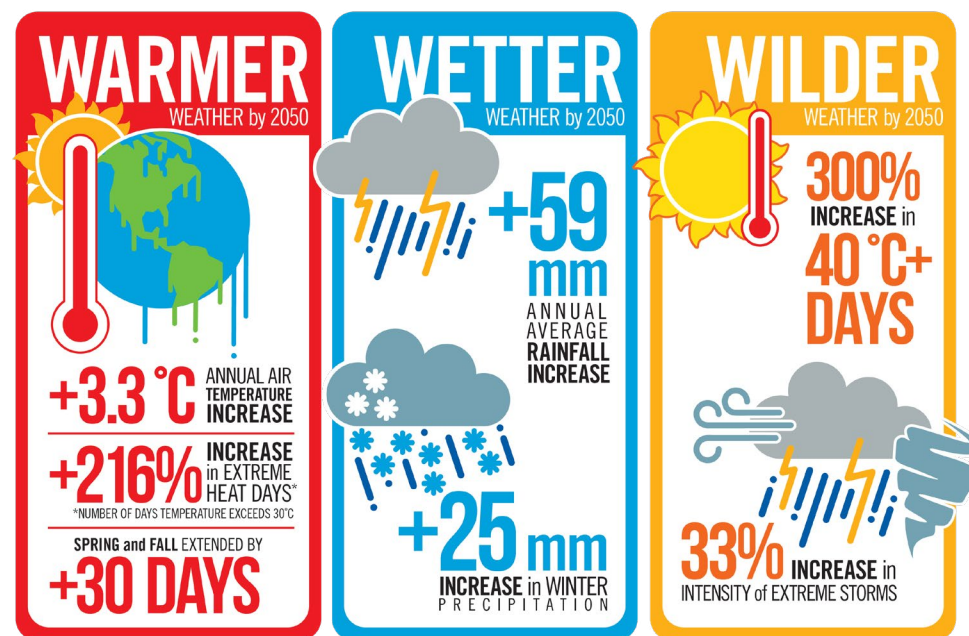
## CLIMATE will CONTINUE to CHANGE

Climate-related impacts under high and low-emission scenarios project two very different futures for Canada.<sup>8</sup> Scenarios with substantial and rapid warming illustrate the effects continued increases in greenhouse gas emissions will have in Canada. Limited warming will only occur if Canada and the rest of the world substantially reduce greenhouse gas emissions meaning everyone has a role to play.

Climate change projections<sup>9</sup> predict that by 2050, if present trends continue, York Region could expect to experience:

- An increase in annual mean temperature by as much as 2.7 to 3.6°C above current levels, bringing hotter summers and winters
- A longer growing season by as much as 30 days each in both spring and fall
- A 59+ mm increase in annual average rainfall with more precipitation occurring in the winter months
- More than twice as many days above 30°C (26 days a year versus the current average of 12) and several days that exceed 40°C annually
- More frequent rain, hail, freezing rain and snowstorms
- A 33% increase in the intensity of extreme storms

## PREDICTED CLIMATE TRENDS for YORK REGION by 2050



SOURCE: ONTARIO CLIMATE CONSORTIUM

<sup>8</sup> Bush, E. and Lemmen, D.S., editors (2019): *Canada's Changing Climate Report*; Government of Canada, Ottawa, ON. 444 p.

<sup>9</sup> Fausto, E., Milner, G., Nikolic, V., Briley, L., Basile, S., Behan, K., and Trainor, E. 2015. *Historical and Future Climate Trends in York Region*. Ontario Climate Consortium: Toronto, ON: pp.48.





## ASSESSING FUTURE IMPACTS

Impacts of climate change could be costly. Residents and businesses could face increased costs of recovery from more frequent power outages and damage to property caused by flooding, hail, ice, snow and wind.

Transportation networks may face additional challenges due to road closures or difficult driving conditions. Farmers may need to adjust their operations as some crops could no longer be grown in York Region.

Rising temperatures may impact health through increased number of extreme heat events and the spread of mosquitoes and ticks which may transmit disease.

Tourism, particularly ice fishing on Lake Simcoe, may suffer due to warmer winters and less ice cover.

## POSSIBLE FUTURE IMPACTS of CLIMATE CHANGE

### WHAT are the RISKS for YORK REGION?

IF WE DON'T ACT NOW, the COSTS and CONSEQUENCES WILL GROW

#### HEALTH

HEALTH IMPACTS from  
HEAT EXPOSURE  
and SUMMER AIR  
POLLUTION



CHANGES in  
ILLNESSES CARRIED  
by TICKS and MOSQUITOS



RISK of INJURY and PROPERTY DAMAGE  
from EXTREME WEATHER EVENTS

#### ENVIRONMENT

IMPACTS on FORESTS  
from INSECTS,  
DISEASE and FIRE



LOSS of AQUATIC and  
TERRESTRIAL HABITAT



INCREASED SUMMER DROUGHT STRESS

#### ECONOMY

INCREASED  
ENERGY USE



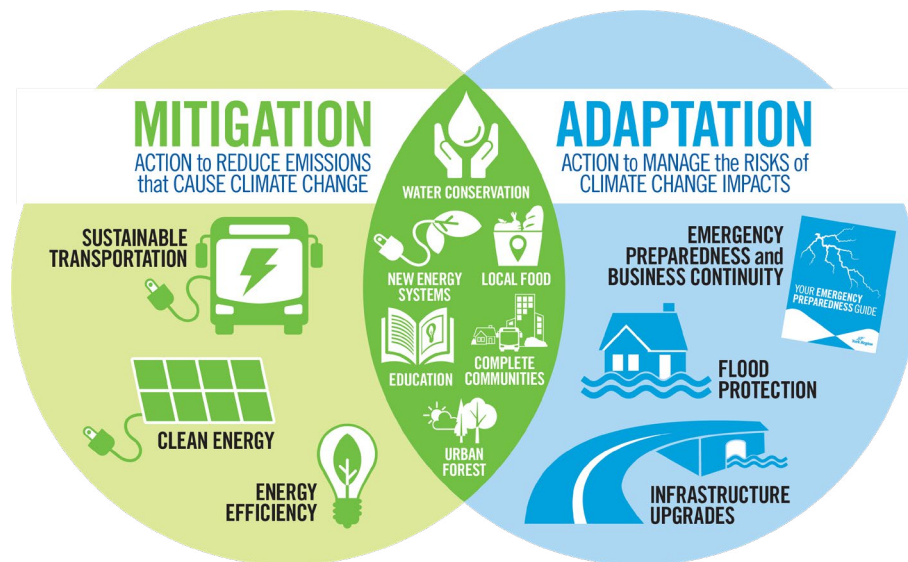
CHANGES to  
the FOOD SYSTEM



GREATER RISKS to HOMES, BUSINESSES  
and INFRASTRUCTURE







## BRINGING TOGETHER MITIGATION and ADAPTATION

Addressing climate change calls for two approaches: mitigation and adaptation. Mitigation refers to reducing greenhouse gas emissions in order to slow human-induced global warming. Even with substantial mitigation efforts York Region, will continue to feel and need to adapt to climate change impacts. Adaptation refers to taking action to reduce negative impacts associated with existing and future climate change.

Integrating efforts to mitigate and adapt is the most effective way to manage climate change risks. The Intergovernmental Panel on Climate Change has suggested this approach as an efficient way of making communities more resilient over the long term by building both types of action into strategies, plans and policies. The graphic gives examples of actions related to mitigation, adaptation, or both.

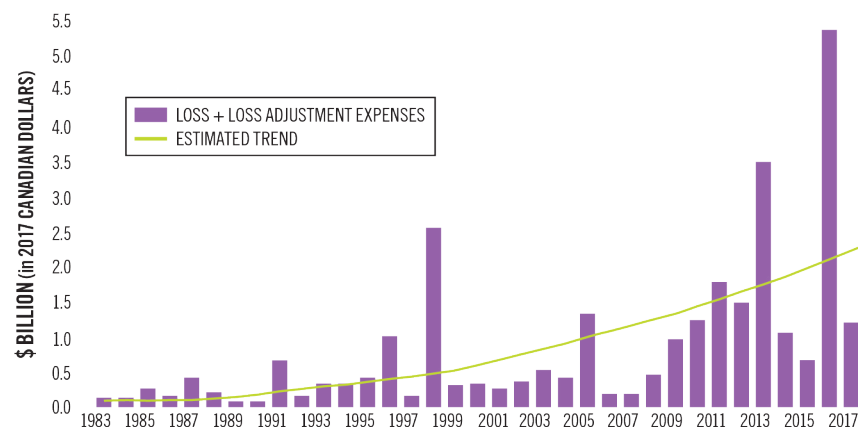
Low impact development provides a good example of how adaptation and mitigation benefits can be achieved at the same time. In low impact development, natural processes and landscaping are used to manage stormwater and the greenery stores carbon providing mitigation benefits.

In addition to being more cost-effective, integration may make actions more attractive to stakeholders by providing opportunities to address multiple priorities or achieve multiple co-benefits and may increase eligibility for federal and provincial funding opportunities.



## ACTING NOW to AVOID HIGHER COSTS LATER

### CATASTROPHIC INSURED LOSSES\* from NATURAL DISASTERS in CANADA - 1983 to 2017



\* Insured Losses for a given disaster are deemed catastrophic when they total \$25 million or more. Catastrophic losses for a year are the sum total of insured losses from these natural disasters. Source: Insurance Bureau of Canada (January 2018)

This graph from the Insurance Bureau of Canada shows rising expenses resulting from natural disasters occurring more frequently, at least in part due to climate change. Large scale annual losses due to natural disasters are becoming increasingly commonplace, and in recent years, expenses often exceed \$1 billion CAD per year. The cost of responding to extreme weather events is estimated to range from 5 and 25% of Canada's gross domestic product.<sup>10</sup>

The National Round Table on the Environment and the Economy estimates that, at a national level, the economic costs of failing to address climate change risks could be between \$21 and \$43 billion a year by 2050. Ontario would incur the largest absolute economic impact.<sup>11</sup>

Building on existing actions and making new investments to give York Region greater climate change resiliency will help minimize the high costs and severe impacts of inaction.

Research and real world experience show the benefits of being proactive:

- ▶ The Round Table Report concluded that "adapting to climate change is both possible and cost-effective,"<sup>12</sup> citing return on investment as great as 1:38 for some adaptation actions (that is, every \$1 invested now results in \$38 of savings later)
- ▶ The Canadian Federal Disaster Mitigation and Adaptation Fund is a \$2-billion, 10-year program to help communities build infrastructure needed to better withstand natural hazards such as floods, wildfires, earthquakes and droughts. To qualify, proposed projects must show an expected return on investment ratio of more than 2:1

## WORKING TOGETHER is VITAL

Regional and local municipal governments are leading the way to address climate change issues in Canada through municipal policy and citizen engagement. Strategic partnerships and collaboration around climate change issues and actions are essential to improving community resiliency. York Region is positioned to facilitate co-ordinated and co-operative action on many fronts that bring benefits to households and businesses, create more sustainable lifestyles and maintain a thriving community.

<sup>10</sup> National Round Table on the Environment and the Economy: Paying the Price: The Economic Impacts of Climate Change for Canada (March 2011)

<sup>11</sup> National Round Table on the Environment and the Economy: Paying the Price: The Economic Impacts of Climate Change for Canada (March 2011)

<sup>12</sup> National Round Table on the Environment and the Economy: Paying the Price: The Economic Impacts of Climate Change for Canada (March 2011)







# CLIMATE CHANGE ACTION PLAN

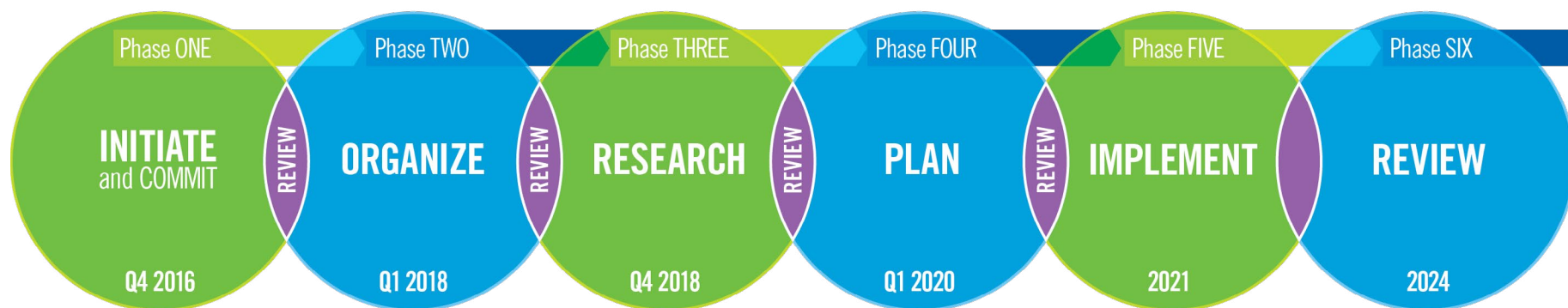
## HOW the PLAN was DEVELOPED

The Action Plan was developed using a framework specific to York Region's context and the preferred approach of addressing both climate mitigation and adaptation simultaneously.

The framework aligns with the Partnership for Climate Protection and Building Adaptive and Resilient Communities Programs, delivered by Local Governments

for Sustainability, a global network of more than 1,750 local and regional governments committed to sustainable urban development.

This graphic identifies how the original and subsequent versions of the Action Plan will be developed, monitored and reviewed.



### York Region's process involves this progressive work:

**Phase ONE:** The Initiate and Commit Phase was started by establishing the Internal Climate Change Working Group in Q4 2016. Building on Council's commitment to address climate change, the working group began the process of examining how York Region would be impacted by a changing climate.

**Phase TWO:** In the Organize Phase, staff began to build internal capacity, identifying and communicating with stakeholders. This included confirming information, research and resources and the framework required to develop the Action Plan. The framework was endorsed by Council in Q4 2017.

**Phase THREE:** The Research Phase included assessing climatic change, assessing climate vulnerabilities and impacts, and undertaking a best practices review and scan of leading jurisdictions. Staff also inventoried existing internal and external actions that directly or indirectly address climate change.

**Phase FOUR:** The Plan Phase builds on consultation activities and research carried out earlier in the process to address mitigation and adaptation from the corporate and community perspective including a community stakeholder workshop held in Q2 2019. This Phase includes establishment of an overarching goal, and identification of priority action areas. Once received by Council the draft Action Plan will be released for further comment.

**Phase FIVE:** The Implementation Phase will officially start with Council endorsement of the Action Plan as well as establishment of a monitoring and evaluation framework.

**Phase SIX:** In the Review Phase, monitoring and reporting will occur annually. The Action Plan will be reviewed after 5 years to allow course correction if required.



York Region has undertaken the following actions to support development and implementation of the Action Plan, including:

- › Commissioned Regional climate projections
- › Conducted a corporate risk scan to identify the most likely and severe risks it faces from climate change under current forecasts. This scan identified the following priority risks:
  - Significant costs resulting from damage to Regional buildings, roads, wastewater systems, street trees and other infrastructure
  - More disruptions to services, including communications, energy, water and wastewater, and transportation
- Higher demand for emergency shelter, housing, medical and social supports, particularly for vulnerable populations
- Greater and more complex demands on emergency services
- › Engaged staff across the corporation to identify emerging climate-related initiatives and concerns, helping to determine priorities for corporate actions in the Action Plan
- › Engaged local municipal staff to identify opportunities for alignment and partnership on climate initiatives
- › Hosted a community climate change workshop to discuss potential impacts of climate change with community stakeholders, obtain feedback

on impacts being felt on the ground, and seek input into roles, responsibilities and actions at the community-wide scale

- › Updated the Corporate Energy and Conservation Demand Management Plan to identify actions to reduce corporate emissions in alignment with Vision 2051

Community greenhouse gas emissions reduction targets will be identified, through the York Region Energy and Emissions Plan, and aligned with provincial and federal targets and Vision 2051. The York Region Energy and Emissions Plan will be aligned with, and support, existing municipal energy plans and inform the Regional Official Plan Update.





Photo courtesy of Toronto and Region Conservation Authority

## PLAN BUILDS on a STRONG FOUNDATION

York Region Council has shown leadership in addressing climate change by endorsing the Sustainability Strategy in 2007 and Corporate Clean Air Strategy, in 2008. Council's commitment is further outlined in Vision 2051 and the York Region Official Plan.

This Action Plan builds on this previous work and several existing Regional directions and initiatives:

- › **Land use planning.** Decisions in this area have enormous impact on how new and existing communities will manage climate change impacts. York Region Official Plan is already taking action to ensure more complete communities are built, which offer a wealth of benefits for climate change mitigation and adaptation. These include reduced reliance on automobiles, applying low impact design approaches, incorporating trees and green spaces and fostering a stronger sense of community. The award-winning New Communities Guidelines, released in 2013, support implementation of the Official Plan in these areas. York Region has demonstrated leadership by adopting a Corporate Sustainable Building policy building on experience with green building programs such as LEED, and Living Building Challenge.

York Region has two sustainable building incentive programs, the Sustainable Development through LEED and the Servicing Incentive Program to encourage leadership with development industry partners.

- › **Infrastructure and asset management.** The Region relies on more than \$12.3 billion worth of assets to deliver important services for water and wastewater, waste management, transit and roads, often in partnership with local municipalities. Several programs are in place to plan and manage Regional infrastructure, including master plans for transportation, water and wastewater, and waste management, a corporate asset management plan, business continuity plans and a climate change risk assessment (for transportation and water and wastewater). York Region increasingly recognizes the key role green infrastructure plays in both mitigating and adapting to climate change, and is looking at asset management and planning practices with a climate change lens.





- › **Natural heritage and forestry.** Natural systems help to mitigate and adapt to climate change. Ecosystem-based approaches provide multiple benefits, including carbon sequestration, regulating climate, improved air quality and water storage, and enhanced well-being of residents. They provide these benefits in very cost-effective ways. York Region has demonstrated a commitment to protection, enhancement and restoration of green spaces. The Region has put in place forward-thinking programs for forest management, urban forestry, green infrastructure, and land securement preserving and restoring natural areas.
- › **Emergency management programs and plans.** York Region and its municipal partners work together on emergency management programs and plans. Annual Hazard Identification and Risk Assessment is undertaken to identify significant threats and considers climate trends and future climate projections as part of this process.
- › **Enterprise risk management.** Corporately, York Region has an Enterprise Risk Management practice that facilitates the identification of potential risks that could impact the services York Region delivers from an operational and strategic perspective.

Recognizing Climate change as a strategic risk, York Region's Enterprise Risk Management practice considers climate trends and future climate projections as part of this process.

- › **Waste management.** Circular economy has the potential to increase resilience to climate change by extending the life of materials and products and decreasing dependence on raw materials, which allows for greater adaptability and flexibility. As an economic system focused on elimination of waste and continual use of resources, the circular economy aims to:
  - Reduce waste and the negative environmental impacts associated with waste;
  - Reuse, repair, repurpose, and recycle used products and packaging;
  - Maximize capacity and efficiency of waste processing technologies
  - Improve environmental, economic, and social outcomes; and
  - Prioritize access over ownership where consumers collaboratively share, use, and focus on what the product provides rather than the product itself





Through the SM4RT Living Plan, York Region and its local partners continue to show leadership by pursuing waste reduction targets through innovating and inspiring behaviour change resulting in less waste. In particular, the Region has created a commitment to reduce waste through a circular economy system.

- › **Economic development.** Services provided by the Region include market intelligence and innovation, business investment, small business start-up, export development, location selection assistance, local business connections and providing access to government funding programs.

With good farmland and proximity to large urban centres, the Region boasts a food system that extends from growing and harvesting crops and livestock to processing and transporting food to consumers. York Region is committed to protecting its agricultural sector and local food opportunities, and its Agriculture and Agri-food Strategy supports innovation in the agricultural sector, including improved farming practices and greater use of technology. Applying a climate change lens to this strategy is increasingly important as farmers feel the impacts of a longer growing season, less winter protection and more extreme weather.

- › **Community supports.** Often in partnership with others, York Region provides community supports to those in need through programs for housing, public health, paramedic services, childcare and children's services, and services for seniors, including a Seniors Strategy.

Climate change can exacerbate challenges for vulnerable residents and may result in increased need for services and supports.

- › **Energy management.** The Energy Conservation and Demand Management Plan, updated in 2019, aims to mitigate climate change by reducing greenhouse gas emissions under York Region's control and influence. A particular focus is transit and corporate fleet operations, which account for more than 60% of York Region's total emissions. Other sources include energy for water and wastewater systems and to heat buildings. The goal of the plan is to reduce emissions by approximately 60,000 tonnes a year by 2051 compared to 2014. The plan also aligns with York Region's Vision 2051, which sets an aspirational goal of net-zero corporate greenhouse gas emissions.

This Action Plan continues to integrate and build on these existing initiatives.





## HOW this ACTION PLAN will be USED and IMPROVED

The Action Plan identifies actions across a range of areas identified as priorities from a climate change perspective. Some actions are aimed at mitigating impacts, others at adapting to changes, and some are designed to do both.

Each action also identifies the primary area of impact, indicating whether the action influences York Region's operation, has a larger community-scale impact or both. The timeframe provides an implementation scale for short (one to two years), medium (two to three years) and long term (four to five years) actions.

## GOAL, OUTCOMES and PRIORITY ACTION AREAS

This plan is founded on the following **goal**:

*Working together, the strong, caring and safe communities of York Region will continue to thrive under changing climate conditions*

To achieve the following **outcomes**:

- › **Reduce Greenhouse gas emissions** with a long-term goal of becoming a net-zero Region by 2050
- › **Increase resilience and capacity of the Region** to withstand and respond to current and future climate events

The Action Plan has been developed as a living document. Although the impacts of climate change are already being felt, its long-term consequences continue to evolve and the effects of mitigation efforts are still uncertain. As the plan rolls out, the Region and its partners will learn lessons and gain new information and knowledge.

York Region and its partners need to be flexible and agile in implementing this Action Plan. An agile approach will allow the Region to fine-tune identified actions and add new ones to take advantage of opportunities, adapt to unexpected events and trends, and learn from other leading jurisdictions.

Achieving the outcomes involves three **Priority Action Areas**:

- › **Resilient Communities and Infrastructure**
- › **Low Carbon Living**
- › **Supporting an Equitable Transition**

Each Priority Action Area has several actions associated with it, as outlined in the following sections.

## PRIORITY ACTION AREA: RESILIENT COMMUNITIES and INFRASTRUCTURE

The following priority action area supports increasing capacity to adapt. The Region will continue to guide and encourage the creation of complete communities. The Region will also work to ensure infrastructure systems are built and maintained for both the current and future climate.

### COMMUNITY RESILIENCY ACTIONS:

ACTION 1	YORK REGION ROLE	POTENTIAL PARTNERS	ACTION TYPE	ACTION AREA	TIMEFRAME
Track, report, and identify actions required to adapt to the migration of invasive species	Partner	Local Municipalities, Conservation Authorities and Provincial Government	Adaptation	Community	Short
ACTION 2	YORK REGION ROLE	POTENTIAL PARTNERS	ACTION TYPE	ACTION AREA	TIMEFRAME
Integrate climate change considerations into existing and new municipal planning and development tools (e.g. climate change by-laws, development guidelines)	Lead	Local Municipalities and Development Industry	Adaptation and Mitigation	Community	Medium
ACTION 3	YORK REGION ROLE	POTENTIAL PARTNERS	ACTION TYPE	ACTION AREA	TIMEFRAME
Conduct a vulnerability assessment on natural systems and integrate adaptive actions into watershed planning	Partner	Local Municipalities, Conservation Authorities and Provincial Government	Adaptation	Community	Medium



### COMMUNITY RESILIENCY ACTIONS: CONTINUED

ACTION 4	YORK REGION ROLE	POTENTIAL PARTNERS	ACTION TYPE	ACTION AREA	TIMEFRAME
Assess the role natural systems play in mitigating and adapting to climate change	Partner	Local Municipalities, Conservation Authorities and non-governmental organizations	Adaptation and Mitigation	Community	Long
ACTION 5	YORK REGION ROLE	POTENTIAL PARTNERS	ACTION TYPE	ACTION AREA	TIMEFRAME
Enhanced building energy and water performance in new and existing buildings through performance targets and benchmarking within the community	Partner	Local Municipalities, Utility Companies, Businesses and Development Industry	Mitigation	Community	Long



**ROBUST INFRASTRUCTURE ACTIONS:**

<b>ACTION 6</b>	<b>YORK REGION ROLE</b>	<b>POTENTIAL PARTNERS</b>	<b>ACTION TYPE</b>	<b>ACTION AREA</b>	<b>TIMEFRAME</b>
Adopt emission reduction targets and guidelines for low-carbon infrastructure construction practices	Lead	Local Municipalities and Industry Associations	Mitigation	Corporate	<b>Short</b>
<b>ACTION 7</b>	<b>YORK REGION ROLE</b>	<b>POTENTIAL PARTNERS</b>	<b>ACTION TYPE</b>	<b>ACTION AREA</b>	<b>TIMEFRAME</b>
Undertake climate change vulnerability and risk assessments on all Regional infrastructure, systems and assets using a common methodology	Lead	Local Municipalities and Development Industry	Adaptation	Community and Corporate	<b>Medium</b>
<b>ACTION 8</b>	<b>YORK REGION ROLE</b>	<b>POTENTIAL PARTNERS</b>	<b>ACTION TYPE</b>	<b>ACTION AREA</b>	<b>TIMEFRAME</b>
Prioritize infrastructure and asset repairs in climate vulnerable areas using the asset management framework	Lead	Local Municipalities, Conservation Authorities and Community Agencies	Adaptation and Mitigation	Community and Corporate	<b>Long</b>







## PRIORITY ACTION AREA: LOW CARBON LIVING

Reduced greenhouse gas emissions are critical to mitigating climate change, and also offer near-term benefits to the Region and its residents, like improving local air quality.

Low-carbon living also relies on changing attitudes about how we purchase, use and dispose of consumer goods, and food.

While Regional actions are important, the Action Plan recognizes actions by individual residents and business also needed to achieve net-zero greenhouse gas emissions and zero waste by 2051.

Actions below will help support and accelerate the move to reduced carbon emissions in the way we live, work and play.

### REDUCING EMISSIONS ACTIONS:

ACTION 9	YORK REGION ROLE	POTENTIAL PARTNERS	ACTION TYPE	ACTION AREA	TIMEFRAME
Establish community-wide greenhouse gas emission reduction targets	Lead	Local Municipalities, Community Stakeholders, Businesses and Development Industry	Mitigation	Community and Corporate	Long
ACTION 10	YORK REGION ROLE	POTENTIAL PARTNERS	ACTION TYPE	ACTION AREA	TIMEFRAME
Increase use of more sustainable modes of transportation, such as walking, cycling and transit, and community adoption of electric and low-emissions vehicles	Lead/Partner	Local Municipalities, Provincial Government and Businesses	Mitigation	Community and Corporate	Long

**FOOD SYSTEMS ACTIONS:**

<b>ACTION 11</b>	<b>YORK REGION ROLE</b>	<b>POTENTIAL PARTNERS</b>	<b>ACTION TYPE</b>	<b>ACTION AREA</b>	<b>TIMEFRAME</b>
Promote a sustainable and resilient food system	Partner	York Region Federation of Agriculture, Agriculture Industry and York Region Food Network	Adaptation	Community	<b>Long</b>

**CIRCULAR ECONOMY ACTIONS:**

<b>ACTION 12</b>	<b>YORK REGION ROLE</b>	<b>POTENTIAL PARTNERS</b>	<b>ACTION TYPE</b>	<b>ACTION AREA</b>	<b>TIMEFRAME</b>
Support waste prevention and circular economy practices in York Region	Partner	Local municipalities, Academic Institutions, Community Stakeholders , Businesses and Residents	Mitigation	Community and Corporate	<b>Long</b>

<b>ACTION 13</b>	<b>YORK REGION ROLE</b>	<b>POTENTIAL PARTNERS</b>	<b>ACTION TYPE</b>	<b>ACTION AREA</b>	<b>TIMEFRAME</b>
Identify resources and opportunities that show program alignment to support a circular economy approach through regional and local climate mitigation projects	Partner	Local municipalities, Academic Institutions, Community Stakeholders , Businesses and Residents	Mitigation	Community and Corporate	<b>Long</b>

## PRIORITY ACTION AREA: SUPPORTING an EQUITABLE TRANSITION

It is important to assess climate risks and opportunities while working to ensure the health and prosperity of all Regional residents and businesses. Climate change impacts will not affect every resident or every area the same way. Having more information about specific vulnerabilities will be essential in developing the right responses to differing climate change impacts.

The priority actions below aim to support an equitable approach to addressing climate risks and opportunities while working to ensure the health and prosperity of people and businesses.

### PREPARED and RESPONSIVE YORK REGION ACTIONS:

ACTION 14	YORK REGION ROLE	POTENTIAL PARTNERS	ACTION TYPE	ACTION AREA	TIMEFRAME
Include the most severe and likely climate-related risks in Enterprise Risk Management practice	Lead	All Departments	Adaptation	Corporate	Short
ACTION 15	YORK REGION ROLE	POTENTIAL PARTNERS	ACTION TYPE	ACTION AREA	TIMEFRAME
Integrate future climate information and adaptation planning into York Region's Emergency Preparedness Plans and Business Continuity Plans	Lead	All Departments	Adaptation	Corporate	Short
ACTION 16	YORK REGION ROLE	POTENTIAL PARTNERS	ACTION TYPE	ACTION AREA	TIMEFRAME
Co-ordinate strategies York Region and its partners can undertake to increase community resilience and emergency preparedness	Lead	Local Municipalities	Adaptation	Community and Corporate	Medium





## LOW CARBON ECONOMY ACTIONS:

ACTION 17	YORK REGION ROLE	POTENTIAL PARTNERS	ACTION TYPE	ACTION AREA	TIMEFRAME
Update existing procurement policies to specify climate-related performance targets	Lead	All Departments	Mitigation	Corporate	Medium

ACTION 18	YORK REGION ROLE	POTENTIAL PARTNERS	ACTION TYPE	ACTION AREA	TIMEFRAME
Leverage existing programs to support the transition to a low-carbon economy	Partner	Chambers of Commerce, Local Municipalities and Industry Associations	Mitigation	Community	Long

ACTION 19	YORK REGION ROLE	POTENTIAL PARTNERS	ACTION TYPE	ACTION AREA	TIMEFRAME
Work with vulnerable economic sectors and businesses to increase resiliency to climate change impacts	Lead	All Departments	Mitigation	Community	Long

**SUPPORTING RESILIENCE ACTIONS:**

<b>ACTION 20</b>	<b>YORK REGION ROLE</b>	<b>POTENTIAL PARTNERS</b>	<b>ACTION TYPE</b>	<b>ACTION AREA</b>	<b>TIMEFRAME</b>
Complete the York Region Climate Change and Health Vulnerability Assessment and share the findings with internal and external stakeholders	Lead	Local Municipalities, Community Stakeholders and Residents	Adaptation	Community	<b>Short</b>
<b>ACTION 21</b>	<b>YORK REGION ROLE</b>	<b>POTENTIAL PARTNERS</b>	<b>ACTION TYPE</b>	<b>ACTION AREA</b>	<b>TIMEFRAME</b>
Update policies and plans to ensure safety during extreme weather events (inclement weather policy)	Lead	All Departments	Adaptation	Corporate	<b>Medium</b>
<b>ACTION 22</b>	<b>YORK REGION ROLE</b>	<b>POTENTIAL PARTNERS</b>	<b>ACTION TYPE</b>	<b>ACTION AREA</b>	<b>TIMEFRAME</b>
Apply an equity lens to prioritizing and supporting climate mitigation and adaptation actions	Partner	Local Municipalities, Conservation Authorities, Academic Institutions and Community Stakeholders	Adaptation	Community and Corporate	<b>Long</b>
<b>ACTION 23</b>	<b>YORK REGION ROLE</b>	<b>POTENTIAL PARTNERS</b>	<b>ACTION TYPE</b>	<b>ACTION AREA</b>	<b>TIMEFRAME</b>
Continue to build relationships with Indigenous communities around resilience	Partner	Indigenous Communities	Adaptation	Community	<b>Long</b>







## PRIORITY ACTION AREA: IMPLEMENTATION

Implementing the Action Plan requires the creation of innovative and strong partnerships to enable collaborative climate action. It also requires a commitment to educating and engaging the Region's residents, businesses, local municipalities and others.

### IMPLEMENTATION ACTIONS:

ACTION 24	TIMEFRAME
Develop performance indicators to track climate change indicators, greenhouse gas reduction, adaptive action and implementation of this plan	Short
ACTION 25	TIMEFRAME
Develop communication and education strategies on the impacts of climate change and strategies for reducing greenhouse gas emissions and increasing resiliency	Short
ACTION 26	TIMEFRAME
Develop or acquire the data and information needed to integrate climate change considerations into all decision-making (e.g. best available)	Long





# APPENDICES

## DEFINITIONS

**Adaptation:** The process of adjustment to actual or expected climate and its effects, in order to moderate harm or exploit beneficial opportunities

**Circular Economy:** The circular economy is an economic system aimed at eliminating waste and the continual use of resources. Circular systems employ reuse, sharing, repair, refurbishment, remanufacturing and recycling to create a close-loop system, minimizing the use of resource inputs and the creation of waste, pollution and carbon emission

**Climate:** Climate is usually defined as the average weather or, a statistical description of climate variable such as surface temperature, precipitation and wind over an extended period of time ranging from months to thousands or millions of years. The classic period for averaging these variables is 30 years, as defined by the World Meteorological Organization.

**Climate change:** Climate change refers to a change in the state of the climate that can be identified (e.g. by using statistical tests) by changes in the mean and/or the variability of its properties, and that persists for an extended period, typically decades or longer. Climate change may be due to natural internal processes or external forcing factors, or to persistent anthropogenic changes in the composition of the atmosphere or in land use.

**Climate extreme:** The occurrence of a value of a weather or climate variable above (or below) a threshold value near the upper (or lower) ends of the range of observed values of the variable. For simplicity, both extreme weather events and extreme climate events are referred to collectively as 'climate extremes'.

**Climate Change and Health Vulnerability Assessment:** A study undertaken to better understand how York Region communities may be vulnerable to the impacts of climate change for a health perspective.

**Co-Benefits:** The benefits that occur in addition to a single prioritized policy goal. In the context of this Plan, these are other benefits that result from a specified action over and above those directly tied to climate change mitigation and adaptation which can increase plan effectiveness.

**Co-Harms:** Unintended or incidental effects resulting from adaptation and mitigation efforts and can range from being small to highly significant.

**Equity:** The principle of fairness in burden sharing and is a basis for understanding how the impacts and responses to climate change, including costs and benefits, are distributed in and by society in more or less equal ways. It is often aligned with ideas of equality, fairness and justice and applied with respect to equity in the responsibility for, and distribution of, climate impacts and policies across society, generations, and gender, and in the sense of who participates and controls the processes of decision-making.

**Emission Scenario:** An emission scenario describes a possible future evolution of emissions of greenhouse gases, and other climate drivers. They assist in climate change analysis, including climate modelling and the assessment of impacts, adaptation, and mitigation. The likelihood of any single emissions path described in a scenario is highly uncertain.

**Greenhouse Gases:** Greenhouse gases are gases in Earth's atmosphere that trap heat. They let sunlight pass through the atmosphere, but they prevent the heat that the sunlight brings from leaving the atmosphere. The main greenhouse gases are carbon dioxide, chlorofluorocarbons, methane, nitrous oxide, and water vapour.

**Intergovernmental Panel on Climate Change:** The Intergovernmental Panel on Climate Change (IPCC) is the United Nations body for assessing the science related to climate change.

## APPENDICES CONTINUED

### DEFINITIONS CONTINUED

**Mitigation:** A human intervention to reduce sources or enhance sinks of greenhouse gases.

**Model:** Climate models are developed and used at climate research institutions around the world to make projections of future climate, based on future scenarios of greenhouse gas and aerosol forcing

**National Assessment Report:** Canada's Changing Climate Report is a stand-alone assessment of how and why Canada's climate has changed, and what changes are projected for the future.

**Resilience:** The capacity of social, economic, and environmental systems to cope with a hazardous event or trend or disturbance, responding or reorganizing in ways that maintain their essential function, identity, and structure, while also maintaining the capacity for adaptation, learning, and transformation.

**Urban Heat Island:** An urban area or metropolitan area that is significantly warmer than its surrounding rural areas due to human activities. The main cause of the urban heat island effect is from the modification of land surfaces.

**Vulnerability:** The tendency or susceptibility to be adversely affected. Vulnerability encompasses a variety of concepts and elements including sensitivity or susceptibility to harm and lack of capacity to cope and adapt.

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## CONTACT INFORMATION

For more information on York Region's Climate Change Action Plan, please call 1-877-464-9675 or visit **[york.ca/climatechangeactionplan](http://york.ca/climatechangeactionplan)**



# YORK REGION DRAFT CLIMATE CHANGE ACTION PLAN

MARCH 2020



**Advisory Committee on Accessibility****January 20, 2020****Canada Room****5:00 PM****Attendance:**

Barry Martin, Chair, Councillor Isa Lee, Brian Lynch, Laura Meffen, Jewell Lofsky, Rita Lam, Anna Giallonardo, Meenu Khanna, Valerie Kitazaki, Cheryl McConney-Wilson, Diversity Specialist and Grace Lombardi, Legislative Coordinator

**Regrets:**

Robert Hunn, Vice Chair, Nahid Verma, Kaushi Ragunathan, George George and Elaine Vollett

<b>Item</b>	<b>Discussion</b>	<b>Action</b>
<b>1. Call to Order</b>	The Advisory Committee on Accessibility convened at 5:22 pm with Barry Martin presiding, as Chair.	
<b>2. Race Relations Committee</b>	Cheryl McConney-Wilson provided Committee Members with information on the annual Many Faces of Markham contest organized by the Race Relations Committee. The contest allows students from JK to Grade 8 in Markham schools to submit art pieces on their view of what inclusion means to them. Committee Members are to provide Cheryl with a list of schools in Markham that may not be aware of this contest and that may like to participate. The judging of the art will take place in March, and the event will take place on Sunday April 19, 2020. Committee Members agreed to assist the Race Relations Committee with judging of the submissions and, on the day of the event with the award ceremony..	Laura to provide Cheryl with a list of schools in Markham that may not be aware of this contest and that may like to participate.
<b>3. Markham's Accessibility Audits</b>	<p>Committee Members discussed their goals for the 2020 Markham Accessibility Audits. They agreed to conduct multiple audits in 2020 and provide Markham Council with a report by 2021.</p> <p>Moved by Jewell Lofsky Seconded by Councillor Isa Lee</p> <p>That the Committee agreed to do a physical audit of the Markham Civic Centre building to identify and report any deficiencies regarding the compliance of the AODA to Markham Council using the City of Ottawa's Accessibility Impact checklist.</p> <p>Carried</p>	

## Advisory Committee on Accessibility

January 20, 2020

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Item	Discussion	Action
	<p>The audit of Markham Civic Centre will take place during the regularly scheduled February 24, 2020 Advisory Committee on Accessibility meeting. The meeting will be extended until 8:00 PM to accommodate the lengthier agenda. The audit will take place from 5:00 to 7:00 PM., and regular meeting will be held from 7:00 to 8:00 PM.</p> <p>The Committee agreed to use the City of Ottawa's accessibility checklist, as it was created to: 1) identify and remove or prevent barriers; 2) creates a record of accessibility improvements recommended; 3) procedures were developed in accordance with the "Accessibility for Ontarians with Disabilities Act, 2005 ("AODA").</p> <p>Committee Members are to review the City of Ottawa's checklist in preparation for the audit at the February 24, 2020 meeting.</p> <p>All Members of the Committee will participate in the Audit.</p> <p>It was recommended that a staff member from the City's Asset Management Team attend the audit.</p>	<p>Grace to speak to Asset Management Director, Graham Seaman, to appoint a staff member to assist with the Advisory Committee on Accessibility audit.</p>
<p><b>4. Social Media Platform</b></p>	<p>Maxine Roy, Corporate Communications Coordinator will attend the February 24, 2020 Advisory Committee on Accessibility meeting to provide Committee Members feedback on their Social Media Platform Package submitted at the December 16, 2019 meeting.</p>	<p>Maxine Roy to come speak at the next Advisory Committee on Accessibility meeting - Grace Lombardi has confirmed her attendance at the meeting</p>
<p><b>5. Markham's Accessible Transportation</b></p>	<p>Committee Members expressed their frustration with ongoing issues with companies who offer accessible transportation in Markham and York Region.</p> <p>Moved by Valerie Kitazaki</p>	

## Advisory Committee on Accessibility

January 20, 2020

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Item	Discussion	Action
	<p>Seconded by Laura Meffen</p> <p>That the cost of any member of the Advisory Committee on Accessibility who require accessible transportation to attend an Advisory Committee on Accessibility meeting be covered by the City of Markham.</p> <p>Carried</p>	
<b>6. New Business</b>	<p><u>Accessible Parks</u> Committee Members requested Richard Fournier, Manager of Parks and Open Space Development attend the February 24, 2020 meeting, to provide a follow up in regards to the City's restrictions on redeveloping an existing park, constructing a new park, and on accessible picnic tables.</p> <p><u>Mobility Plus</u> Committee Members recommended having a member from York Region attend a future meeting to discuss issues with Mobility Plus. It was suggested that Councillor Keith Irish also be invited to this meeting.</p> <p><u>Unionville Festival</u> Committee Members to discuss at the March meeting.</p>	<p>Invite Richard Fournier to attend the next meeting to provide an update on the accessibility of the City's parks – Grace Lombardi</p> <p>Invite a Member from York Region to come to a future meeting to speak about Mobility Plus – Committee, Cheryl McConney-Wilson, and Grace Lombardi</p> <p>Invite Councillor Keith Irish to the meeting with "Mobility Plus on the Agenda" – Grace Lombardi</p>
<b>7. Adjournment</b>	The Advisory Committee on Accessibility adjourned at 7:02 pm.	



## Animal Care Committee

### MINUTES

**January 15, 2020  
Canada Room  
5:30 PM – 7:30 PM**

<b><u>Members Present</u></b> Denielle Duncan, Chair Janet Andrews Dr. Esther Attard Aviva Harari Sherry Klein Shirley Lesch Vikrum Pain Judy Postello Areez Remtulla Bernice Royce June Heather Ziola	<b><u>Regrets</u></b> Valerie Burke, Vice-Chair Sharon Deutsh
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<b><u>Staff</u></b> Trinela Cane, Commissioner, Corporate Services Michael Killingsworth, Deputy City Clerk, By-law Enforcement, Licensing & Regulatory Services Christy Lehman, Licensing & Animal Services Coordinator John Britto, Committee Secretary (PT)
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<b><u>Guests and Members of the Public</u></b> Terri Daniels Victor Royce
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Item	Discussion	Action
<b>1. Call to Order:</b>	The Animal Care Committee convened at 5:35 p.m. with Denielle Duncan presiding as Chair.	



<p><b>2. Approval of the December 18, 2019, Animal Care Committee meeting minutes</b></p>	<p><b>Moved by: Janet Andrews</b> <b>Seconded by: Sherry Klein</b></p> <p><b>That the minutes of the December 18, 2019, Animal Care Committee meeting be approved, as presented.</b> <b>CARRIED</b></p>	
<p><b>3. Business arising from the Minutes</b></p>	<p>Denielle Duncan, Chair advised that a meeting will be held at her house on Wednesday, January 22, 2020 to discuss future fund-raising and events for 2020.</p>	
<p><b>4. Animal Services Program Update</b></p>	<p>a. <u>Cat Adoption &amp; Education Centre</u></p> <p>The following update was provided by Christy Lehman, Licensing &amp; Animal Services Coordinator:</p> <ul style="list-style-type: none"> <li>• 5 adoptions to date, with a total of 804 adoptions;</li> <li>• February 1, 2020 – Volunteer Information Day from 10:00 a.m. to 1:00 p.m.;</li> <li>• 5-week Future Vets program starting in April at a cost of \$130;</li> <li>• February 24, 2020 – Cupcake Day – funds raised will be donated to the CAEC;</li> <li>• February 8, 2020 – Valentine's Day Pet Photos event at the Woodbridge Ren's Pets Depot.</li> <li>• Bernice Royce and Aviva Harari expressed concerns that CAEC staff were consistently not responding to prospective volunteers, as they had experienced this themselves, and knew of one other person that hadn't got any response from CAEC staff.</li> </ul> <p>b. <u>Barn Cat Program</u></p> <p>No update</p> <p>c. <u>By-law Review</u></p>	<p>Christy to circulate posters, when ready.</p> <p>Christy to find out if volunteer applicants received any response from CAEC staff</p>

<p><b>Other matters discussed</b></p>	<p>Michael Killingsworth, Deputy City Clerk, By-law Enforcement, Licensing &amp; Regulatory Services advised that the Animal Control By-law is slated for review along with other City By-laws. No specific date is available yet when this by-law will be brought forward for Council consideration.</p> <p>Michael Killingsworth, Deputy City Clerk, By-law Enforcement, Licensing &amp; Regulatory Services and Christy Lehman, Licensing &amp; Animal Services Coordinator provided the following updates:</p> <p>a) <u>Website upgrade</u>:</p> <p>A total revamping and modernizing of the portal is currently in progress. Each site champion is responsible for updating their respective area on the website. Most recommendations have not yet made their way to the website. All the old information is still available but has yet to be uploaded onto the new website.</p> <p>Denielle Duncan brought up the fact that Bylaw, licensing, OSPCA and CAEC info was available online but not Shades of Hope or any information on what to do for wildlife concerns. She asked staff if the link to SOH could be placed on the City's website immediately so that the public would be able to access some wildlife info in the interim.</p> <p>Christy volunteered to update the website with the existing animal services information on Thursday, January 16, 2020.</p> <p>Responding to a question with respect to a timeframe on the website update, Trinela Cane, Commissioner of Corporate Services advised that she will advise the Committee after confirming from the IT Department.</p>	<p>Christy to update website on Thursday, Jan 16.</p> <p>Trinela Cane to provide timeframe for update of the website.</p>
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	<p>Michael suggested that the Committee could use the various Social Media platforms to promote wildlife related matters. He further advised that a message deck is being created and he encouraged members to provide him with relevant messages that could be promoted through this medium.</p> <p>A member advised that a small percentage of citizens (mostly seniors) do not use social media and would prefer printed material.</p> <p>Michael advised he will confirm from the IT Department about uploading brochures and other Wildlife Services material on the City's website.</p> <p>Trinela suggested that residents can create Alerts so they can receive relevant updates when available.</p> <p>b) <u>Online Pet Licensing / Renewals</u></p> <p>There was discussion about online pet licensing and renewals. A member informed that there is an option of making a donation when applying for/renewing pet licenses on the City's website, however, it was not clear where these donations are actually going. Trinela Cane, Commissioner of Corporate Services agreed that it should be made clear where these donations are being channeled and suggested that the messaging on the website should be corrected accordingly.</p> <p>Bernice Royce inquired why the minimum donation to receive a tax receipt is \$25. Christy Lehman advised that this information was given to her by the Finance Department.</p> <p>Michael Killingsworth advised that the license fee structure was revised one year ago in order to</p>	<p>Michael to provide email address for wildlife related messages.</p> <p>Michael to confirm from IT about uploading Wildlife brochures to the website.</p>
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	<p>streamline the administrative process.</p> <p>Responding to a question about online purchase of pet licences, Christy Lehman, Licensing &amp; Animal Services Coordinator confirmed that pet licences can be purchased online through the City's website.</p> <p>Christy further confirmed that pet stores are no longer permitted to sell pet licences. This can only be done online through the City's website.</p> <p>Dr. Esther Attard inquired as to why animal licensing is now set at one fee, regardless of the fact that the pet is sterilized, the owner is elderly etc. She pointed out there seems to be no incentive anymore for pet owners to spay/neuter their pets as it is the same fee for "all".</p> <p>Members inquired whether there was a possibility of having a computer available for the committee to use at public outreach events with a staff member to assist residents with applying for online pet licences. Michael Killingsworth, Deputy City Clerk, By-law Enforcement, Licensing &amp; Regulatory Services advised that there is no sufficient staff resources for this purpose, however, he agreed to explore the possibility, through the IT Department, for the Animal Care Committee's use.</p> <p>c) <u>CAEC / Animal Services</u></p> <p>It was mentioned that many Markham residents were not aware of the existence of the CAEC and the other wildlife services provided by the City. It was suggested that a one-page brochure be designed and printed on the city's animal services, including wildlife, which</p>	<p>Michael to explore the possibility of installing a computer at City Hall for online pet licensing purposes.</p>
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	<p>could be mailed out along with Property Tax notices and also for use on the ACC's public outreach tables. Trinela Cane, Commissioner of Corporate Services agreed to explore the possibility of organizing the mailing of a 1-page brochure on animal services along with Property Tax notices.</p> <p>d) <u>2020 Calendar of Events</u></p> <p>Michael Killingsworth, Deputy City Clerk, By-law Enforcement, Licensing &amp; Regulatory Services inquired if the 2020 calendar of events could be provided to him. Denielle agreed to provide this when finalized.</p> <p>e) <u>Tax Receipts for donations</u></p> <p>Responding to a question about Tax Receipts for donations made towards animal services, Christy Lehman, Licensing &amp; Animal Services Coordinator advised that Finance will issue Tax Receipts if donors provide all the required personal information for this purpose. Donation cheques should be made out to the City of Markham with specific indication to the particular group, i.e. ACC.</p> <p>Michael Killingsworth, Deputy City Clerk, By-law Enforcement, Licensing &amp; Regulatory Services agreed to confirm from Finance the benchmark donation amount for issuing a Tax Receipt. As well, Michael agreed to find out if the form should include a check-box for donations to the CAEC or OSPCA.</p> <p>f) <u>CAEC / OSPCA staff reporting</u></p> <p>Responding to questions about staff reporting relationships, Christy Lehman, Licensing &amp; Animal Services Coordinator advised that the CAEC is owned by the City,</p>	<p>Trinela Cane to explore the possibility of mailing 1-page brochure on the City's animal services with property tax notices.</p> <p>Denielle to provide Michael with the finalized 2020 calendar of events.</p> <p>Michael to confirm benchmark donation amount for Tax Receipt, as well check-box for this donations to CAEC and/or OSPCA.</p>
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	<p>whereas the OSPCA has been contracted by the City to operate the CAEC for Markham.</p> <p>g) <u>New off-leash dog park</u></p> <p>Responding to a question on the proposed new off-leash dog park, Michael Killingsworth, Deputy City Clerk, By-law Enforcement, Licensing &amp; Regulatory Services agreed to email appropriate staff to find out if there is any update on this matter.</p> <p>Michael discussed the various issues related with proper and effective policing of off-leash dog parks due to the lack of sufficient and appropriate legislation and enforcement. He also discussed issues relating to the renewal of the OSPCA contract. He advised the Committee that a report is being brought forward at the January 20, General Committee meeting for consideration of a one-year renewal of the OSPCA contract.</p> <p>Responding to a question about a Committee for off-leash dog parks, Christy Lehman, Licensing &amp; Animal Services Coordinator advised that there is no such committee any longer, however, all information relating to off-leash dog parks is available on the City's website.</p> <p>h) <u>Coyote information</u></p> <p>Denielle Duncan, Chair inquired whether the city plans to hold another public information night on coyotes and if so, could this event be held in the evening or on a weekend to enable more members of the public to attend. Christy Lehman, Licensing &amp; Animal Services Coordinator advised that all information on coyotes is available on the Coyote Watch</p>	<p>Michael to email staff about update on proposed new off-leash dog park.</p>
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	<p>Canada website. She further advised that the City is hoping to hold another coyote information session in the coming months and would try to schedule it in the evening and that she will be once again asking Coyote Watch Canada to run it.</p> <p>Coyote Watch Canada is a federal not for profit community-based, wildlife organization which advocates positive human-wildlife experiences.</p>	
<b>5. Events</b>	<p>a) <u>Fund Raising</u></p> <p>Consideration of this matter was deferred to the February 19, 2020 meeting.</p> <p>b) <u>Events</u></p> <p>Consideration of this matter was deferred to the February 19, 2020 meeting.</p>	
<b>6. New Business</b>	<p>a. <u>Turtle / Wildlife Signage.</u></p> <p>Christy Lehman, Licensing &amp; Animal Services Coordinator advised that Corporate Communications has informed her that there is no Corporate Policy to have signage in languages other than English and French.</p> <p>Michael Killingsworth, Deputy City Clerk, By-law Enforcement, Licensing &amp; Regulatory Services suggested that staff from Corporate Communications could be invited to a future ACC meeting to provide updates / information on Corporate Communications messaging / policies, etc.</p>	<p>Clerks Office to invite Corporate Communications staff to a future ACC meeting.</p>
<b>7. Date of next meeting</b>	5:30 p.m., Wednesday, February 19, 2020.	
<b>8. Adjournment</b>	The Animal Care Committee adjourned at 7:25 p.m.	







## Animal Care Committee

### MINUTES

**February 19, 2020  
Council Chambers  
5:30 PM – 7:30 PM**

<b><u>Members Present</u></b> Denielle Duncan, Chair Valerie Burke, Vice-Chair Janet Andrews Aviva Harari Sherry Klein Vikrum Pain Judy Postello Areez Remtulla Bernice Royce June Heather Ziola	<b><u>Regrets</u></b> Dr. Esther Attard Sharon Deutsh Shirley Lesch
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<b><u>Staff</u></b> Christy Lehman, Licensing & Animal Services Coordinator John Britto, Committee Secretary (PT)
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<b><u>Guests and Members of the Public</u></b> Terri Daniels
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Item	Discussion	Action
<b>1. Call to Order:</b>	The Animal Care Committee convened at 5:41 p.m. with Denielle Duncan presiding as Chair.	
<b>2. Approval of the January 15, 2020 Animal Care Committee meeting minutes</b>	<b>Moved by: Bernice Royce</b> <b>Seconded by: Janet Andrews</b>  That the minutes of the January 15, 2020 Animal Care Committee meeting be approved, as presented. <b>CARRIED</b>	

<p><b>3. Business arising from the Minutes</b></p>	<p>Christy Lehman, Licensing &amp; Animal Services Coordinator advised that the Volunteer Information Day held on February 1, 2020 went very well.</p> <p>Christy emailed the Committee members posters for the Valentine's Day Pet Photos event held on February 8, 2020 at the Ren's Pet Depot in Woodbridge.</p> <p>Christy advised that the Shelter Manager informed her that last year's Volunteers received an automated response to their applications.</p> <p>Some members informed that they did not get any response.</p> <p>Christy advised that she will contact the Volunteer Manager and report back at the next meeting.</p> <p>Christy reminded the Committee of the Cup Cake day event scheduled to be held on February 24, 2020 at the CAEC.</p> <p>Christy advised that the email address to send in wildlife related messages is: <a href="mailto:markhambylaw@markham.ca">markhambylaw@markham.ca</a></p> <p>Responding to a question from June Zhiola, Christy advised that the Leash Free Markham Committee has since been disbanded. She agreed to update this information, time permitting. June agreed to assist Christy in this matter.</p> <p>Areez Remtulla advised that the Animal Services information currently on the website is not very user friendly.</p> <p>Christy Lehman, Licensing &amp; Animal Services Coordinator advised that the OSPCA contract has been renewed for one year ending 2020. Christy further advised that she has been tasked to prepare a new Animal Services Delivery model.</p>	<p>Christy to report on Volunteer response at next meeting.</p> <p>Christy to update website. June to assist Christy.</p>
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<p><b>4. Animal Services Program Update</b></p>	<p>a. <u>Cat Adoption &amp; Education Centre</u></p> <p>The following update was provided by Christy Lehman, Licensing &amp; Animal Services Coordinator:</p> <ul style="list-style-type: none"> <li>• 23 adoptions to date, which include 18 cats and 5 guinea pigs;</li> <li>• The Committee discussed the issue of the OSPCA/CAEC branding. It appears that the branding gives prominence to the OSPCA rather than the Markham CAEC.</li> <li>• Denielle Duncan, Chair and Janet Andrews referenced a marketing initiative of the CAEC by the OSPCA on a recent TV program, wherein there was no mention of the City of Markham's CAEC. Christy Lehman, Licensing &amp; Animal Services Coordinator advised that she would look into this matter and report back to the Committee.</li> </ul>	<p>Christy to investigate TV branding program of the CAEC and report back at the next ACC meeting.</p>
<p><b>5. Events</b></p>	<p>a) <u>Fund Raising</u></p> <p>Responding to a question from a member, Denielle Duncan, Chair advised that the Committee hopes to fund raise at least \$2,000 at various events in 2020.</p> <p>b) <u>Events</u></p> <p>A date has yet to be determined for the Markham Earth Day event in April.</p> <p>The Markham Unionville Festival is scheduled to be held on Saturday, June 6, 2020.</p> <p>The 2020 Markham Village Music Festival is scheduled to be held on Friday evening June 19, and on Saturday, June 20, 2020.</p> <p>The Committee decided to register for all three events.</p>	

	<p>The Committee discussed the 19<sup>th</sup> Avenue Farmers Market.</p> <p>Global Pet Foods is willing to partner with the ACC to have a table at their store in the future.</p> <p>Denielle Duncan, Chair inquired whether the petting zoo at various Markham events could be replaced with a speaker/display such as “Speaking of wildlife”.</p> <p>Christy Lehman, Licensing &amp; Animal Services Coordinator suggested that it depends on the event organizer, e.g., the Markham-Milliken Children’s Festival is organized by the City, whereas the Unionville Festival is organized by the local BIA.</p> <p>Denielle Duncan, Chair volunteered to make a deputation at a meeting of the Markham-Milliken Children’s Festival Committee to request the Committee to consider replacing the petting zoo event with a wildlife rescue organization that provides educational demonstrations involving indigenous wildlife.</p> <p>After considerable discussion on this matter, the Committee adopted the following recommendation:</p> <p><b>Moved by: Valerie Burke, Vice Chair</b> <b>Seconded by: Aviva Harari</b></p> <p><b>That the Chair of the Animal Care Committee make a Deputation at the Markham-Milliken Children’s Festival Committee, requesting that the petting zoo event be replaced with a wildlife rescue organization that provides educational demonstrations involving indigenous wildlife.</b></p> <p style="text-align: right;"><b>CARRIED</b></p>	
<b>6. New Business</b>	<p>a. <u>Terms of Reference.</u></p> <p>Denielle Duncan, Chair circulated a copy of the current Terms of</p>	

	<p>Reference to the Committee members requesting their suggestions on potential revisions.</p> <p>After extensive discussion, it was agreed to constitute a Sub-committee comprised of the following members to consider revisions to the Terms of Reference:</p> <p>Denielle Duncan, Chair; Valerie Burke, Vice Chair; Judy Postelo; and June Zhiola.</p> <p>Christy Lehman, Licensing &amp; Animal Services Coordinator agreed to source a copy of the current Terms of Reference and circulate the same to the Committee.</p>	<p>Christy to source a copy of the current Terms of Reference and circulate to members.</p>
<b>7. Date of next meeting</b>	<p>Due to the next meeting coinciding with the March break, the considered rescheduling the March meeting, and adopted the following recommendation:</p> <p><b>Moved by: June Zhiola</b> <b>Seconded by: Areez Remtulla</b></p> <p><b>That the March Animal Care Committee meeting be rescheduled to 5:30 p.m. on Monday, March 9, 2020.</b></p> <p><b>CARRIED</b></p>	
<b>8. Adjournment</b>	<p>The Animal Care Committee adjourned at 7:03 p.m.</p>	



## 2020 MARKHAM CANADA DAY CELEBRATION ORGANIZING COMMITTEE

### MINUTES January 15, 2020 Meeting No. 1

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#### **Attendance**

##### **Members**

Satya Arora  
Perry Chan  
Edward Chiu  
Teresa Ing  
Prem Kapur  
Sabrina Luong (SEAS)

##### **Council**

Councillor Amanda Collucci  
Councillor Khalid Usman

##### **Staff**

Asif Aziz, Financial Analyst  
Stephanie Bagnarol, Corporate Communications  
Michael Blackburn, Corporate Communications  
Trinela Cane, Commissioner of Corporate Services  
Rebecca Cotter, Corporate Communications  
Mike Freethy, Corporate Communications  
Bryan Gracan, Corporate Communications  
Fion Lau, EA to Councillor Amanda Collucci  
Tasha Manesh, EA to Councillor Khalid Usman  
Jay Pak, Financial Analyst  
Ragavan Paranchothy, Corporate Communications  
Renee Zhang, Special Events  
Bev Shugg Barbeito, Committee Coordinator

##### **Regrets**

Allan Bell  
John Chan  
John Chin (Scouts Canada)  
Zulaika Hoosainny  
Kash Khan  
Susan Li (SEAS)  
Francis Yim (SEAS)  
Saadia Zakki  
Andrea Berry, Corporate Communications  
Matt Busato, Operations  
Jason Britton, Working Supervisor, Operations  
Morgan Jones, Operations  
Dean McDermid, Plant Operations  
David Plant, Manager, Operations  
Maxine Roy, Corporate Communications  
Jing Yu, Corporate Communications

The first meeting of the 2020 Markham Canada Day Celebration Organizing Committee convened at 6:06 p.m. with Councillor Amanda Collucci serving as Chair.



## 1. WELCOME

Councillor Amanda Collucci welcomed everyone to the meeting and introductions were made.

## 2. ADOPTION OF THE MINUTES OF THE MEETING HELD ON OCTOBER 9, 2019

It was

Moved by            Satya Arora  
 Seconded by        Edward Chiu

That the minutes of the 2019 Markham Canada Day Celebration Organizing Committee meeting held on October 9, 2019 be adopted as distributed.

CARRIED

## 3. PLANNING FOR CANADA DAY 2019

### a) Budget

Jay Pak, Financial Analyst, distributed and reviewed the reports entitled *Canada Day 2019 High Level Summary as of December 31, 2019* and *Canada Day 2020 Baseline Budget as of January 15, 2020*. He advised that, through the diligent efforts of Committee members to achieve savings and because of success in securing increased sponsorship revenue, there is an accumulated surplus to carry over from 2019 for planning the Canada Day Celebrations in 2020. The 2019 Actual Expenses will serve as the Canada Day 2020 base budget; Committee members were asked to advise if changes could be expected.

Jay Pak introduced Azif Asiz, Financial Analyst, who will be reporting the financial updates for the Committee going forward.

### b) Sponsorship

Mike Freethy, Corporate Communications, reported that sponsorships totalling \$16,000 have been received.

- Kylemore, \$8500
- Tim Hortons, \$7500

It is hoped that Bell and Huawei will renew their corporate sponsorships. Other sponsorships are also pending.

Action:

- Councillor Collucci agreed to follow up with contacts at Bell and Huawei.
- It was reported that the Canada Day sponsorship package will be finalized and issued to the committee with the meeting minutes.
- Mike Freethy will liaise with Satya Arora about a potential sponsorship.

c) Citizenship Ceremony

Ragavan Paranchothy, Corporate Communications, is leading this portfolio.

Staff have reached out to Immigration, Refugees and Citizenship Canada and requested Citizenship Ceremony in Markham on July 1; response pending.

Staff will provide a further update at the next meeting.

d) Mayor's Seniors' Luncheon

Renee Zhang, Corporate Communications, is leading this portfolio.

Meals

Renee Zhang reported that Le Parc, the venue for the luncheon, has been booked for July 1, 2020. The price of the meal per person has increased from \$14.00 in 2019 to \$14.50 in 2020. Committee members were advised that the price increase would have a minimal impact on the budget.

It was reported that volunteers in 2019 did not enjoy the meal they received; the Committee discussed options for the meal to be provided for volunteers this year: pizza @ ~\$5/pp, lasagna @ ~\$10/pp. It was felt that providing a solid lunch for the volunteers was a way to show the appreciation Markham has for the volunteers working on their July 1<sup>st</sup> holiday.

It was

Moved by Teresa Ing  
Seconded by Prem Kapur

That the price of \$14.50 for the regular lunch and the price of \$10.00 for the volunteer lunch be approved.

CARRIED

Registration

It was reported that registration will open on May 25, 2020 at 9 am.

Entertainment

The Committee discussed entertainment options for the luncheon. It was decided that a change in entertainment was desirable. The entertainment budget in 2019 was \$500.00 and will likely be the same for 2020.

The committee advised of the following options:

- Jonathan Michael adult vocalist to sign to track
- Youth singer for O Canada
- Engaging option to get seniors dancing

Action:

- Rebecca Cotter, Corporate Communications, advised that the Events Team would bring options to the Committee for its consideration.

#### Transportation

Teresa Ing distributed and reviewed a chart showing the pick up locations and the numbers of seniors and volunteers at each location. The Committee discussed the number and location of pickups and agreed it would be worth discussing the number of vehicles required with YRT when registration for the luncheon is complete.

Renee Zhang advised that YRT has quoted approx. \$550 for an additional bus to pick-up from Angus Glen C.C. and that YRT rates will increase in March 2020.

It was

Moved by Teresa Ing  
Seconded by Prem Kapur

That one bus and pick up location be added to the Seniors Luncheon transit plan.

CARRIED

#### e) People's Parade

Ragavan Paranthoathy, Corporate Communications, is leading this portfolio.

Ragavan Paranthoathy reported that the deadline for parade participant registration will be June 1, 2020.

The Committee discussed potential themes for the parade:

- Red, white and proud
- Olympics (sport centric)
- Innovation

It was agreed that Corporate Communications will try to incorporate the two ideas of "Red, white and proud" and "Innovation".

Discussion:

- Committee members advised they would like to see school bands included in the parade.
- Corporate Communications will reach out to new participants.
- Staff will explore option to have bus at the entrance to Milne Park to take parade participants to the flag pole.

f) Park Celebrations

Jing Yu, Corporate Communications, is leading the logistics of this portfolio.

Entertainment

Rebecca Cotter reported that Jing Yu, Corporate Communications, will coordinate the entertainment period of 3-6PM, including Doo Doo the Clown.

Main Stage Entertainment, 6-10PM

- Last year's headliner entertainment, School of Rock, has proposed that it provide four 45-minute performances prior to the fireworks at a cost of \$5,000; this is one less performance for \$1000 more than 2019. It was suggested that the band Turning Point be added for a final 45-minute period following the fireworks at a cost of \$750. The cost of Turning Point would be over the Entertainment budget.

It was

Moved by Teresa Ing

Seconded by Sabrina Luong

That the Entertainment budget be increased by \$1,000 to accommodate the cost of reserving the School of Rock and Turning Point for the 2020 Canada Day celebrations.

CARRIED

Stage & Sound

Perry Chan reported that the stage has been reserved and will be delivered to Milne Park on June 30, 2020.

Food Vendors

It was reported that the food vendor application has been posted on the Markham website. Markham is leading by example and requiring that food vendors not provide single-use plastics with their food offerings.

Children's Activities

Fion Lau reported that the majority of children's activities will be reserved. However, given Markham's single use plastics policy, it will not be possible to rehire the balloon artist. Fion will work with Stephanie Bagnarol in Corporate Communication to investigate additional kids' activities including: Silent Disco at a cost of approx. \$300 for 50 headsets, and also asked Committee members to forward new ideas for children's entertainment.

Emcee

Councillor Collucci and Councillor Usman will reach out to Allan Bell to learn whether he wishes to return as emcee this year and in future years.

Fireworks

Rebecca Cotter reported that Markham has issued an RFP for the provision of fireworks displays for Canada Day.

### Logistics

It was reported that quotes are being obtained for the lighting, fencing and security. It was noted that York Region Police were very supportive about the increased efforts and resources devoted to increasing pedestrian safety and access for transit.

### Transportation

It was reported that buses will be arranged to transport residents between Centennial Community Centre and Milne Park.

#### g) Volunteers

Sabrina Luong SEAS Centre, reported that SEAS Centre would need to know by June 5, 2020 how many volunteers would be needed for each activity and what the duties would be for the volunteers.

#### Action:

Trinela Cane, Commissioner of Corporate Services, reported that she will email to Markham staff a request for volunteers to assist with setup, clean-up and other Canada Day activities. Other volunteers are provided by YR Police, Markham Fire Services, YR Transit, EMS, and CUPE.

#### h) Logistics

##### Road Occupancy Approvals

It was reported that, from an Operations department point of view, road closures facilitated smooth transit movement and pedestrian access to and from Milne Park. 2020 Road Closure plans will proceed in line with 2019 operations.

#### Parking

It was reported that there is a limited amount of space at Milne Park and last year's plans to limit access, worked well. No changes to those plans are expected for Canada Day 2020.

#### First Aid

Rebecca Cotter reported that the Events Team will reach out to John Chin, Scouts Canada, to learn whether Scouts Canada will once again provide first aid services on Canada Day.

#### i) Communications

##### Website/Social Media

Preliminary 2020 event information is live online.

Michael Blackburn reported that the Corporate Communications team will develop a plan for 2020 to take advantage of the success with 2019 initiatives including the social media plan, and general promotions such as mobile signs and posters.

Plans for 2020 will be brought to future meetings.

A press conference will be planned to announce the details of the event. The date of the press conference will be provided at the February meeting.

#### **4. OTHER BUSINESS**

It was agreed that future meetings will start at 5:30 pm.

#### **5. NEXT MEETING**

The next meeting will be held on Wednesday February 19, 2020 at 5:30 pm in the Canada Room.

#### **6. ADJOURNMENT**

It was

Moved by            Edward Chiu  
Seconded by        Satya Arora

That the first meeting of the 2020 Markham Canada Day Celebration Organizing Committee adjourn at 7:45 PM.

CARRIED

**German Mills Meadow & Natural Habitat Liaison Committee**  
**March 20, 2019**  
**Ontario Room**  
**3:45 p.m.**

<p><b><u>Committee Members</u></b>  Deputy Mayor Jack Heath  Councillor Keith Irish  Kimberly Seymour  Gail Lavery  Don Macfarlane  Bernard Sze  Gail Lavery  John Saul  Jeffrey Safajou</p> <p><b><u>Guests</u></b>  Valerie Burke</p>	<p><b><u>Staff</u></b>  Nory Takata, Parks Planner  Robert Penner, Manager of Utilities Inspection and Surveys  Robert Maritzel, Technical Coordinator  David Porretta, Manager of Traffic Engineering  Dereje Tafesse, Senior Engineer, Contract Administration and Quality Control  Laura Gold, Council/Committee Coordinator</p>
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The German Mills Meadow and Natural Habitat Liaison Committee convened at 3:45 pm with Kimberly Seymour presiding as Chair.

**1. Introductions- Councillor Keith Irish**

Committee welcomed Councillor Keith Irish to the Committee.

**2. Dogs off-Leash- SPCA Patrol During Nesting Season**

Christopher Alexander, Supervisor of Licensing & Standards was in attendance to speak to this item.

The Committee was advised that an Officer will visit the meadow twice a week to educate/ticket dog owners with their dogs' off their leash. Members were advised to contact the City or the OPSCA if they see a dog off its leash or if a resident is fishing in the meadow. They were told not to personally approach residents for these matters.

The Committee suggested that the upper field of the meadow be patrolled the most.

**3. Updates on MUP Pathway-Lake to Lake Trail- lane Markings, Signage for Bikes to Yield to Pedestrians, Wildlife (see enclosed handout)**

David Porretta, Manager of Traffic Engineering and Dereje Tafesse, Senior Engineer were in attendance to answer the Committee's questions regarding the management of pedestrian and cyclist traffic on the Lake to Lake Trail.

Staff advised that in addition to signs that have already been installed along the Lake-to-Lake Route, the following standard signs will be placed along the Trail to help manage pedestrian and cyclist traffic:

- "Steep hill" warning signs
- "Wildlife crossing" warning signs
- "Cyclist yield to pedestrians" signs



## German Mills Meadow &amp; Natural Habitat Liaison Committee

March 20, 2019

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The signs were displayed to the Committee. The Committee requested that the City ensure there are clear sight-lines where the signs are erected.

Pavement markings will also be painted on portions of the trail at the north and south entrances to the trail to separate traffic and to establish cyclist and pedestrian behavior for the rest of the trail. The trail will have no speed limit, as it cannot be monitored or enforced. Speed bumps will not be installed, as they can create additional safety issues/concerns.

There was a discussion on whether it was possible to have the pavement markings separating the traffic along the full distance or the majority of the distance of the trail. There are no plans to provide pavement markings along the entire length at this time.

#### **4. Election of Chair and Vice Chair**

The Committee elected Don Macfarlane and Councillor Keith Irish as Co-Chairs of the Committee.

#### **5. Approval of Minutes from Last Meeting Aug. 23, 2018**

The Committee approved the August 23, 2018 German Mills Meadow and Natural Habitat Minutes as presented.

#### **6. Update on TRCA Work in the Meadow**

Nory Takata, Parks Planner provided an update on the work the TRCA is doing in the meadow. There will be a fall planting near the stream, which will be largely an infill planting. Many of the plants being planted will be pollinators. The City will also be addressing some of the erosion issues in other areas of meadow in the future.

A Member suggested extending the boundary of the meadow north of John Street.

#### **7. Terms of Reference Update**

The Committee suggested that the composition of the Committee be updated to include an additional Citizen Member.

#### **8. Update on Construction work along western edge of GMMNH-gas header repair, grading-slope 1-5, 10 meters from fence, planting and woodchips and addressing depressions**

Robert Penner, Manager of Utilities Inspection and Surveys advised that construction work along the western edge of the meadow is targeted to be completed by late March or early April 2019.

#### **9. Update on Fill Project for Residents**

The contractor will be coordinating the fill with the residents that chose to participate in the program.

#### **10. Timelines for Northern Edge Gas Header Repair**

The northern edge gas header repair will be completed in the fall of 2019.

It was noted that the re-planting of the trees/ location of where they are re-planted in meadow be considered carefully as the gas lines will need to be re-paired again in the future.

#### **11. Future Monitoring of Subsidence at Boundary and Maintenance Program-Timelines**

The Committee suggested that this be formally looked at every three to five years.

#### **12. Update on Sewer Upgrades at German Mills Creek-If Any**

Nothing planned for 2019. Staff will have a better idea after wastewater sufficiency study is completed in Q3 2019.

#### **13. Gas and environmental Monitoring results**

The gas and environmental monitoring results were all normal.

#### **14. Park Renaissance-Public Notice Board**

Nory Takata advised that the Community Board has been installed. Tanya Lewinberg will reach out to German Mills Residents Association in regards to accessing the Board.

#### **15. Invasive species-Dog Strangling Vine/Japanese Knotwood**

The City continues to try and tackle the invasive species Dog Strangling Vine/Japanese Knotwood. It is releasing moths that eat the Dog Strangling Vine into the park in an attempt to gain more control over the weed. The first attempt/treatment to tackle the weed was a success. The City hopes to have more success with the release of the moths.

#### **16. Garbage/Recycling Receptacles**

The garbage/waste receptacles will be installed this spring.

#### **17. Work Balance for 2019**

The City will add more woodchips to the meadow if it can be done before April 1, 2019.

#### **18. Salmon- No Fishing During Spawning Signs Along Creek**

The Clerk advised that the Committee's resolution regarding no fishing during spawning was brought forward to the General Committee for its consideration. A copy of the meeting extract will be circulated to the Committee for information purposes.

#### **19. Other Business**

The Committee asked when the fencing that was dumped in the meadow will be removed.

German Mills Meadow & Natural Habitat Liaison Committee

March 20, 2019

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## **20. Adjournment**

The Committee adjourned at 5:16 pm.



## **MARKHAM ENVIRONMENTAL ADVISORY COMMITTEE**

### **MINUTES**

**Ontario Room, Markham Civic Centre  
January 16, 2020**

#### **Attendance**

##### Members

Christopher Ford, Chair  
Ashok Bangia  
Caryn Bergmann  
Kevin Boon, Immediate Past Chair  
Martin Bush  
Morgan Davies  
Karl Fernandes  
Karl Lyew  
Nadine Pinto  
Frank Vignando  
Natasha Welch

##### Regrets

Stuart Cumner  
Victoria Genge  
Phil Ling  
Diane Ross  
Paddy Wong  
Jennifer Wong, Sustainability Coordinator

##### Council

Regional Councillor Joe Li

##### Guests

Bogdan Hlevca  
Charlie Liu, Student  
Shannon Logan  
Mary Louise Prosen  
James Tang, Student  
Chris Williams

##### Staff

Jacqueline Tung, Community Engagement  
Assistant  
Bev Shugg Barbeito, Committee Coordinator

# **1. CALL TO ORDER**

The Markham Environmental Advisory Committee (MEAC) was called to order at 7:05 PM with Christopher Ford presiding as Chair. He welcomed everyone to the meeting and introductions were performed.

# **2. CHANGES OR ADDITIONS TO THE AGENDA**

It was agreed to add the following item to Other Business:

- Social Media account

The agenda was accepted as amended.

# **3. ADOPTION OF THE MINUTES OF THE MARKHAM ENVIRONMENTAL ADVISORY COMMITTEE MEETING HELD ON NOVEMBER 21, 2019**

It was

Moved by            Martin Bush

Seconded by        Kevin Boon

That the minutes of the Markham Environmental Advisory Committee (MEAC) meeting held on November 21, 2019 be adopted as distributed.

CARRIED

# **4. MATTERS ARISING FROM THE MINUTES**

## **A. INFORMATION ON MARKHAM INITIATIVES AND COUNCIL MATTERS**

- Regional Councillor Joe Li reported that a 3-day workshop about waste and environmental management will be held in February; he will arrange for a MEAC member to attend. He also noted that in March he will attend a conference about how smart cities deliver services to residents.

## **B. FOLLOW UP ON ACTION ITEMS**

Chair Christopher Ford reviewed the list of action items and noted that the items reflect agenda items for this meeting.

# **5. NEW BUSINESS**

## **A. ELECTION OF VICE CHAIR**

Chair Christopher Ford advised that Caryn Bergmann and Morgan Davies had expressed interest in serving as Vice Chair. After discussion, they agreed to serve as Co Vice Chairs.

It was

Moved by     Natasha Welch

Seconded by   Martin Bush

That Caryn Bergmann and Morgan Davies be elected as Co Vice Chairs of the Markham Environmental Advisory Committee (MEAC) for a one-year term.

CARRIED

## **B. REGIONAL EAC MEETING DEBRIEF**

Chair Christopher Ford advised that “engaging differently with residents” featured prominently in the discussions at the Regional EAC Meeting. York Region staff spoke of interactive events. It was noted that Regional EAC meetings are a good way to meet and share ideas with EAC members of other York Region municipalities, and the all MEAC members are welcome to attend future meetings.

## **C. CLIMATE EMERGENCY**

For the benefit of new members and guests, Chair Christopher Ford reviewed the background related to this item. In spring 2019, Committee members were advised that, in the previous few months, there had been a groundswell of concern relating to a climate change emergency facing the Earth. At that time, MEAC voted that it was in support of the principle of declaring a climate emergency and prepared a declaration to that effect for consideration by Markham Council. MEAC members suggested edits, and the then Chair Kevin Boon, Vice Chair Christopher Ford and Phil Ling finalized the draft declaration. The draft declaration was discussed with Regional Councillor Jack Heath and also forwarded to Regional Councillor Joe Li for review and comment. It was suggested that the draft declaration be amended to be context sensitive to Markham initiatives and achievements, and to include what action MEAC would expect from Council. It had also been suggested that, prior to presenting the declaration to Markham Council, it would be helpful for MEAC to approach individual Markham Councillors to learn their reactions to the draft declaration.

Christopher Ford reminded the Committee members of Graham Seaman’s presentation at the November meeting which focused on the many sustainability related projects that Markham has initiated and the many achievements that it has realized. It had been advised that the term “emergency” might be interpreted to mean that there was an emergency because Markham was not doing enough. Markham Council would not agree with that, and as a result, the declaration might not win the support of Markham Council.

Keeping this in mind, Christopher Ford opened discussion as to whether MEAC would wish to change the approach of the declaration. He suggested including a reaffirmation of the leadership that Markham Council and staff have shown via the many sustainability-related initiatives which have been implemented, but also including language to recognize that the earth now faces a climate crisis, with the word “emergency” excluded.

It was

Moved by Martin Bush  
 Seconded by Frank Vignando

That the Markham Environmental Advisory Committee (MEAC) retain the phrase “climate emergency” in the declaration.

CARRIED

Chair Christopher Ford will share the working copy of the declaration with Committee members so they might provide input. The final draft will be sent to Committee members so that it can be discussed and finalized at the next meeting. Then, the finalized draft declaration will be sent to the Environmental Issues Committee chaired by Regional Councillor Joe Li, so the two committees might coordinate this initiative. It is hoped the declaration would be presented to Council in April; this would coincide with Earth Day events and also give the committees additional time to increase support for the declaration. In the interim, Committee members will continue to speak with individual Council members about the declaration.

#### **D. PLANNING FOR MARKHAM EARTH DAY 2020**

For the benefit of new members and guests, Jacqueline Tung provided an overview of past Earth Day events and suggested that this year Markham and MEAC would try a different format with two small events and one larger event.

The two smaller events were envisaged as:

- Sustainability blitz to be held on April 18 from 10 AM – 2 PM at five Markham Community Centres; it is hoped that 2 MEAC members could attend at one of the Community Centres to share simple ways families can contribute to Sustainability achievements and also to get ideas from residents about what initiatives Markham should focus on. Jacqueline Tung advised that she is working with Corporate Communications to produce a sign depicting a “honeycomb” of MEAC achievements.
- Park Clean Up to be held on April 25 from either 10 AM – 12 PM or 10 AM to 1 PM at Toogood Pond, in conjunction with Markham Public Libraries and Toronto Regional Conservation Authority (TRCA); Jacqueline Tung advised that this was meant to be a family-friendly event with family-oriented films and activities for children, such as a scavenger hunt.



The larger event was envisaged as an Eco-Market of sustainable vendors to be held on June 13 from 10 AM to 4 PM; the venue has not yet been determined. It is thought that there could be from 10 – 20 vendors, including local farmers, and featuring among others, Zero Waste products, local produce, and electric vehicles for demonstration purposes. Jacqueline Tung plans a sign showing Markham's green initiatives and why Markham is a leader in environmental matters.

The Committee discussed possible themes and agreed on the theme: Climate Action.

It was

Moved by     Natasha Welch  
 Seconded by   Kevin Boon

That the Markham Environmental Advisory Committee (MEAC) adopt the theme "Climate Action".

CARRIED

It was

Moved by     Morgan Davies  
 Seconded by   Nadine Pinto

That the Markham Environmental Advisory Committee (MEAC) plan two small events and one large event to be held in Spring 2020 to celebrate Earth Day.

CARRIED

In response to questions from the committee, it was reported that the Cornell Residents Association will host an Earth Hour event.

Chair Christopher Ford will advise when the Earth Day subcommittee will meet next.

## 6. OTHER BUSINESS

- Chair Christopher Ford reported back on discussions from the Earth Day subcommittee on the topic of creating a social media account for the committee in order to promote events to younger people and increase their engagement in environmental matters. Student James Tang discussed the benefits of using social media to engage with residents, in particular youth. Jacqueline Tung advised that it would be possible to have such an account but that it would not be supported by the City.

It was

Moved by     Natasha Welch

Seconded by   Kevin Boon

That the Markham Environmental Advisory Committee (MEAC) support acquiring a social media account.

CARRIED

- Markham Review produces an article for Earth Day; last year Karl Lyew and Kevin Boon provided comments. Committee members were asked to consider providing comments this year. Christopher Ford advised that he would make himself available for this interview.
- To honour the victims of the Ukraine International Airlines Flight PS752, four of whom were residents of Markham, Committee members were asked to consider signing books of condolences located in the Great Hall at the Markham Civic Centre.

## **7. NEXT MEETING**

The next meeting of the Markham Environmental Advisory Committee will be held on Thursday, February 20, 2019 at 7:00 p.m., in the Ontario Room, Markham Civic Centre.

## **8. ADJOURNMENT**

It was

Moved by     Karl Lyew

Seconded by   Martin Bush

That the Markham Environmental Advisory Committee adjourn at 9:00 PM.

CARRIED



**MARKHAM-MILLIKEN CHILDREN'S FESTIVAL COMMITTEE**

**February 5<sup>th</sup>, 2020**

**Markham Civic Centre – Canada Room**

**5:30pm**

**Attendance**

**Members:**

Councillor Amanda Collucci  
Councillor Isa Lee  
Councillor Khalid Usman  
Jim Motton  
Tasha Shahamat-Manesh  
Sunil Channan  
Prem Kapur  
Phoebe Ho

**Staff:**

Rebecca Cotter, Communications  
Trinela Cane, Commissioner of Corporate Services  
Veronica Siu, Finance  
Emma Girard, Communications  
Renee Zhang, Communications  
Jing Yu, Corporate Communication Representative  
Anthony Ierulli, Aaniin Community Centre  
Ragavan Paranchothy, Communications  
Andrea Berry, Communications  
Stephanie Bagnarol, Communications  
Bryan Gracan, Operations

**Regrets:**

Jermiah Vuejaratnam  
Melissa Nicholas  
Diana Mousavi  
Michael Blackburn  
Farwa Jafri  
Brieanna Gabbard, Recreation  
Kitty Leung  
Chelsea Wang  
Chelliah Killivalavan  
Quiddie Cheung  
Rabiah Usman  
Michael Freethy  
Brieanna Gabbard, Recreation

**The meeting of the Markham-Milliken Children's Festival Committee convened at 5:30 pm with Councillor Lee presiding as Chair.**

**1. Adoption of the amended Minutes of October 23<sup>rd</sup>, 2019 meeting of the Markham-Milliken Children's Festival Committee.**

Moved By: Sunil Channan

Seconded By: Jim Motton

That the Minutes of the October 23<sup>rd</sup>, 2019 meeting of the Markham-Milliken Children's Festival Committee be amended and adopted.

Carried.

**2. PLANNING FOR MARKHAM MILLIKEN CHILDRENS FESTIVAL 2020**

**A) 2020 Event Details**

- The event will take place on Saturday August 22, 2020, from 10 AM- 7 PM at the Aaniin Community Centre.

**B) Budget**

**1. Ticket Sales**

Veronica Siu

- Veronica Siu informed the committee that the 2019 actual and commitment expenses were \$63,393.45. Veronica explained that the increase in expenses in 2019, compared to 2018, is primarily due to more spending on marketing, signage and photography. The total revenue for the 2019 Children's festival was \$95,170.00. She noted that a large portion of 2019 revenue was due to the Tim Horton's advertising deal.
- Veronica Siu will create a new column for the 2020 budget based on the 2019 actuals.
- Wristbands:
  - In 2019, the early bird price for tickets were set at \$12 and ticket prices the day of were \$10.
  - For 2020, the committee determined that tickets the day of the event will be \$13, and early bird prices will be set at \$9.
  - Target wristband sales date is Monday, June 1, 2020
  - Wristbands will be sold at Community Centres

**C) Sponsorship**

- Emma Girad addressed the committee that any potential sponsors interested in sponsoring the 2020 Children's festival are to be passed onto Michael Freethy.
- 2020 is the last year of a three-year sponsorship contract with Tim Horton's however, a potential extension is currently being discussed.

## D) Entertainment

## 1. Main Stage – indoors

- Ragavan asked for interested committee members to join the Entertainment Subcommittee > Jim, Councillor Collucci, Councillor Usman, Prem indicated interest
- Ragavan will work with Tasha to schedule the meeting date for the subcommittee
- Andrea Berry encouraged committee members to communicate with Michael Freethy so sponsors will know which entertainers will be present.

## 2. Fun Under the Gazebo – outdoors

## 3. Staging/AV

## E) Programming

## 1. Inflatables

- 2019 inflatables order in on hold for 2020
- Renee Zhang is working with inflatables supplier to determine new options for 2020; discussion about Zipline
- Renee will provide to the committee a proposal for enhancements to inflatables for 2020, to include or remove zipline
- Trinela Cane mentioned that last year the zip line was very popular however, due to the long lines it may have deterred some people from using the ride.
  - Jim Motton mentioned hiring additional entertainment to occupy guests while they wait in line.

## 2. Kids Activities

- All committee members were encouraged to continue exploring possible activities for children, i.e. games and company/sponsor activations.
- Jing Yu will connect with Quiddie to determine returning kids activities and look at new options

## 3. Community Activities

- Stephanie Bagnarol of the Special Events Team was introduced to the Committee.
- Jim Motton indicated Unionville Montessori Robotics Club

## 4. Vendor and City Booths

- Jing Yu stated that non-profit vendor booths will cost \$200.00 and for profit will cost \$400.00, register forms for booth sign up will be available online next week.

## 5. Food Vendor/Trucks

## F. New Ideas

- Stephanie Bagnarol has been investigating new entertainment options, which include:
  - Silent Disco Option – Attendees have headphones and listen to a DJ, or two DJ's, attendees can vote for their favorite.
  - Foam Pit – Foam machine will create an area where kids can play in foam.

## Markham-Milliken Children's Festival Committee

February 5<sup>th</sup>, 2020

- Presented opportunity to add 'inclusive' programming to children/youth at different skills levels – option: Volt Hockey Program

## F) Operations

## 1. Aaniin C.C

- Anthony Ierulli, from Aaniin Community Centre informed the committee that the Aaniin Community Centre is booked for the prospective festival date.
- Anthony will speak with Seniors Café in Aaniin CC to determine whether they will be open to sell coffee/snacks

## 2. Road Closure, Parking and Shuttle

- Bryan Gracan from Operations will assist the committee in road closure, parking and shuttle service this year. Based on the 2019 event, there is no anticipated changes to traffic flows, fenced-off areas and road closures.
- Rebecca Cotter will re-engage the same fencing supplier from last year.

## 3. Logistics (Fencing, Washroom, Security)

- Renee Zhang is continuing to work on logistics and will begin communicating with vendors and suppliers from last year, she will update the committee as information becomes available.

## G) Volunteers

## 1. Recruitment &amp; Training

- Last year there was approximately 70 volunteers, one issue that arose was that with a high quantity of volunteers it becomes difficult to ensure each member is contributing.
- Each volunteer is required to undergo a Vulnerable Sector Check.
- The data base of 2019 volunteers will be used to reach out to volunteers for 2020.
- August – Volunteer Training Session date TBD – to be confirmed @ March meeting.
- 

## H) Communications &amp; Promotions

## 1. Website/Social Media

- The 2020 festival website is live
- Website will be continuously updated as new information becomes finalized.

## 2. Promotions &amp; Signage

- Councillor Usman mentioned that there should be signage throughout Aaniin Community Centre, to increase community knowledge and help boost advanced ticket sales.
  - The committee will look into signage options.
- Councillor Usman committed to providing 8 nimlock signs to be used for "Save The Date" signage in community centres in all 8 wards

## Markham-Milliken Children's Festival Committee

February 5<sup>th</sup>, 2020

- Pamphlets will also be provided to local schools prior to the end of the school year.
- Committee requested a monthly schedule/calendar of communications initiatives

### 3. OTHER BUSINESS

### 4. FUTURE MEETINGS

The next meeting of the Markham-Milliken Children's Festival will be held as follows:

Recurring first Wednesday of each month at 5:30 pm.

- Wednesday March 4, 2020 – 5:30pm – 7:30pm
- Wednesday April 8, 2020 – 5:30pm – 7:00pm
- Wednesday May 6, 2020 – 5:30pm – 7:30pm
- Wednesday June 3, 2020 – 5:30pm – 7:30pm
- Wednesday July 8, 2020 – 5:30pm – 7:30pm
- Wednesday August 5, 2020 – 5:30pm – 7:30pm
- August – Volunteer Training Session TBD - to be confirmed @ March meeting.
- August – Meeting 2 - Potential

### 5. Adjournment

The Markham-Milliken Children's Festival Committee be adjourned at 7:15 pm.



**Markham Train Station Community Centre  
Board of Management Meeting.  
Minutes – November 14, 2019.**

**Present:** Dianne More, Kugan Subramaniam, Ken Rudy, Allan Stevenson (Station Master), Adriano Tabucco (City of Markham), Andrew Fuyarchuk, Linaire Armstrong, Karen Rea (Ward 4 Councillor).

**Guests:** Wayne Moss, Serena Etcheverry, Ina Armstrong.

**Regrets:** Mari Lin Van Zetten, Kathy Hardy, Annette Ali, Sency Gomes, Donna Wigmore.

**Minutes:**

**Action:**

**Called to Order 7:08 PM:** By Dianne.

**Quorum:** Yes.

1. **Approval of Agenda:** Motion to approve as amended by Linaire, seconded by Andrew. Carried.
2. **Approval of Minutes:** held October 10, 2019, as amended, moved by Andrew, seconded by Linaire. Carried.
3. **Business Arising:** No Business Arising.
4. **Station Management – Allan Stevenson**

<b>4.1 Total rent collected in October</b>	<b>\$2707</b>	<b>YTD 2019</b>	<b>\$21877</b>
		<b>YTD 2018</b>	<b>23195</b>

**Breakdown of rent collected:**

JKA	\$800	Karate	Regular renter
Gail Sauer	440	Meetings	Regular renter
Jordan Chong	169	Yoga	Regular renter
Amy Chung	135	Shower	Referral
Stacy Floros	464	Birthday	Regular renter
Anne Ison	134	Birthday	Previous renter
Atiq Rahman	27	Birthday	Previous renter
Tiffany Cedeno	227	Birthday	Referral
Nadia Persaud	174	Birthday	Previous renter
Diane Leighton	15	Party	Previous renter
Leo Sgovio	122	Meeting	Previous renter

20 Tentative bookings                      November 5, December 10, January 3, February 1, May 1.

32 Telephone calls                      Previous renters 5, Web 5, Referrals 17, No return call 5.

A portion of JKA rent will be reversed in November, as cleaners strike at regular school rental facility averted. Use of station therefore not required.

**5. Station Management & Improvements: 5.1 Meeting with Sameem, Jason, Asset Dept. – November 11, 2019. Markham Train Station. See Addendum.**

Jason Ramsaran (Facility Asset Coordinator) Maintenance – Markham Train Station.  
905-477-7000 Ext 3526. (416-723-6649)  
jramsaran@markham.ca

Jason is a Facility Asset Coordinator for the City of Markham. (Sustainability & Asset Management-Maintenance)

Sameem will continue to look after Capital Expenditures (Budget Items)

**6. New Business: 6.1 Improvement projects- 2019/2020.** To be reviewed with Asset Department City of Markham to have the windows and new cupboard in Mingay Room done before the Ontario Heritage Conference June 2020. Also 2020 is the 150 anniversary of the Markham Train Station. On going.

**7. Adjournment: Motion to adjourn moved by Linaire, seconded by Andrew: Carried 7:35 PM.**

**Next Meetings: Thursday January 9, 2020.**

**Addendum:**

**Markham Train Station Meeting: Sameem, Jason, Ken. November 11, 2019.**

**1. Maintenance:**

- Tap men's wash room dripping, Doors – Emery Room hard to close, - Lights flicker on Dimmer switch – Emery Room.

- 2. Repairs: Paint peeling exterior SE corner. Shingles blowing off the roof. Door Mingay Room South needs repair. Maintenance Room crawl space still wet from flood in spring. Maintenance Room needs clean up and painting. Vestibule – repair of the walls from the water heater leak, not done.**
- 3. Exterior Wall SW corner platform denotation of package Dec. 30, 2018 not repaired.**
- 4. Capital Expenditures:**

**Flooring Hardwood Year 2020. \$27,000.**

**Windows Mingay Room and hallway. GO office storms are up, windows need reglazing.**

**Cupboard and counter Mingay Room.**

**Interior Painting – 2022.**

**Washrooms – 2021.**

**Markham Train Station Community Centre  
Board of Management Meeting.  
Minutes – January 9, 2020.**

**Present:** Dianne More, Kugan Subramaniam, Ken Rudy, Allan Stevenson (Station Master), Adriano Tabucco (City of Markham), Linaire Armstrong, Donna Wigmore.

**Guests:** Wayne Moss, Ina Armstrong.

**Regrets:** Mari Lin Van Zetten, Kathy Hardy, Annette Ali, Sency Gomes, Karen Rea (Ward 4 Councillor). , Andrew Fuyarchuk, Serena Etcheverry

**Minutes:**

**Action:**

**Called to Order 7:09 PM:** By Dianne.

**Quorum:** Yes.

1. **Approval of Agenda:** Motion to approve as amended by Donna, seconded by Kugan. Carried.
2. **Approval of Minutes:** held November 14, 2019, as amended, moved by Kugan, seconded by Donna. Carried.
3. **Business Arising:** No Business Arising.
4. **Station Management – Allan Stevenson**

<b>4.1 Total rent collected in November, 2019</b>	<b>\$3337</b>	<b>YTD 2019 \$25215</b>
		<b>YTD 2018 \$25944</b>

**Breakdown of rent collected:**

JKA	\$480	Karate	Regular renter
Gail Sauer	196	Meeting	Regular renter
Jordan Chong	136	Yoga	Regular renter
Laura Romanese	413	Shower	Web
Stephanie Macmillan	175	Shower	Previous renter
Benny Chu	135	Party	Referral
Linda McIntosh	144	Art show	Referral
Bernadette Bravo	175	Party	Previous renter
Stu Hawkins	54	Party	Previous renter
Jennifer Cvetkovski	472	Xmas market	Referral
Elizabeth Pepe	332	Party	Referral
Jennifer Tryon	182	Workshop	Referral
Emil Gnanapragasam	443	Birthday	Web

21 Tentative bookings                      December 8, January 6, February 4, March 3.

29 Telephone calls                      Previous renters 2, Web 8, Referrals 16, No return call 3.

<b>4.2 Total rent collected in December</b>	<b>\$1339</b>	<b>YTD 2019 \$26554</b>
		<b>YTD 2018 \$28445</b>

**2019 - \$1891X (See recap)****Breakdown of rent collected:**

JKA	\$384	Karate	Regular renter
Kimberley Tang	227	Shower	Web
Carrie Brookes	135	Party	Previous renter
Teresa Mo	15	Shower	City staff
Kimberly Budd	135	Shower	Web
Marie Crouch	135	Birthday	Referral
Jordan Chung	135	Yoga	Regular renter
Pauline Barnard	173	Party	Previous renter

14 Tentative bookings January 6, February 4, March 3, April 1.

12 Telephone calls Previous renters 4, Web 2, Referrals 4, No return call 2.

**4.3 Recap 2018 vs 2019:** See addendum 1.

**5. Station Management & Improvements: 5.1** Ken, Storm window broken December 23, 2019 east side by door. Cost to repair: With tempered glass: \$210 plus HST= \$237.30.

**5.2 Crawl space still wet:** Contact Asset Management for solution. **Ken**

**5.3 Hardwood Flooring:** To be reviewed at MVC Meeting, Whitepine quote \$4900.00 plus HST (\$5537.00) for refinishing.

**5.4 Repairs:** Vestibule wall repair, completed by City, not up to standard. Tap men's wash room repaired. Doors and dimmer switch Emery Room repaired.

**5.5 Exterior Wall SW corner platform denotation of package Dec. 30, 2018 - repaired.**

**6. New Business: 6.1 Erika Stevenson's Mother:** passed away in December. Condolences to Erika and Allan. Flowers to be sent, recommend Kates Garden. **Ken**

**7. Adjournment:** Motion to adjourn moved by Donna, seconded by Kugan: Carried 7:25 PM.

**Next Meetings:** Thursday February 13, 2020.

**Addendum 1.****Markham Village Conservancy / Markham Train Station**

<b>2018</b>	<b>2019</b>
<b>Rental Revenue: \$28445.00.</b>	<b>\$26554.00.</b>
<b>Expenses:</b>	
<b>Rental –Bfl Ins/Socan - \$4342.59</b>	<b>\$3825.85</b>
<b>Stationmaster Draw - \$5400.00</b>	<b>\$5400.00</b>
<b>Bell Telephone - \$1183.04</b>	<b>\$971.49</b>

Insurance MVC -	\$905.04	\$905.04
Accounting MVC -	\$1412.50	\$1469.00
Website -	\$161.92	\$153.31
Plaque Program -	\$11503.86	\$82.55
Christmas-	\$671.50	\$475.66
Misc. -	\$843.00	\$2461.96
Capital Expenditures-	\$7803.06	\$7186.80
Total -	\$34226.51	\$22931.66
	\$5781.51 X	\$3622.34 +

#### Capital Expenditures-

Tables	\$1459.06	
Windows	\$6001.43	\$7186.80
Software	\$342.57	

#### Addendum 2.

Markham Train Station Meeting: Sameem, Jason, Ken. November 11, 2019.

##### 1. Maintenance:

- Tap men's wash room dripping, Doors – Emery Room hard to close, - Lights flicker on Dimmer switch – Emery Room.

2. Repairs: Paint peeling exterior SE corner. Shingles blowing off the roof. Door Mingay Room South needs repair. Maintenance Room crawl space still wet from flood in spring. Maintenance Room needs clean up and painting. Vestibule – repair of the walls from the water heater leak, not done.
3. Exterior Wall SW corner platform denotation of package Dec. 30, 2018 not repaired.
4. Capital Expenditures:

Flooring Hardwood Year 2020. \$27,000.

Windows Mingay Room and hallway. GO office storms are up, windows need reglazing.

Cupboard and counter Mingay Room.

Interior Painting – 2022.

Washrooms – 2021.





**RACE RELATIONS COMMITTEE FOR THE CITY OF MARKHAM**  
**Ontario Room, Markham Civic Centre**  
**January 13, 2020**

**MINUTES**

<p><b>Attendance:</b>  <u>Committee</u>          Andrew Yu, Chair          Darius Sookrum          Edward Choi          Faiz Mohyuddin          Hamza Sivanathan          Harmony Law          Suat Kenar          Sujane Kandasamy          Councillor Isa Lee</p> <p><u>Staff</u>          Anna Lee, <i>Committee Co-ordinator</i></p>	<p><u>Regrets</u>          Arul Rajasingam          Devendra Mishra          Herleen Sayal          Mohamad Mtairek          Nayani Nandakumar          Sabat Ismail          Surinder Razdan</p> <p><u>Staff</u>          Cheryl McConney-Wilson, <i>Diversity Specialist</i></p>
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The Race Relations Committee convened at 7:00 PM with Andrew Yu presiding as Chair.

**1. Chair's Opening Remarks**

Chair Andrew Yu began the meeting by reading the City of Markham Indigenous Land Acknowledgement.

**2. Adoption of the Agenda**

No changes or additions.

Moved by Darius Sookrum  
 Seconded by Faiz Mohyuddin

Carried

**3. Adoption of the Minutes of the meeting of the Markham Race Relations Committee held on November 4, 2019 and December 2, 2019.**

Moved by Faiz Mohyuddin  
 Seconded by Harmony Law

Carried



#### 4. Markham Human Resources Update

- **Terms of Reference**

- Councillors are currently reviewing the proposed Terms of Reference. Adoption by Council is the last stage and the committee will continue as is until this occurs. Cheryl McConney-Wilson and Andrew Yu have been fielding any questions Councillor may have. The Councillors are also reviewing the committee name and if it needs to be changed to broaden and afford more flexibility of the scope of the committee. The Terms of Reference will be included in a future General Committee Meeting Agenda.

#### 5. Race Relations Business

- **Human Rights Day**

- The event, content and presentation went well. Attendance was lower than expected due to the lack of promotion as there was not enough time to work with Corporate Communications to publicize the event. For 2020, the plan is to have finalized plans by June, work on the event over the summer, and reach out to the school boards in September.
- Going forward, Human Rights Day will be for older students and the wider Markham community while Many Faces of Markham will be focused on kindergarteners and elementary school children.
- For Human Rights Day 2020, in addition to one or two keynote speakers, the plan is to have several NGO's each present a short summary of their ongoing projects and the work they do. As well, they will each have a table to present their materials and promote their cause. As high school students will be present, this is a great opportunity to educate them and gain interest in the younger generations. The flag raising ceremony will be held during the day for City staff and the event with speakers will be held during the evening for better attendance by the community.

- **Many Faces of Markham**

- We will be asking Becky Big Canoe, the presenter and host for Human Rights Day 2019, to partake in Many Faces of Markham 2020 as a storyteller. Bringing an Indigenous element to the event, children can connect with the Indigenous community and learn traditional values through storytelling. The RRC will share the Many Faces of Markham theme with Becky and she can share the best-fitting stories and execute appropriately to follow the direction of the theme.
- The event will be focused and geared towards elementary school children – ages ranging from kindergarten to grade 8.
- We will be looking for an Emcee that is experienced in presenting and working with children to host the event. The City staff are currently reaching out to potential Emcees. This will allow the RRC members to be present and have presence at the RRC table.
- The event will be held on April 19<sup>th</sup>, 2020. The submissions deadline is March 13<sup>th</sup>, 2020 and the judging will be on March 15<sup>th</sup>, 2020. We are currently in the first phase to call for submissions through the various school boards, private schools and parents. We are engaging the school boards early enough to the event timelines and deadlines. The second phase is marketing, promoting and publicizing the event for attendance.
- The York Catholic District School Board has received and approved the package. City staff will be sending the packages to all the schools. The York Region District

Race Relations Committee

January 13, 2020

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School Board has yet to approve the package. Once it is approved, it will be sent to the schools. Andrew Yu will email the RRC about Many Faces of Markham meetings that occur with City staff during the weekdays.

- The event will be going online on the City's website. The content has been prepared and Corporate Communications is finalizing the format for the website. Once the website goes live, Andrew will send the RRC members the PDF version of the poster. The RRC members are free to share the poster and engage in work of mouth promotions. Andrew will also send the RRC members the package that is sent to school boards.
- The Council Chambers Great Hall has been secured for the event; however, the City staff is also looking at the Cornell Community Centre Rehearsal Hall for availability. The Rehearsal Hall allows for setup flexibility for presentations and performances, unlike the Great Hall.
- Press Releases and other official promotional messages will be sent for Many Faces of Markham by Corporate Communications.
- Human Rights Day and Many Faces of Markham will be the 2 annual events organized by the RRC. RRC can concentrate on these 2 events and do them well, as per the size of the committee. This allows the RRC to have the capacity and flexibility to manage other issues and situations that may arise. We will support, attend and participate in events organized by Markham community groups when invited to do so, to the best of our ability.
- Going forward, we will have a model and timeline to be able to work with Corporate Communications to promote and publicize our events, such as Human Rights Day and Many Faces of Markham. We need to go through the proper channels when working with Corporate Communications. RRC will ask Cheryl to follow-up to ensure the committee is following the proper processes; if there are written guidelines and procedures that can be accessed.
- The committee will also look into creating an internal document with workflows and tracking systems containing the data and information.

## **6. New Business**

None.

## **7. Next Meeting Date**

The next meeting of the Race Relations Committee will be held on Monday, February 3, 2020 at 7:00 PM in the Ontario Room.

## **8. Adjournment**

The Race Relations Committee adjourned at 8:45 PM.

Moved by Edward Choi

Seconded by Darius Sookrum

Carried



**RACE RELATIONS COMMITTEE FOR THE CITY OF MARKHAM**  
**Ontario Room, Markham Civic Centre**  
**February 3, 2020**

**MINUTES**

<p><b><u>Attendance:</u></b>  <u>Committee</u>          Andrew Yu, Chair          Edward Choi          Harmony Law          Mohamad Mtairek          Nayani Nandakumar          Sabat Ismail          Suat Kenar          Sujane Kandasamy          Councillor Isa Lee</p> <p><u>Staff</u>          Anna Lee, <i>Committee Coordinator</i>          Cheryl McConney-Wilson, <i>Diversity Specialist</i>          Sonia Singh, <i>Emergency Preparedness Coordinator</i></p>	<p><u>Regrets</u>          Darius Sookrum          Faiz Mohyuddin          Arul Rajasingam          Devendra Mishra          Herleen Sayal          Surinder Razdan</p>
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The Race Relations Committee convened at 7:00 PM with Andrew Yu presiding as Chair.

**1. Chair's Opening Remarks**

Chair Andrew Yu began the meeting by reading the City of Markham Indigenous Land Acknowledgement.

Chair Andrew Yu attended City Council's General Committee meeting the morning of February 3, 2020, during which two motions of the Race Relations Committee, passed as recommendations to Council on November 4, 2019, were considered. He reported the following:

Regarding the motion on Quebec's Bill 21 - The General Committee endorsed this recommendation.

Regarding the motion on Markham's Community Flag Raising and Flag Protocol Policy - In response to a question from the General Committee, the City Clerk advised that staff considers "groups, organizations, or events that promote beliefs contrary to any other City policy", as mentioned in the proposed Revised Community Flag Raising and Flag Protocol Policy, to include "groups, organizations, or events that incite and promote hatred, violence and/or other forms of discrimination", in accordance with the principles enshrined in the

Race Relations Committee

February 3, 2020

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Canadian Charter of Rights and Freedoms. Based on this advice, the General Committee received the Race Relations Committee's recommendation for information.

## **2. Adoption of the Agenda**

No changes or additions.

Moved by Sujane Kandasmy

Seconded by Suat Kenar

Carried

## **3. Adoption of the Minutes of the meeting of the Markham Race Relations Committee held on January 13, 2020.**

Moved by Councillor Isa Lee

Seconded by Nayani Nandakumar

Carried

## **4. Markham Human Resources Update**

None.

## **5. Race Relations Business**

### **• Many Faces of Markham**

- There will be a meeting with Corporate Communications at 1PM on Thursday, February 6<sup>th</sup>, 2020 at the Markham Civic Centre. If you would like to attend, please let Andrew Yu know, and your name will be put on the attendee list.
- Judging of submissions will be on March 15<sup>th</sup>, 2020 at the Markham Civic Centre. Please do your best to attend the judging as there are always a lot of submissions and to have diverse perspectives and options. Performance auditions and last rehearsals will be on March 28<sup>th</sup>, 2020. The performances will be by schools and community organizations. The rehearsals are important to ensure that the space is adequate for the performance.
- We are working with schools and reaching out to the community and parents through the City of Markham's promotional channels. Packages have been sent out to school principals, but due to the labour actions and Coronavirus, there are disruptions in communicating with the schools. The City Clerks are reaching out directly to the schools and looking at contacting the school trustees, as well. The event is to be promoted through the City of Markham's social media to engage students and parents, as well as in the local newspaper. We are inviting all of the Markham Council to attend the event.
- The event will be held in the afternoon and for a shorter amount of time as the focus is on elementary school aged students. As there are only 2 events the RRC is holding, we no longer have any subcommittees; we ask that everyone volunteer before and during the event.

## **6. New Business**

### **• 2019 Novel Coronavirus (2019-nCoV)**

## Race Relations Committee

February 3, 2020

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- Sonia Singh, Emergency Preparedness Coordinator for the City of Markham, has joined the meeting to discuss the current situation. Sonia is in charge of emergency planning for the city, for example, storms, environmental situations, etc. to ensure the city can function and handle the emergency that arises. This includes ensuring that roads are cleared, there is communications and that residents are safe. The City of Markham's emergency management program is legislated, and the City of Markham staff is trained annually.
- For situations such as the Coronavirus, the York Region Public Health Department are the experts and in charge of handling it. As a municipality, the City of Markham is in constant contact with them for clear communications. Communication is key when it comes to any type of emergency. The City of Markham provides information to the staff and residents as soon as it is received from York Region Public Health.
- Currently, there are only about 100 cases in the world, outside of China, and there have been more deaths because of influenza than the coronavirus. Those who have pre-existing illnesses or are immunocompromised are ones that are vulnerable, everyone else has been able to recover. The virus is droplet spread – coughing. As of now, the incubation period is thought to be about 14 days, and as a precaution, those suspected of possibly having the virus are quarantined for 14 days. The best practice is to ensure hands are washed and sanitized. Masks are not recommended as they are to protect the ill from infecting others rather than preventing an individual from receiving infections from others. There is no vaccine for this, yet, and it make take up to a year to have one.
- This is a new virus and due to the media's focus, there has been a lot of attention on the coronavirus. There is a criterion for if you will be tested for the virus and two tests are run independently in Ontario and one in Winnipeg for confirmation. At this time, there are 3 confirmed cases in Ontario, and there are 29 cases being investigated. It is recommended that you only go to vetted and validated sites for information, such as Public Health websites. The risk is very low and the City is trying to educate the community of this. There are York Region Public Health pamphlets are multiple languages with information pertaining to the coronavirus.
- The coronavirus has affected businesses due to the widespread fear of it, and the City of Markham is doing their best to educate the community that they do not need to be afraid.
- The Chinese Restaurants Association will be having a meeting to discuss how this has affected businesses in the community and solutions. Members of RRC are welcome to join the discussion.

**7. Next Meeting Date**

The next meeting of the Race Relations Committee will be held on Monday, March 2, 2020 at 7:00 PM in the Ontario Room.

**8. Adjournment**

The Race Relations Committee adjourned at 8:45 PM.

Moved by Edward Choi

Seconded by Mohamad Mtairek

Carried

# Seniors Advisory Committee

January 14, 2020

Canada Room

2:30 PM

## Attendance:

### Present:

#### Members

Gail Leet, Co-Chair, Diane Gabay, Co-Chair, Councillor Amanda Collucci, Councillor Keith Irish, Yash Kapur, George George, Patricia Anderson, Javaid Khan, Lily Liu, Anthony Ko, Arul Rajasingam, Satya Arora, Mithan Lal Kansal, Kirk McDonald, and Laila Jiwa

#### Staff

Mary Creighton, Portia Lee, Emma Girard, Jason Tsien, Ragavan Paranthoathy, and Laura Gold, Committee Clerk

### Regrets:

Alice Chao, and Richard Tu

Item	Discussion	Action
1. Call to Order	The Senior's Advisory convened at 2:30 PM with Gail Leet in the Chair.	

Item	Discussion	Action
<p><b>2. Carefirst Seniors and Community Services</b></p>	<p>Crystal Ng, Program Manager Carefirst Seniors and Community Services provided a presentation on their services.</p> <p>Some of the reasons Carefirst exists include: to fill service gaps in regards to providing services to seniors; to meet the unique needs of communities; to help seniors continue to live in their communities, and to provide senior services in one location.</p> <p><u>Discussion</u></p> <p>The following responses were provided to Committee inquiries:</p> <ul style="list-style-type: none"> <li>• Hoping to open up a new Carefirst Seniors and Community Services facility at Leslie and Major Mackenzie in Richmond Hill, which will provide all of its seniors services in one location;</li> <li>• Does not currently provide hospice services, but does provide overnight respite services for caregivers;</li> <li>• Some services are paid for by the client and others are partially paid for by the government, like respite overnight care;</li> <li>• Serves all communities;</li> <li>• Has a waiting list for most of its services;</li> <li>• Clients are assigned a Care Coordinator to help decide which services they need;</li> <li>• The language of the client is considered when assigning personal support workers;</li> <li>• Holds scheduled intergenerational activities from time to time;</li> <li>• Provide paid transitional care for seniors being released from the hospital;</li> </ul>	

Item	Discussion	Action
	<ul style="list-style-type: none"> <li>• There is typically no waiting list for transitional care services, as this is a paid service;</li> <li>• Clients hear about Carefirst Seniors and Community Services through hospitals and other agencies, like Link Support Services;</li> <li>• Clients also contact Carefirst Seniors and Community Services directly regarding their services.</li> </ul> <p>Committee suggested that Carefirst Seniors and Community Services consider opening a facility in Markham. It also recognized the need for more Senior's day programs in Markham, suggesting there may be an opportunity to provide this service at the Angus Glen Community Centre.</p> <p>Staff advised that space would need to be opened up at the Angus Glen Community Centre to provide this type of service. The Angus Glen Seniors Club would also need to be included in any discussion on this matter.</p> <p>It was noted that there are other organizations in York Region that provide Senior's programs, including day programs.</p>	
<b>3. Approval of the Minutes</b>	<p>The November 19, 2019 Senior's Advisory Committee Minutes were updated to reflect that the <b>Middlefield Senior's Wellness Club</b> raised funds that will be presented to the City for future Celebrate Markham seniors' initiatives.</p> <p><b>The Seniors Advisory Committee approved the November 19, 2019 Minutes as amended.</b></p>	



Item	Discussion	Action
<p><b>4. Amalgamation of HOF going forward- open discussion</b></p>	<p>Committee was advised that the Senior's Hall of Fame Awards Committee and the Senior's Advisory Committee have been amalgamated.</p> <p>Each Committee Member introduced themselves.</p> <p>A brief overview of the Senior's Hall of Fame Awards was provided to the Committee. The date for this year's event has already been set for October 1, 2020.</p> <p>The Committee was requested to think of possible keynote speakers for the 2020 Senior's Hall of Fame Award. Preferably a senior that lives and volunteers in Markham.</p> <p>A Member suggested asking last year's Senior's Hall of Fame Award winner to be the keynote speaker.</p> <p>Emma Girard, Communication Advisor was requested to update last year's nomination form and poster, check if the October 1, 2020 date has been confirmed with the Mayor's Office, and ensure the Council Chambers has been booked for the event.</p> <p>Emma Girard also agreed to share more information about the event at the next meeting.</p>	<p><b>Think of possible keynote speakers for the Senior's Hall of Fame Awards – All Committee Members</b></p> <p><b>Update the Senior's Hall of Fame Nomination Form and Poster – Emma Girard</b></p> <p><b>Check if October 1 has been confirmed with the Mayor's Office, as the 2020 Senior's Hall of Fame date - Emma Girard</b></p> <p><b>Confirm the Council Chambers has been booked for the 2020 Senior's Hall of Fame – Emma Girard</b></p>

Item	Discussion	Action
<p><b>5. Dates for the Fashion Show, Health Fair, and Senior's Hall of Fame Award Presentation</b></p>	<p><u>Senior's Health Fair</u></p> <p>The Committee agreed to hold the 2020 Senior's Health Fair on Thursday, November 5, 2020 from 10.00 am until 2.00 pm at the Aaniin Community Centre. Last year's event was very successful. There were 52 vendors and approximately 350 people that attended the fair.</p> <p><u>Fashion Show</u></p> <p>A fashion show is being planned to make seniors aware of other cultures and customs, and to organize a different type of an event for seniors. The goal is to have all Markham communities represented in the fashion show, including males. Amica is being asked to sponsor the event. The Committee suggested holding the fashion show on Thursday, June 11, 2020 Staff suggested holding the fashion show at the Cornell Community Centre in the community hall rather than at the Aaniin Community Centre, as it can only hold a maximum of 120 people.</p> <p>Other suggestions included:</p> <ul style="list-style-type: none"> <li>• Holding the fashion show at the Milliken Mills Arena, or at the Thornhill Community Centre;</li> <li>• Presenting accessible senior's fashion as part of the fashion show.</li> </ul> <p>Committee Members were asked to start spreading the word about the fashion show.</p>	<p><b>Book Aaniin Community Centre for the Health Fair – Portia Lee</b></p> <p><b>Book the Cornell Community Centre for the Fashion Show – Portia Lee</b></p> <p><b>Start spreading the news about the Fashion Show - Committee Members</b></p>

Item	Discussion	Action
<b>6. Markham Life – Corporate Communication - 2020</b>	<p>Emma Girard provided an update on the Senior's section of Markham Life. The next issue is being released on January 30, 2020. It includes an article on the 2019 Senior's Health Fair, and on an entertainment grant received by the Angus Glen Older Adult Club.</p> <p>Staff advised that it is a legal requirement under Accessibility for Ontarians with Disability Act (AODA) for the senior's section of Markham Life to be written in a larger font. This puts some limitations on the amount of content that can be included.</p> <p>The Committee asked if the senior's section of Markham Life could be extended to four pages in length to include more content, as it was this length in the past.</p> <p>The Committee was requested to provide ideas for the summer issue of Markham Life. The content for this issue needs to be finalized prior to the March break. Ideas for articles can be sent to the Co-Chairs.</p> <p>The following suggestions for content were made:</p> <ul style="list-style-type: none"> <li>• Promotion of the June 11 fashion show;</li> <li>• Information on social media classes provided by the City for seniors, possibly including feedback from past participants.</li> </ul>	<p><b>Provide ideas for the summer issue of Markham Life – All Committee Members</b></p>
<b>7. Business Cards – Diane Gabay</b>	<p>The Committee inquired if it can:</p> <p>1) Have generic business cards made for the Committee with the City's logo on the top;</p>	<p><b>Report back at the next meeting on the</b></p>

Item	Discussion	Action
	<p>2) Have a vertical banner to use at events.</p> <p>Emma Girard will look into the Committee's request regarding having business cards made for the Committee, noting the cards would need to be generic so that they can be reused. Event staff had a vertical banner created last year for the Senior's Advisory Committee, and for the Senior's Hall of Fame Awards. These banners can be borrowed and used at events, as required.</p> <p>The Committee asked that the vertical banners be brought to the next meeting for the Committee to view.</p>	<p><b>Committee's request to have business cards made – Emma Girard</b></p> <p><b>Bring the Senior's Advisory Committee and Senior's Hall of Fame banners to the next meeting for the Committee to view – Emma Girard</b></p>
<b>8. Mileage Allowance</b>	After some discussion, the Committee withdrew its request for a mileage allowance.	
<b>9. Next Meeting Date</b>	The next meeting of the Senior's Advisory Committee will be held on February 11, 2020 at 2:30 PM in the Ontario Room.	
<b>10. Adjournment</b>	The Senior's Advisory Committee adjourned at 4:30 PM.	

# Senior's Advisory Committee

## Minutes

### Milliken Boardroom

February 11, 2020

#### Attendance:

##### Present:

##### Members

Gail Leet (Chair), Diane Gabay (Vice-Chair), George George, Patricia Anderson, Javaid Khan, Lily Liu, Anthony Ko, Arul Ragasingam, Satya Arora, Alice Chao, Kirk Macdonald and Laila Jiwa

##### Staff

Emma Girard, Portia Lee, Jason Tsien, and Laura Gold

**Absent:** Councillor Amanda Collucci, and Councillor Keith Irish, Richard Tu, Mithan Lal Kansal, and Ragavan Paranchothy

Item	Discussion	Action
1. Call to Order	The Senior's Advisory Committee convened at 2:40 PM with Gail Leet in the Chair.	
2. AMICA Initiative - Home Concierge	<p>Sandra Taggart, Sales and Marketing Director, AMICA Senior Lifestyles spoke to the Committee about AMICA's Home Concierge program. The program helps seniors stay in their home by providing them with various types of services including:</p> <ul style="list-style-type: none"> <li>• A personal concierge who helps assist members navigate the healthcare system;</li> <li>• Home help &amp; assistance (e.g. grocery shopping, and meal preparation);</li> <li>• Deep cleaning of home (e.g. cleaning under the furniture, and thorough cleaning of the bathrooms);</li> <li>• Social &amp; wellness program.</li> </ul> <p>The minimum cost of the service cost is \$712 per month. Care assistance will soon be provided to the list of services provided (e.g. bathing assistance). Staff hired to provide these services go through an extensive screening process.</p> <p><b>Questions &amp; Answers</b></p> <p><i>Is government assistance provided to help pay for this service?</i></p>	

Item	Discussion	Action
	<p>Clients can get a tax credit for some of the services provided, but there is no direct government assistance for this program.</p> <p><i>Do you screen your clients?</i></p> <p>A consultation session with the client is held to ensure the program is a good fit for the client.</p> <p><i>After the consultation session, how long does it take to start receiving the service?</i></p> <p>Clients will start receiving the service very soon after the consultation session.</p> <p><i>Can clients try out the service?</i></p> <p>There is a 4-hour complimentary offer, and the first 30 days is a trial period.</p> <p><i>Can clients take advantage of AMICA's amenities?</i></p> <p>Yes, clients can take advantage of AMICA's amenities.</p> <p>A Member of the Committee recommend against AMICA providing online banking assistance.</p>	
<p><b>3. Approval of the Minutes</b></p>	<p><b>Committee Recommended:</b></p> <p><b>That the Minutes from the January 14, 2020, Senior's Advisory Committee be approved as presented.</b></p> <p style="text-align: right;"><b>Carried</b></p>	
<p><b>4. Senior's Hall of Fame Committee</b></p>	<p>Emma Girard provided a brief overview of the Senior's Hall of Fame event and circulated the 2020 draft poster and nomination form to the Committee. Only the picture and dates are being updated this year, as a comprehensive review of the nomination form and poster was conducted last year. The submission deadline for 2020 nominations will be September 4, 2020.</p> <p>The following edit was requested to be made to the poster:</p> <ul style="list-style-type: none"> <li>• Change "Pick up" to "Nomination Forms are available at".</li> </ul>	<p>Circulate nomination form and minutes with</p>

Item	Discussion	Action
	<p>The Clerk was requested to circulate the final version of the nomination form and poster with the meeting minutes by email.</p> <p>The City's Corporate Communications &amp; Community Engagement Department will start promoting nominations in various places, some of which include: the City page in the Markham Economist &amp; Sun, on website, through social media, at Community Centres and Libraries, and in Markham Life.</p> <p><b>Committee Recommended:</b></p> <p><b>That the Senior's Advisory Committee support making it a tradition to invite the Senior's Hall of Fame Award winner to speak at the following year's event.</b></p> <p style="text-align: right;"><b>Carried</b></p> <p>Based on this agreement, Bill Crothers will be invited to speak at the 2020 Senior's Hall of Fame Awards ceremony. If Bill is unable to speak at the event David Tsubouchi will be asked to speak.</p> <p><b>Committee Recommended:</b></p> <p><b>That the winners <u>not</u> be given a chance to provide a speech at this year's award ceremony, but that the winners have the opportunity to say thank for the award.</b></p> <p style="text-align: right;"><b>Carried</b></p>	<p>agenda – Laura Gold</p> <p>Emma to arrange and update at next meeting.</p>
<p><b>5. Fashion Show</b></p>	<p>Portia Lee and Gail Leet reported that the Fashion Show will be held on June 11, 2020 at the Thornhill Community Centre from 1-3:00 PM.</p> <p>Peppertree Klassics and AMICA are sponsoring the event. Peppertree Klassics will provide the models, and coordinate the fashion show. All models will be older adults.</p> <p>The Committee's assistance will be required on the day of the event.</p> <p>A Sub-Committee meeting will be held next week to discuss the fashion show.</p>	
<p><b>6. Health Fair</b></p>	<p>Portia Lee advised that the Health Fair will be held on November 5, 2020 from 10:00 AM -2:00 PM at the Aaniin</p>	

Item	Discussion	Action
	<p>Community Centre. The cost of having a booth at the fair will be \$35.</p> <p>Committee will begin working on the Health Fair more comprehensively when the fashion show is complete.</p>	
<b>7. Corporate Communications Update</b>	<p><u>Markham Life</u>          Emma Girard advised that in the past, the senior's section of Markham Life has included two free pages, and two paid pages (the cost of the paid pages has traditionally been \$700). If Committee wishes to pay for the additional two pages, staff will investigate this possibility, but cannot guarantee it. This is due to the requirement to increase the number of pages with advertising each time a page is added to the magazine.</p> <p><u>Website</u>          Emma Girard displayed the senior's page on the City's website, and advised that the Senior's Fashion Show, and Health and Wellness Fair will be added to the website. It was also noted that the Senior's Hall of Fame event will have its own vanity URL and added to the signature events section on the website</p> <p><b>Committee Recommended:</b></p> <p><b>That the vanity URL <a href="http://markham.ca/SeniorsHallOfFameAwards">markham.ca/SeniorsHallOfFameAwards</a> be approved for link to the Senior's Hall of Fame Award page on the City's website ; and,</b></p> <p><b>That Emma Girard update the City's website and report back at the next meeting.</b></p> <p>The Committee asked that any reference to the "Senior's Hall of Fame Award Committee" be removed from the website, as this Committee no longer exists.</p>	Portia Lee to investigate with Parks and rec
<b>8. Business Card Update</b>	Emma Girard advised that the City will proceed with creating business cards for the Committee. It is still being determined if the Markham logo will be included on the card.	
<b>9. New Business</b>	There was no new business.	
<b>10. Next Meeting Date</b>	The next meeting of the Seniors Advisory Committee will be held on March 10, 2020 in the Canada Room.	



MINUTES OF THE VICTORIA SQUARE COMMUNITY CENTRE

FEBRUARY 3, 2020

VICTORIA SQUARE COMMUNITY CENTRE

7:00PM

Attendance: Charlotte Frisby: Secretary/Treasurer/Temp. Chairperson, Desmond Ng, Paul Tiefenbach, Evan MacDonald, Jean McCron

Staff: Scott Hill; Recreational Dept., Kerry Wakefield, Melody Chan

Rental Agents: Mike Davis, Dawn Davis

REGRETS: Councillor Allan Ho, Ruth Brock Chairperson due to her passing away

Call to Order

The Victoria Square Community Centre Board convened at 7:00pm with Charlotte Frisby presiding as Temp. Chair.

Approval of Minutes of Last Meeting

Moved by Desmond Ng

Seconded by Paul Tiefenbach      Carried

Treasurer's Report

Jan 31, 2020   Bank Balance   \$40,93.50 + G.I.C.

Expenses owed to Charlotte Frisby for Invoices \$3507.08

G.I.C.   Balance   \$51,202.68

Moved by Desmond Ng

Seconded by Paul Tiefenbach      Carried

Electronic Contracts

Kerry Wakefield resending electronic contract to Dawn, so she can start using which was approved by the committee last meeting.

## Website

Desmond has updated pictures to gallery that Dawn provided.

## Old Sign

Evan gave an approximate price of \$2500-\$3000, plus \$1000 for electrical for new sign for building. The committee decided to table till a future time

Evan is going to be putting the email address and taking the telephone number off existing sign as all rentals go through the email not the telephone.

Moved by Desmond Ng

Seconded by Paul Tiefenbach

There will be future discussions on giving Mike and Dawn a business cell phone for emergency contact purposes for renters at the center.

## NEW BUSINESS

New Chairperson, Treasurer and Secretary to be assigned.

Kerry Wakefield presented the fact of a future development of a new recreational center being slated for approximately 2026, therefore stating that the City could start sooner than later to transition the take over of the center. This would take at least 6 months plus to put in place. This would still mean we could stay on as a Advisory Board.

Paul would like to see a transition proposal before proceeding with the City. This will be tabled till further information is provided.

Decided by the Board on February 3, 2020, the following positions have been filled by the following persons.

New Chairperson: Paul Tiefenbach

Treasurer: Evan MacDonald

Secretary: Desmond Ng

The above three people will have signing authority on all TD accounts. Evan being the initial signature and one other on cheques and or any other banking.

Once the changes have been made at the bank Charlotte Frisby will be reimbursed for bills paid by her for the center during the transition.

All emails which Ruth Brock was receiving will be redirected to one of the above persons that they should be allocated to in their position.

#### Scanner/Printer/Copier

Board gave approval that Charlotte Frisby can purchase a scanner/printer/copier for Dawn as it is necessary for her to do her job electronically.

#### Redirect Mail

Evan is making a mailbox with lock that will be attached to the wall underneath the awning at the front entrance of the building. The mail that Ruth Brock was receiving will be redirected electronically or to the center. Desmond will be contacting Canada Post to add the center's address to the mailing route once Evan has mailbox mounted.

#### Meter reading in center

Charlotte will be meeting with the person on February 10<sup>th</sup> and will get contact information and give it to Paul.

#### City Capital Items for 2020

Scott informed us the lighting, flooring and heating should be done this year. They will consult in 2021 about redoing both washroom which then won't be schedule to be done till 2022.

### Ruth Brock Memorial Service

As Ruth Brock's memorial service is going to be in the center, the committee decided to wave the rental fee for her years of voluntary services to the board.

Moved by Paul Tiefenbach

Seconded by Desmond Ng      Carried

### Christmas Bonus to Mike and Dawn Davis (Rental Agent)

With Ruth Brock's passing Christmas passed without giving a bonus to the above. The committee decided that because of the extra work that they have taken on for the last two months that we give them \$400.00 in gratitude for their efforts.

Moved by Paul Tiefenbach

Seconded by Desmond Ng      Carried

Next Meeting – Paul Tiefenbach, chairperson will contact the committee with a date.

Meeting Adjourned at 8:25pm

Moved by Desmond Ng

Seconded by Evan MacDonald



**Waste Diversion Committee  
November 19, 2019  
Council Chambers  
2:00 PM**

<p><b>Members</b> Regional Councillor Jack Heath Councillor Reid McAlpine Regional Councillor Joe Li Valerie Burke</p> <p><b>Guests</b> Deputy Mayor Don Hamilton Karl Lyew, MEAC Representative</p> <p><b>Regrets</b> Regional Councillor Joe Li Councilor Khalid Usman</p>	<p><b>Staff</b> Claudia Marsales, Senior Manager, Waste and Environmental Management Kimberley Dunsmoor, Community Outreach Assistant Sara Tam, Manager of Business Planning &amp; Innovation Juliana Aparicio, Diversion Programs Technician Angela Perry, Waste Operations Assistant Laura Gold, Council/Committee Coordinator</p>
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**1. Call to Order**

The Waste Diversion Committee convened at 2:20 PM with Regional Councillor Jack Heath in the Chair.

**2. Approve Meeting Minutes from October 2<sup>nd</sup>, 2019**

Moved by Deputy Mayor Don Hamilton

Seconded by Councillor Valerie Burke

That the Minutes from the November 19, 2019 Waste Diversion Committee be approved as presented.

Carried

**3. Review Next Steps for Single-use Plastics Program**

Committee discussed the next steps with respect to its declaration on single-use plastics. Staff were asked to report back to the General Committee with a staff report on the declaration. Committee suggested the following:

- That the staff report be brought forward in early 2020;
- That the Committee create a report to be included with the staff report;
- That the next steps be discussed in more detail at the next meeting;
- That City focus on reducing its single plastic use.

#### **4. “The Best of the Best 2” – Enhanced Promotion & Education**

##### ***Mission Green Newsletter***

Mission Green Newsletter will be mailed out to every household in Markham in December 2019. Residents will be educated on City’s textiles, blue box contamination, and recycling market.

Committee agreed that Markham should maintain its existing recycling program. Firstly, most residents go to Markham’s website to learn about the City’s recycling program rather than to York Region’s. Secondly, the City wants to encourage residents to recycle despite poor recycling markets and lower revenues. Thirdly, the Stewards will be taking over Ontario’s blue box program from the municipalities, and changing the program multiple times over a short period may frustrate residents, therefore the Committee does not recommend changing Markham’s acceptance list at this time. Lastly, maintaining the City’s comprehensive recycling program encourages the Stewards to include these items in their program. Committee agreed to maintain the City’s current recycling program, with the understanding that the York Region may see some of the items included in Markham’s recycling program as contaminants.

##### ***New Waste Management Software***

Kimberley Dunsmoor, Community Outreach Assistant displayed Durham Region’s Recollect web application as a sample of what the City’s web application will look like. The application will include the online waste collection schedule, the improved waste look-up tool, and an optimized mobile browser. Residents will be able to translate the web application into Chinese, Tamil, and French. York Region depots will be included on the listing of Markham depots residents can visit.

Committee suggested the following:

- Using more graphics and icons on the City’s portal (e.g. like having a graphic for clear bags); and,
- Continuing to refer to yard waste as “yard material”;

##### ***Mobile Signs***

Committee noted that the mobile signs being launched to educate residents on recycling contaminants should include both the Nope and the Yup items.

#### **5. “The Best of the Best 2” – White Goods Service Improvements**

Staff expressed their concern that fridges and freezers containing chlorofluorocarbons (CFCs) are being picked up by scavengers for metal scraps are not being managed properly. The Federal Government has strict regulations forbidding the venting of CFCs into the atmosphere to protect the ozone layer.

An educational program informing residents of the environmental risks scavenging appliances presents was proposed. Staff are also exploring passing a by-law that will ban the scavenging of appliances with significant fines for the violation.

Committee suggested exploring the possibility of paying the scavengers for bringing the appliances to Miller.

## **6. “The Best of the Best 2” – Super Mailbox Recycling**

Staff displayed the new recycling bins for the super mailboxes. The colour of the bins was changed to an aqua blue so that they can be easily differentiated and are harder to steal. The recycling from the super mailbox bins is mixed with the recycling collected from households at the transfer station.

Committee provided the following feedback:

- The bins should be deployed in all Wards;
- Put stickers on the bins not to put pet waste in the bins;
- Put “Property of Markham” stickers on the bins.

Committee noted that some of the older super mailboxes need to be beautified. The new super mailboxes were designed so that the sticker can easily be changed. In the previous Term of Council, the Public Realm Committee sent a letter to Canada Post requesting the beautification of the super mailboxes.

## **7. New Business**

### ***Composter Survey Results***

A composter survey was conducted in Markham Village to determine the possible link between the use of backyard composters and rat sightings. The survey results indicated that composters, fruit droppings from trees, and bird feeders could be contributing to rat sightings. Staff will be addressing this issue through a public education campaign, and as a property standards matter. The Property Standards By-Law will be amended to permit a property standards order to be issued to remove abandoned backyard composters.

Committee suggested that the best way to encourage residents to remove abandoned backyard composters is through educating them on the issue. The education should focus on wildlife control, rather than just on rodents.

Staff agreed to prepare an educational piece for the 2020 issue of the Mission Green Newsletter that will speak to wildlife control. The article will educate residents on how abandoned composters, fruit droppings from trees, and bird feeders can attract wildlife.

### ***High School Request for Students to Attend a Waste Diversion Committee Meeting***

Committee supported the request from a local high school for their students to attend a Waste Diversion Committee meeting, as an observer. Members suggested that the students be invited at a strategic time.

### ***Yellow Ties***

A Committee Member displayed a yellow single-use plastic tie used to tie newspapers, and other packages. The danger of the ties to pedestrians and wildlife was expressed.

## **8. Next Meeting Date**

The following items will be discussed at the next meeting:



Waste Diversion Committee

November 19, 2019

Page 4 of 4

- 1) Representatives from other Departments will speak to the Committee concerning their waste management practices and the Zero Waste policy
- 2) multi –residential waste management
- 3) Single-use plastics – next steps

At the following meeting, recycling at parks will be discussed.

**9. Adjournment**

The Waste Diversion Committee adjourned at 4:09 PM



Report to: General Committee

Meeting Date: April 20, 2020

**SUBJECT:** 2019 Year-End Results of Operations  
**PREPARED BY:** Sandra Skelcher, Senior Manager, Financial Planning and Reporting  
 Jay Pak, Senior Business Analyst

**RECOMMENDATION:**

1. That the report titled “2019 Year-End Review of Operations” be received; and,
2. That the City’s 2019 net favourable variance of \$3.04M be transferred to the Corporate Rate Stabilization Reserve; and further,
3. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**EXECUTIVE SUMMARY:**

Council approved the 2019 annual operating budget of \$395.09M on March 19, 2019 which includes the City’s primary operating budget, Planning & Design operating budget, Engineering operating budget, Building Standards operating budget and Waterworks operating budget.

This report provides an overview of the 2019 year-end operating results comparing actual to the annual operating budgets.

a) **Primary Operating Budget (Appendix 1)**  
 (Excludes Planning & Design, Engineering, Building Standards and Waterworks)

The 2019 operations resulted in a surplus of \$3.04M as shown below:

(\$ in millions)	<b><u>2019</u></b>		<b>Variance</b>	<b>% of</b>
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>fav./unfav.</u></b>	<b><u>Budget</u></b>
Revenues	\$234.33	\$232.90	\$1.43	100.6%
Expenses	<u>216.41</u>	<u>221.17</u>	<u>4.76</u>	97.8%
<b>Subtotal</b>	<b>\$17.92</b>	<b>\$11.73</b>	<b>\$6.19</b>	
Year-End Accounting Accruals & Other Adjustments	<u>3.09</u>	<u>1.69</u>	<u>(1.40)</u>	
<b>Surplus excluding winter maintenance</b>	<b>14.83</b>	<b>10.04</b>	<b>4.79</b>	
Winter Maintenance	<u>\$11.79</u>	<u>\$10.04</u>	<u>(\$1.75)</u>	
<b>Net surplus including winter maintenance</b>	<b><u>\$3.04</u></b>	<b><u>\$0.00</u></b>	<b><u>\$3.04</u></b>	

**City’s surplus excluding year-end accounting accruals and other adjustments and winter maintenance = Favourable variance \$6.19M**

The major variances are outlined in the chart below:

<b>Revenues</b>	<b>Fav. / (Unfav.)</b>		<b>Expenditures</b>	<b>Fav. / (Unfav.)</b>	
Property tax penalty and interest	\$0.65	M	Salaries & benefits	\$0.65	M
Tax Levies	\$0.37	M	Corporate contingency	\$2.57	M
Parking fines	\$0.27	M	Utilities and Streetlight hydro	\$1.26	M
Federal and Provincial grants	\$0.23	M	Contract service agreements	\$0.28	M
Utility permit fees	\$0.20	M	Maintenance & repairs	\$0.25	M
Payments in Lieu	\$0.16	M	Professional services/ training/ travel	\$0.21	M
Theatre, Art Centre and Museum revenue	(\$0.12)	M	Property tax adjustments	\$0.12	M
Supplementary taxes	(\$0.20)	M	Vehicle supplies (parts & fuel)	(\$0.18)	M
Recreation services revenue	(\$0.23)	M			
Business & taxi licenses	(\$0.30)	M			
Other	\$0.40	M	Other	(\$0.40)	M
<b>Total</b>	<b>\$1.43</b>	<b>M</b>	<b>Total</b>	<b>\$4.76</b>	<b>M</b>

The September year-to-date report projected a year-end Net surplus of \$3.77M. The actual surplus of \$3.04M is unfavourable by \$0.73M, due mainly to changes in the year-end accounting accruals and other adjustments (Projection \$0.86M unfavourable, Actual \$1.40M unfavourable).

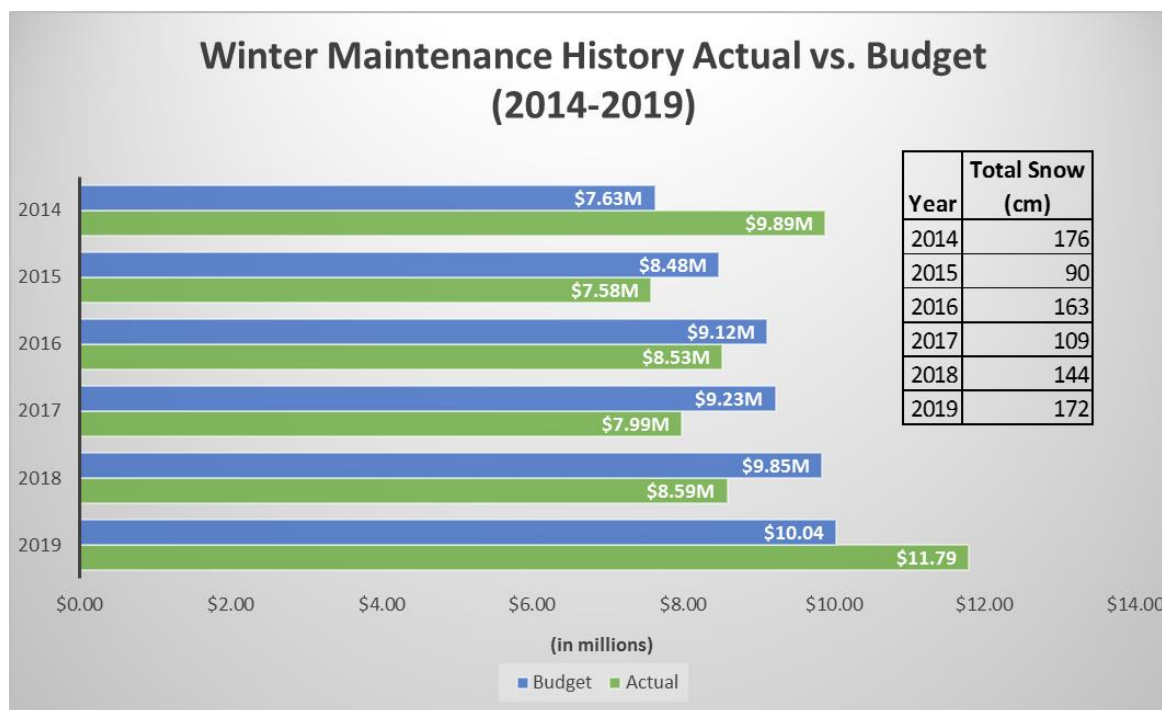
**Year-end accounting accruals and other adjustments = Unfavourable variance (\$1.40M)**

The 2019 year-end accounting accruals and other adjustments totaled \$3.09M against a budget of \$1.69M resulting in an unfavourable variance of (\$1.40M), \$0.71M of which is due to the continuation of the ramp-up in the base budget. The budget is anticipated to be fully ramped up to \$2.44M by 2022. The remaining unfavourable variance of \$0.69M is due to the top-up of employee future benefit reserves, based on actuarial valuations (\$0.44M) and other employee related accruals (\$0.25M). The year-end accounting accruals and other adjustments include severance, salary continuance payments, firefighter sick leave payouts, post-employment benefits and salary accruals.

**Winter maintenance = Unfavourable variance (\$1.75M)**

The 2019 actual winter maintenance expenditures totaled \$11.79M against a budget of \$10.04M, resulting in an unfavourable variance of (\$1.75M).

The exhibit below compares the 6 year historical actuals vs. budget for winter maintenance expenses from 2014-2019 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 6 years. 2019 experienced the second highest snowfall (172cm) since 2014 and the highest costs of \$11.79M over the six-year history, against a budget of \$10.04M.

The City's winter maintenance budget includes personnel expenditures, salt and sand purchases as well as five service contracts:

1. Supply and operation of tandem/single combination plow to sand and plow the City's primary road network;
2. Supply and operation of loaders to assist in the snow removal in cul-de-sacs, wide corners and rear lanes;
3. Grader rentals to remove snow on the City's local road networks;
4. Sidewalk snow removal; and
5. Windrow snow clearing services for eligible applicants

The following chart provides details of the \$1.75M unfavourable variance:

<u>Description</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance Fav./(Unfav.)</u>	
			<u>Hours</u>	<u>\$M</u>
Sidewalk (per unit of equipment)	467 hrs	334 hrs	(133) hrs	(0.89)
Tandem (per unit of equipment)	384 hrs	277 hrs	(107) hrs	(0.50)
Graders and windrows (per unit of equipment)	132 hrs	146 hrs	14 hrs	0.07
Loader (per unit of equipment)	126 hrs	157 hrs	31 hrs	0.14
Salt & Sand	28,603 tonnes	20,153 tonnes	(8,451) tonnes	(0.73)
Part-time & overtime costs				0.04
Other winter maintenance costs				0.12
<b>Winter maintenance favourable variance</b>				<b>(1.75)</b>

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As costs continue to increase based on growth and contract escalations, Staff will continue to monitor the trends to determine whether future adjustments to the winter maintenance budget are necessary.

**b) Planning & Design (Appendix 2)**

Actual (\$0.63M) – Budget \$2.07M = Unfavourable variance (\$2.70M)

Planning & Design incurred a deficit of (\$0.63M) against a budgeted surplus of \$2.07M. The unfavourable variance of \$2.70M was mainly due to lower planning fees partially offset by favourable personnel variances from an average of seven temporary net vacancies.

**c) Engineering (Appendix 3)**

Actual \$0.03M – Budget \$0.67M = Unfavourable variance (\$0.64M)

Engineering incurred a surplus of \$0.03M against a budgeted surplus of \$0.67M. The unfavourable variance of \$0.64M was primarily due to lower engineering fees than budgeted.

**d) Planning & Engineering Development Fee Reserve (Appendix 4)**

The 2019 budget anticipated a surplus of \$2.07M for Planning and a surplus of \$0.67M for Engineering totaling \$2.74M.

The Planning & Design and Engineering departments ended the year with a deficit of (\$0.63M) and a surplus of \$0.03M respectively. A draw from the Reserve of \$0.60M will be made decreasing the balance from \$0.27M to (\$0.52M). The year-end balance includes in-year interest adjustments and capital project funding transfers.

**e) Building Standards (Appendix 5)**

Actual (\$2.51M) – Budget (\$1.38M) = Unfavourable variance (\$1.13M)

The Building Standards department incurred a deficit of (\$2.51M) against a budgeted deficit of (\$1.38M). The unfavourable variance of \$1.13M was mainly due to lower Building permit fees than budgeted.

A draw from the Reserve of \$2.51M will be made decreasing the balance from \$12.94M to \$10.36M (see Appendix 6). The year-end balance includes in-year interest adjustments and capital project funding transfers.

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**f) Waterworks (Appendix 7)**

Actual \$17.26M – Budget \$15.28M = Favourable variance \$1.98M

The Waterworks department ended 2019 with a surplus of \$17.26M against a budgeted surplus of \$15.28M. The main drivers for the favourable variance of \$1.98M were as follows:

- Lower water purchases due to actual non-revenue water (NRW) of 10.1% (below the budgeted 11%), resulting in a favourable net sales and purchase of \$1.42M;
- Favourable non-personnel variance of \$0.77M due to lower maintenance materials and supplies costs;

A transfer of \$17.26M will be made to the Reserve which is offset by transfers to 2019 capital projects decreasing the balance from \$69.13M to \$68.20M (see Appendix 8).

The 2019 draft consolidated financial statements will be presented to General Committee in April 2020. The year-end results presented in this report are subject to change based on the results of the external audit.

**PURPOSE:**

The purpose of this report is to provide the 2019 year-end actual results of operations versus the 2019 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. As well, Finance Staff meet with Directors every quarter to review the department operating results. Finance Staff will advise the Executive Leadership Team (ELT) immediately should significant variances arise

On a quarterly basis, results of operations are reported 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.

This report provides a variance analysis by:

1. City's primary operating budget by Commission/Department
2. City's primary operating budget by major accounts
3. Planning & Design, Engineering, Building Standards and Waterworks operating budgets by Department

**DISCUSSION:****1. CITY'S PRIMARY OPERATING BUDGET BY COMMISSION/DEPARTMENT**

Net results (revenues less expenses) for the twelve months ended December 31, 2019 by each Commission and Department, summarized by personnel expenditures, non-personnel expenditures and revenues, are provided in Appendices 9 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><u>2019</u></b>		<b><u>Variance</u></b>
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>fav./(unfav.)</u></b>
CAO's Office, Human Resources and Legal	\$ 5.59	\$ 5.90	\$ 0.31
Community & Fire Services (excl. winter maintenance)	\$ 99.83	\$ 99.73	\$ (0.10)
Corporate Services	\$ 20.99	\$ 21.00	\$ 0.01
Development Services	\$ 7.02	\$ 6.69	\$ (0.33)
Mayor & Council	\$ 2.82	\$ 3.04	\$ 0.22
Corporate Items	\$ (154.17)	\$ (148.09)	\$ 6.08
<b>Net Expense/ (Revenue)</b>	<b>\$ (17.92)</b>	<b>\$ (11.73)</b>	<b>\$ 6.19</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 9)**

<b><u>Department</u></b>	<b><u>2019</u></b>		<b><u>Variance</u></b>
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>fav./(unfav.)</u></b>
CAO's Office	\$ 0.72	\$ 0.79	\$ 0.07
Human Resources	\$ 3.16	\$ 3.24	\$ 0.08
Legal	\$ 1.71	\$ 1.87	\$ 0.16
<b>Net Expense</b>	<b>\$ 5.59</b>	<b>\$ 5.90</b>	<b>\$ 0.31</b>

**Legal** (Actual \$1.71M – Budget \$1.87M = Variance \$0.16M)

Favourable variance of \$0.16M is mainly due to expenses towards external legal services and registry fees lower than budgeted by \$0.06M and higher legal administration fees revenue (mainly from development applications) by \$0.10M.

**Community and Fire Services – excluding winter maintenance (Appendix 10)**

<b><u>Department</u></b>	<b><u>2019</u></b>		<b>Variance</b>
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>fav./(unfav.)</u></b>
Operations	\$ 24.15	\$ 25.55	\$ 1.40
Fire Services	\$ 40.19	\$ 38.92	\$ (1.27)
Library	\$ 13.05	\$ 13.43	\$ 0.38
Recreation Services	\$ 12.21	\$ 11.22	\$ (0.99)
Environmental Services	\$ 0.88	\$ 0.98	\$ 0.10
Waste	\$ 8.80	\$ 9.00	\$ 0.20
Commissioner's Office	\$ 0.59	\$ 0.67	\$ 0.08
<b><u>Net Expense</u></b>	<b><u>\$ 99.87</u></b>	<b><u>\$ 99.77</u></b>	<b><u>\$ (0.10)</u></b>

**Operations** (Actual \$24.15M – Budget \$25.55M = Variance \$1.40M)

Favourable personnel variance of \$0.40M mainly due to an average of five temporary net vacancies in Roads and Operations Admin and a temporary part time vacancy for Parks Renaissance. Other contracted services (including asphalt repairs), favourable \$0.38M. Streetlight maintenance and repairs was favourable by \$0.28M mainly due to ongoing efforts to convert streetlights to LED, thereby reducing maintenance costs (conversion projects). The budget reduction was addressed in the 2020 budget. Utility permit fees were favourable by \$0.20M and utility locates were favourable by \$0.18M. The above favourable variances were partially offset by higher than budgeted vehicle repair costs (\$0.18M).

**Fire Services** (Actual \$40.19M – Budget \$38.92M = Variance (\$1.27M))

Personnel was unfavourable by \$1.19M, including the approved, over-complement positions in the Suppression division (\$0.69M). The over-complement staff are required to cover temporary absences due to, for example, medical, parental and bereavement leaves. Overtime & shift premiums contributed \$0.36M to the unfavourable variance, partially due to the coverage noted above. The remaining unfavourability is attributed to budgeted salary gapping (\$0.15M).

**Library** (Actual \$13.05M – Budget \$13.43M = Variance \$0.38M)

Favourable variance mainly due to an average of two temporary net vacancies and a delay in hiring pages \$0.33M. Unfavourable fines and fees revenues were offset by favourable program registration fees and grants.

**Recreation** (Actual \$12.21M – Budget \$11.22M = Variance (\$0.99M))

Excluding the effect of the Milliken pool closure and one-time maintenance expenses, the net unfavourable variance for the department is \$0.23M.

The closure of the Milliken pool from July to December for change room renovations contributed \$0.54M to the year-end unfavourable variance. Other one-time facility maintenance work for emergency repairs and to meet Technical Standards and Safety Authority (TSSA) requirements added \$0.22M of unfavourability.



Lower ice rental revenue from loss of group allocation hours of \$0.37M was offset by favourable revenue in fitness of \$0.19M, camps \$0.10M and programs \$0.07M. The remaining unfavourable variance, due to rising costs of facility maintenance, has been addressed in the 2020 budget.

**Environmental Services** (Actual \$0.88M – Budget \$0.98M = Variance \$0.10M)  
Favourable variance mainly due to an average of one temporary net vacancy \$0.10M.

**Waste** (Actual \$8.80M – Budget \$9.00M = Variance \$0.20M)  
Favourable variance mainly due to lower municipal facility, garbage and recycling collection charges from lower than budgeted fuel escalation charges \$0.20M.

### **Corporate Services (Appendix 11)**

<b><u>Department</u></b>	<b><u>2019</u></b>		<b>Variance</b>
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>fav./ (unfav.)</u></b>
Legislative Services & Corporate			
Communications	\$ 5.29	\$ 4.55	\$ (0.74)
Financial Services	\$ 4.09	\$ 4.43	\$ 0.34
ITS	\$ 7.64	\$ 7.81	\$ 0.17
Sustainability & Asset Management	\$ 3.58	\$ 3.79	\$ 0.21
Commissioner's Office	\$ 0.39	\$ 0.42	\$ 0.03
<b><u>Net Expense</u></b>	<b><u>\$ 20.99</u></b>	<b><u>\$ 21.00</u></b>	<b><u>\$ 0.01</u></b>

**Legislative Services & Corporate Communications** (Actual \$5.29M – Budget \$4.55M = Variance (\$0.74M))

Unfavourable variance mainly due to part-time salaries (\$0.27M) due to additional parking enforcement/control for special events and to maintain 24 hour shift coverage and lower taxi licenses (\$0.16M) (pending council decision to approve by-law to license private transportation companies). Business licenses were unfavourable by \$0.13M due to timing of renewals (\$0.08M) and lower than anticipated growth (\$0.50M).

Sponsorship revenues were also lower than budget by \$0.11M.

**Financial Services** (Actual \$4.09M – Budget \$4.43M = Variance \$0.34M)  
Favourable variance mainly due to an average of two temporary net vacancies \$0.29M and higher than budgeted overdue property tax notice fees \$0.07M, partially offset by unfavourable ownership change fees (\$0.09M).

**ITS** (Actual \$7.64M – Budget \$7.81M = Variance \$0.17M)  
Favourable variance mainly due to an average of four temporary net vacancies \$0.29M, partially offset by computer software license costs (\$0.13M). The increase in license costs has been addressed in the 2020 budget.

**Sustainability & Asset Management** (Actual \$3.58M – Budget \$3.79M = Variance \$0.21M)

Favourable variance mainly due to an average of four temporary net vacancies \$0.21M.

### **Development Services (Appendix 12)**

<b><u>Department</u></b>	<b><u>2019</u></b>		<b>Variance</b>
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>fav./(unfav.)</u></b>
Culture & Economic Development	\$ 4.33	\$ 3.75	\$ (0.58)
Traffic Operations	\$ 1.53	\$ 1.72	\$ 0.19
Commissioner's Office	\$ 1.16	\$ 1.22	\$ 0.06
<b><u>Net Expense</u></b>	<b><u>\$ 7.02</u></b>	<b><u>\$ 6.69</u></b>	<b><u>\$ (0.33)</u></b>

**Culture & Economic Development** (Actual \$4.33M – Budget \$3.75M = Variance (\$0.58M))

Art Centres were unfavourable by \$0.15M: \$0.09M in part time salaries and \$0.08M in revenues from camps and programs, partially offset by a favourable variance of \$0.02 in program support costs.

The Museum was unfavourable by \$0.25M: \$0.20M in part time salaries, \$0.03 in various program and rental revenues and \$0.02M in facility maintenance.

The Theatre was unfavourable by \$0.2M: Personnel costs were unfavourable by \$0.11M, including contract employees. One-time costs for website development and branding added \$0.09M to the unfavourable results. Unfavourable artist fees were offset by favourable revenues.

As the unfavourable variances occurred in the latter part of 2019, an in-depth business analysis of each Culture venue operations is underway in 2020.

**Traffic Operations** (Actual \$1.53M – Budget \$1.72M = Variance \$0.19M)

Favourable variance mainly due to an average of one temporary net vacancy \$0.10M and professional services (school crossing guards) \$0.06M.

### **Mayor and Council (Appendix 13)**

<b><u>Department</u></b>	<b><u>2019</u></b>		<b>Variance</b>
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>fav./(unfav.)</u></b>
Mayor & Council	\$2.82	\$3.04	\$0.22
<b><u>Net Expense</u></b>	<b><u>\$2.82</u></b>	<b><u>\$3.04</u></b>	<b><u>\$0.22</u></b>

Mayor and Council includes personnel costs for all Members of Council and Councillor Assistants, non-personnel and Councillor discretionary budgets. The year end favourable variance is mainly driven by unspent discretionary budgets.

**Corporate Items (Appendix 14)**

<u>Department</u>	<u>2019</u>		<u>Variance</u>
	<u>Actual</u>	<u>Budget</u>	<u>fav./ (unfav.)</u>
Corporate Items	\$ (154.17)	\$ (148.09)	\$ 6.08
<b>Net Revenue</b>	<b>\$ (154.17)</b>	<b>\$ (148.09)</b>	<b>\$ 6.08</b>

Favourable variances in corporate contingency of \$2.57M, utilities \$1.11M, property tax penalty and interest \$0.65M (2020 budget increased by \$0.12M), tax levies \$0.37M, payments-in-lieu \$0.16M, and property tax adjustments \$0.12M, offset by lower than budgeted supplemental taxes (\$0.20M).

**2. CITY'S PRIMARY OPERATING BUDGET BY MAJOR ACCOUNTS**

(excl. year-end accounting accruals and other adjustments and winter maintenance)

<u>(\$ in millions)</u>	<u>2019</u>		<u>Variance</u>	<u>% of Budget</u>
	<u>Actual</u>	<u>Budget</u>	<u>fav./ (unfav.)</u>	
Revenues	\$234.33	\$232.90	\$1.43	100.6%
Expenses	\$216.41	\$221.17	\$4.76	97.8%
<b>Surplus excluding winter maintenance</b>	<b>\$17.92</b>	<b>\$11.73</b>	<b>\$6.19</b>	

The 2019 actual operating results, excluding year-end accounting accruals and other adjustments and winter maintenance, against budget netted a favourable variance of \$6.19M (revenue of \$1.43M + expenses of \$4.76M) and the breakdown is as follows:

**a) REVENUES**

*At the end of 2019, revenues totalled \$234.33M against a budget of \$232.90M resulting in a favourable variance of \$1.43M (100.6% of budget).*

<u>Revenues</u>	<u>Actual</u>	<u>Budget</u>	<u>Fav./ (Unfav.)</u>
Property Taxation Revenues	\$ 162.08 M	\$ 161.76 M	\$ 0.32 M
General Revenues	\$ 33.54 M	\$ 33.01 M	\$ 0.53 M
User Fees & Service Charges	\$ 31.10 M	\$ 31.03 M	\$ 0.07 M
Grant & Subsidy Revenues	\$ 2.19 M	\$ 1.96 M	\$ 0.23 M
Other Income	\$ 5.42 M	\$ 5.14 M	\$ 0.28 M
<b>Net Variance</b>	<b>\$ 234.33 M</b>	<b>\$ 232.90 M</b>	<b>\$ 1.43 M</b>

**Property Taxation Revenues** (Actual \$162.08M – Budget \$161.76M = Variance \$0.32M)

Property taxation revenues were favourable by \$0.32M mainly due to tax levies \$0.37M and payments-in-lieu \$0.16M, offset by lower than budgeted supplemental taxes (\$0.20M).

**General Revenues** (Actual \$33.54M – Budget \$33.01M = Variance \$0.53M)

The general revenues budget includes investment income (budget \$23.35M), interest and penalties on property taxes (budget \$4.16M), parking fines (budget \$3.25M), and business, taxi, marriage and other licenses (budget \$2.25M).

General revenues also include Alectra interest and dividends (budget of \$12.32M) with a corresponding transfer in expenditures to the Life Cycle Replacement and Capital Reserve Fund. At year-end, a net \$1.00M is retained in the Operating Budget from Alectra interest and dividends.

General revenues totaled \$33.54M at the end of December against a budget of \$33.01M. The main drivers for the favourable variance of \$0.53M are interest and penalties on property taxes \$0.65M and parking fines \$0.27M, offset by lower taxi licenses (\$0.16M) (pending council decision to approve by-law to license private transportation companies) and lower business licenses (\$0.13M) due to timing of renewals (\$0.08M) and lower than anticipated growth (\$0.50M).

**User Fees and Service Charges** (Actual \$31.10M – Budget \$31.03M = Variance \$0.07M)

The user fees and services charges budget of \$31.03M 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 \$20.54M), and facility rentals for arenas, pools, gym and halls (budget \$9.85M).

User fees and service charges were favourable by \$0.07M mainly due to utility permit fees \$0.20M from increased telecommunications activity, offset by lower Art Centre and Museum revenues of (\$0.13M).

**Grants & Subsidy Revenues** (Actual \$2.19M – Budget \$1.96M = Variance \$0.23M)

The budget includes provincial and federal grants of \$1.96M. The favourable variance of \$0.23M resulted from the receipt of one-time federal and provincial grants offset by corresponding expenses.

**Other Income** (Actual \$5.42M – Budget \$5.14M = Variance \$0.28M)

The favourable variance of \$0.28M was mainly due to gain on miscellaneous recoveries.

**b) PERSONNEL EXPENDITURES**

*In 2019 personnel expenditures were favourable by \$0.65M or 99.5% of the year end budget.*

<b><u>Personnel</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Fav./(Unfav.)</u></b>
Full time net of vacancy backfills and part time salaries	\$ 129.6 M	\$ 130.89 M	\$ 1.29 M
Overtime and other personnel costs	\$ 2.44 M	\$ 1.80 M	(\$ 0.64 M)
<b>Total</b>	<b>\$ 132.04 M</b>	<b>\$ 132.69 M</b>	<b>\$ 0.65 M</b>

In 2019, there was an average of 21 net temporary vacancies resulting in a favourable variance of \$2.58M. This was offset by part time salaries (\$0.87M) and full year budgeted salary gapping of (\$0.46M).

Overtime was unfavourable by (\$0.49M) mainly due to coverage for approved absences in the Fire Department (\$0.25M) and vacation coverage for facility operator staff in Recreation facilities (\$0.18M).

### **c) NON-PERSONNEL EXPENDITURES**

*In 2019, non-personnel expenditures were favourable by \$4.11M (95.4% of budget).*

<b><u>Non Personnel Items</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Fav./(Unfav.)</u></b>
Materials & Supplies	\$ 5.94 M	\$ 5.78 M	(\$ 0.16 M)
Purchased Services	\$ 38.85 M	\$ 41.05 M	\$ 2.20 M
Transfers to Reserves	\$ 37.21 M	\$ 36.53 M	(\$ 0.68 M)
Other Expenditures	\$ 2.37 M	\$ 5.12 M	\$ 2.75 M
<b>Total</b>	<b>\$ 84.37 M</b>	<b>\$ 88.48 M</b>	<b>\$ 4.11 M</b>

**Materials & Supplies** (Actual \$5.94M – Budget \$5.78M = Variance (\$0.16M))

Materials & supplies budget of \$5.78M includes facility maintenance supplies, uniforms, recreation and other program supplies (budget \$2.74M), vehicle supplies such as fuel and repair parts (budget \$1.74M), and printing and office supplies (budget \$0.43M).

The unfavourable variance of (\$0.16M) was primarily due higher than budgeted vehicle parts, and gasoline and diesel fuel (\$0.18M) offset by traffic signs/supplies \$0.03M.

**Purchased Services** (Actual \$38.85M – Budget \$41.05M = Variance \$2.20M)

Purchased services budget of \$41.09M includes utilities and streetlight hydro (budget \$11.87M), waste collection (budget \$9.36M), maintenance & repairs (\$5.83M), professional services such as Theatre artist/entertainer fees, school crossing guards and external legal services (budget \$3.04M), insurance (\$2.63M), communications (\$1.40M) and promotion and advertising (budget \$1.40M).

Purchased Services were favourable \$2.20M mainly due to:

- \$1.26M favourable in utilities and streetlight hydro due to lower than budgeted rates.
- \$0.28M favourable in contract services agreements for asphalt repairs \$0.15M and grass cutting \$0.13M.
- \$0.25M favourable in maintenance and repairs mainly due to ongoing efforts to convert streetlights to LED, thereby reducing maintenance costs \$0.28M, and utility locates \$0.18M, partially offset by facility maintenance.
- \$0.21M favourable in professional fees, training, and travel (excl. office supplies which is included under materials & supplies).

**Transfers to Reserves** (Actual \$37.21M – Budget \$36.53M = Variance (\$0.68M)

The majority of funds transferred are directed to the Life Cycle and Capital Reserve Fund.

**Other Expenditures** (Actual \$2.37M – Budget \$5.12M = Variance \$2.75M)

Other expenditures budget of \$5.12M includes contingency expense and non-personnel ramp ups \$2.68M and property tax adjustments \$1.15M. Variance of \$2.75M is mainly due to lower corporate contingency expenditures of \$2.57M and property tax adjustments \$0.12M.

**Summary of One-Time Items**

There were several one-time revenue or expense items affecting the City's 2019 year-end results. As required, budgets have been adjusted in 2020. Listed below is a summary of the one-time items:

- \$2.57M favourable in corporate contingency (Budget \$2.68M, 1.1% of the City's Operating Budget of \$233.04M)
- \$1.26M favourable in hydro and streetlight hydro (no incremental increase in the 2020 budget required for the projected 2020 rate increase)
- \$0.65M favourable in personnel primarily due to temporary net vacancies (average 21 net temporary vacancies out of the total tax funded full-time complement of 891, or 2.3% of the full-time complement)
- \$0.65M favourable in penalty and interest due to higher than anticipated overdue property tax payments (2020 budget increased by \$0.12M)
- \$0.37M favourable in property tax levies
- \$0.28M favourable in contract services agreements for asphalt repairs and grass cutting
- \$0.28M favourable in maintenance and repairs mainly from lower streetlight maintenance repairs for LED lights
- \$0.16M favourable in Payments in lieu of property taxes
- (\$1.75M) unfavourable variance for winter maintenance
- (\$1.40M) unfavourable variance due to year-end accounting accruals and other adjustments
- (\$0.54M) unfavourable variance due to the planned closure of Milliken pool.
- (\$0.22M) unfavourable variance from one-time facility maintenance work for emergency repairs and to meet TSSA requirements.

**Total: \$2.31M**

After adjusting for the above items, and the usual transfer to the Corporate Rate Stabilization Reserve of approximately \$0.73M 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 is fully depleted.

**Year-End Accounting Accruals and Other Adjustments**

Year-end accounting accruals and other adjustments = Unfavourable variance (\$1.40M)

The 2019 year-end accounting accruals and other adjustments totaled \$3.09M against a budget of \$1.69M resulting in an unfavourable variance of (\$1.40M), \$0.71M of which is due to the continuation of the ramp-up in the base budget. The budget is anticipated to be fully ramped up to \$2.44M by 2022. The remaining unfavourable variance of \$0.69M is due to the top-up of employee future benefit reserves to 2021 needs, based on actuarial valuations (\$0.44M) and other employee related accruals (\$0.25M). The year-end accounting accruals and other adjustments include severance, salary continuance payments, firefighter sick leave payouts, post-employment benefits and salary accruals.

**Winter Maintenance**

The 2019 actual winter maintenance expenditures totaled \$11.79M against a budget of \$10.04M, resulting in an unfavourable variance of \$1.75M.

The City's winter maintenance budget includes personnel expenditures, salt and sand purchases as well as five service contracts:

1. Supply and operation of tandem/single combination plow to sand and plow the City's primary road network;
2. Supply and operation of loaders to assist in the snow removal in cul-de-sacs, wide corners and rear lanes;
3. Grader rentals to remove snow on the City's local road networks;
4. Sidewalk snow removal; and
5. Windrow snow clearing services for eligible applicants

**3. PLANNING & DESIGN, ENGINEERING, BUILDING STANDARDS AND WATERWORKS OPERATING BUDGETS BY DEPARTMENT****a) Planning & Design (Appendix 2)**

Actual (\$0.63M) – Budget \$2.07M = Unfavourable variance (\$2.70M)

Planning & Design incurred a deficit of (\$0.63M) against a budgeted surplus of \$2.07M. The unfavourable variance of \$2.70M was mainly due to lower planning fees partially offset by favourable personnel variances from an average of seven temporary net vacancies.

**b) Engineering (Appendix 3)**

Actual \$0.03M – Budget \$0.67M = Unfavourable variance (\$0.64M)

Engineering incurred a surplus of \$0.03M against a budgeted surplus of \$0.67M. The unfavourable variance of \$0.64M was primarily due to lower engineering fees than budgeted.

**c) Planning & Engineering Development Fee Reserve (Appendix 4)**

The 2019 budget anticipated a surplus of \$2.07M for Planning and a surplus of \$0.67M for Engineering totaling \$2.74M.

The Planning & Design and Engineering departments ended the year with a deficit of (\$0.63M) and a surplus of \$0.03M respectively. A draw from the Reserve of \$0.60M will be made decreasing the balance from \$0.27M to (\$0.52M). The year-end balance includes in-year interest adjustments and capital project funding transfers.

**d) Building Standards (Appendix 5)**

Actual (\$2.51M) – Budget (\$1.38M) = Unfavourable variance (\$1.13M)

The Building Standards department incurred a deficit of (\$2.51M) against a budgeted deficit of (\$1.38M). The unfavourable variance of \$1.13M was mainly due to lower Building permit fees than budgeted.

A draw from the Reserve of \$2.51M will be made decreasing the balance from \$12.94M to \$10.36M (see Appendix 6). The year-end balance includes in-year interest adjustments and capital project funding transfers.

**e) Waterworks (Appendix 7)**

Actual \$17.26M – Budget \$15.28M = Favourable variance \$1.98M

The Waterworks department ended 2019 with a surplus of \$17.26M against a budgeted surplus of \$15.28M. The main drivers for the favourable variance of \$1.98M were as follows:

- Lower water purchases due to actual non-revenue water (NRW) of 10.1% (below the budgeted 11%), resulting in a favourable net sales and purchase of \$1.42M;
- Favourable non-personnel variance of \$0.77M due to lower maintenance materials and supplies costs;

A transfer of \$17.26M will be made to the Reserve which is offset by transfers to 2019 capital projects decreasing the balance from \$69.13M to \$68.20M (see Appendix 8).

**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, remaining balance transferred to the Life Cycle Replacement and Capital Reserve Fund.



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Staff recommend that the full 2019 operating surplus of \$3.04M be transferred to the Corporate Rate Stabilization Reserve. The additional provision will help mitigate the impact of possible unfavourable operating results in 2020 due to the COVID-19 virus. The audited 2019 draft consolidated financial statements will be presented to General Committee in April 2020. The year-end results presented in this report are subject to change based on the results of the external audit.

**RECOMMENDED BY:**

Joel Lustig  
Treasurer

Trinela Cane  
Commissioner, Corporate Services

**ATTACHMENTS:  
Appendices 1 to 14**

Appendix 1 – Primary Operating Budget - Financial Results at December 31, 2019

Appendix 2 – Planning & Design Operating Budget - Financial Results at December 31, 2019

Appendix 3 – Engineering Operating Budget - Financial Results at December 31, 2019

Appendix 4 – Planning and Engineering Development Fee Reserve Balance at December 31, 2019

Appendix 5 – Building Standards Operating Budget - Financial Results at December 31, 2019

Appendix 6 – Building Fee Reserve Balance at December 31, 2019

Appendix 7 – Waterworks Operating Budget - Financial Results at December 31, 2019

Appendix 8 – Waterworks Reserve Balance at December 31, 2019

Appendix 9 – Variances by Commission and Department at December 31, 2019 – CAO's Office, Human Resources and Legal

Appendix 10 – Variances by Commission and Department at December 31, 2019 – Community and Fire Services

Appendix 11 – Variances by Commission and Department at December 31, 2019 – Corporate Services

Appendix 12 – Variances by Commission and Department at December 31, 2019 – Development Services

Appendix 13 – Variances by Commission and Department at December 31, 2019 – Mayor and Council

Appendix 14 – Variances by Commission and Department at December 31, 2019 – Corporate Items

## APPENDIX 1

**CITY OF MARKHAM**  
**Operating Budget**  
**(Excluding Planning & Design, Engineering, Waterworks and Building Standards)**  
**Financial Results for the Twelve Months December 31, 2019**  
**(in millions of dollars)**

	2019 Actual	2019 Budget	Variance fav./(unfav.)	% of YTD Budget
<b>Revenues</b>				
Property Taxation Revenues	162.08	161.76	0.32	
General Revenues	33.54	33.01	0.53	
User Fees & Service Charges	31.10	31.03	0.07	
Grant & Subsidy Revenues	2.19	1.96	0.23	
Other Income	5.42	5.14	0.28	
<b>Revenues Total</b>	<b>234.33</b>	<b>232.90</b>	<b>1.43</b>	<b>100.6%</b>
<b>Expenditures</b>				
Salaries & Benefits	132.04	132.69	0.65	
Material & Supplies	5.94	5.78	(0.16)	
Purchased Services	38.85	41.05	2.20	
Transfers to Reserves	37.21	36.53	(0.68)	
Other Expenditures	2.37	5.12	2.75	
<b>Expenditures Total</b>	<b>216.41</b>	<b>221.17</b>	<b>4.76</b>	<b>97.8%</b>
<b>Year-End Accounting Accruals &amp; Other Adjustments</b>	<b>3.09</b>	<b>1.69</b>	<b>(1.40)</b>	
<b>Surplus excluding winter maintenance</b>	<b>14.83</b>	<b>10.04</b>	<b>4.79</b>	
<b>Winter Maintenance</b>	<b>11.79</b>	<b>10.04</b>	<b>(1.75)</b>	
<b>Surplus including winter maintenance</b>	<b>3.04</b>	<b>0.00</b>	<b>3.04</b>	

## APPENDIX 2

**CITY OF MARKHAM**  
**Planning & Design Operating Budget**  
**Financial Results for the Twelve Months December 31, 2019**  
(in millions of dollars)

	2019 Actual	2019 Budget	Variance fav./ (unfav.)	% of YTD Budget
<b>Revenues</b>				
Planning & Design Fees	7.50	11.86	(4.36)	
<b>Revenues Total</b>	<b>7.50</b>	<b>11.86</b>	<b>(4.36)</b>	<b>63.2%</b>
<b>Expenditures</b>				
Salaries & Benefits	5.44	7.07	1.63	
Material & Supplies	0.04	0.04	0.00	
Purchased Services	2.65	2.68	0.03	
<b>Expenditures Total</b>	<b>8.13</b>	<b>9.79</b>	<b>1.66</b>	<b>83.0%</b>
<b>Surplus/(Deficit) Before Transfer to/Draw (from) Reserve</b>	<b>(0.63)</b>	<b>2.07</b>	<b>(2.70)</b>	
Transfer to/ Draw (from) Reserve	(0.63)	2.07	(2.70)	
<b>Surplus After Transfer to Reserve</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	

## APPENDIX 3

**CITY OF MARKHAM**  
**Engineering Operating Budget**  
**Financial Results for the Twelve Months December 31, 2019**  
(in millions of dollars)

	2019 Actual	2019 Budget	Variance fav./ (unfav.)	% of YTD Budget
<b>Revenues</b>				
Engineering Fees	7.61	8.93	(1.32)	
<b>Revenues Total</b>	<b>7.61</b>	<b>8.93</b>	<b>(1.32)</b>	<b>85.2%</b>
<b>Expenditures</b>				
Salaries & Benefits	4.91	5.51	0.60	
Material & Supplies	0.01	0.03	0.02	
Purchased Services	2.66	2.72	0.06	
<b>Expenditures Total</b>	<b>7.59</b>	<b>8.26</b>	<b>0.68</b>	<b>91.9%</b>
<b>Surplus Before Transfer to Reserve</b>	<b>0.03</b>	<b>0.67</b>	<b>(0.64)</b>	
Transfer to Reserve	0.03	0.67	(0.64)	
<b>Surplus After Transfer to Reserve</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	

**APPENDIX 4**

**CITY OF MARKHAM**  
**Planning and Engineering Development Fee Reserve Balance**  
**Financial Results for the Twelve Months December 31, 2019**  
**(in millions of dollars)**

	<b>2019 Budget</b>	<b>2019 Actual</b>
<b>Opening Balance at January 1, 2019</b>	0.27	0.27
<b>Transfer to Capital and Interest Charges</b>	(0.19)	(0.19)
<b>Transfer to/Draw (from) Reserves</b>		
<b>Planning &amp; Design</b>	2.07	(0.63)
<b>Engineering</b>	0.67	0.03
<b>Planning and Engineering Reserve Ending Balance</b>	<b>2.82</b>	<b>(0.52)</b>

## APPENDIX 5

**CITY OF MARKHAM**  
**Building Standards Operating Budget**  
**Financial Results for the Twelve Months December 31, 2019**  
(in millions of dollars)

	<b>2019 Actual</b>	<b>2019 Budget</b>	<b>Variance fav./(unfav.)</b>	<b>% of YTD Budget</b>
<b>Revenues</b>				
Building Permits	6.18	7.92	(1.74)	
Other Revenues	0.10	0.03	0.07	
<b>Revenues Total</b>	<b>6.28</b>	<b>7.95</b>	<b>(1.67)</b>	<b>79.0%</b>
<b>Expenditures</b>				
Salaries & Benefits	5.78	6.23	0.45	
Material & Supplies	0.04	0.07	0.03	
Purchased Services	2.97	3.03	0.06	
<b>Expenditures Total</b>	<b>8.79</b>	<b>9.33</b>	<b>0.54</b>	<b>94.2%</b>
<b>Deficit Before Draw from Reserve</b>	<b>(2.51)</b>	<b>(1.38)</b>	<b>(1.13)</b>	
Draw from Reserve	(2.51)	(1.38)	(1.13)	
<b>Deficit After Draw from Reserve</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	

**APPENDIX 6**

**CITY OF MARKHAM**  
**Building Fee Reserve Balance**  
**Financial Results for the Twelve Months December 31, 2019**  
(in millions of dollars)

	<b>2019 Budget</b>	<b>2019 Actual</b>
<b>Opening Balance at January 1, 2019</b>	12.94	12.94
<b>Transfer to Capital and Interest Income</b>	(0.07)	(0.07)
<b>Projected Transfer to/Draw (from) Reserves</b>	(1.38)	(2.51)
<b>Building Reserve Ending Balance</b>	<b>11.49</b>	<b>10.36</b>

## APPENDIX 7

**CITY OF MARKHAM**  
**Waterworks Operating Budget**  
**Financial Results for the Twelve Months December 31, 2019**  
(in millions of dollars)

	<b>2019 Actual</b>	<b>2019 Budget</b>	<b>Variance fav./(unfav.)</b>	<b>% of YTD Budget</b>
<b>Sales &amp; Purchases of Water</b>				
<b>Water Revenue</b>				
Water & Sewer Billing	130.47	130.51	(0.04)	
<b>Water Expenditure</b>				
Contracted Municipal Services	99.59	101.04	1.45	
<b>Net Sales &amp; Purchases of Water</b>	<b>30.88</b>	<b>29.46</b>	<b>1.42</b>	<b>104.8%</b>
<b>Other Revenues Total</b>	<b>1.18</b>	<b>1.41</b>	<b>(0.23)</b>	<b>83.5%</b>
<b>Other Expenditures</b>				
Salaries & Benefits	7.83	7.86	0.03	
Non Personnel Expenditures	6.97	7.74	0.77	
<b>Expenditures Total</b>	<b>14.80</b>	<b>15.60</b>	<b>0.80</b>	<b>94.9%</b>
<b>Surplus Before Transfer to Reserve</b>	<b>17.26</b>	<b>15.28</b>	<b>1.98</b>	
Transfer to Reserve	17.26	15.28	1.98	
<b>Surplus After Transfer to Reserve</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	



**APPENDIX 8**

**CITY OF MARKHAM**  
**Waterworks Reserve Balance**  
**Financial Results for the Twelve Months December 31, 2019**  
**(in millions of dollars)**

	<b>2019 Budget</b>	<b>2019 Actual</b>
<b>Opening Balance - January 1, 2019</b>	69.13	69.13
<b>Transfer to 2019 Capital</b>	(20.49)	(20.49)
<b>Interest Income</b>	0.95	0.95
<b>Transfer from closed capital projects</b>	0.00	1.35
<b>Transfer to Reserve</b>	15.28	17.26
<b>Waterworks Reserve Ending Balance*</b>	<b>64.87</b>	<b>68.20</b>

\*Excludes \$6.35M transfer to fund 2020 capital pre-approved in 2019

**APPENDIX 9**

**CITY OF MARKHAM**  
**Variances by Commission and Department**  
**CAO'S Office, Human Resources and Legal Department**  
**Financial Results for the Twelve Months December 31, 2019**  
(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	0.04	0.03	0.00	0.07
HUMAN RESOURCES	0.05	0.03	0.00	0.08
LEGAL DEPT.	0.00	0.06	0.10	0.16
<b>Total</b>	<b>0.09</b>	<b>0.12</b>	<b>0.10</b>	<b>0.31</b>

**APPENDIX 10**

**CITY OF MARKHAM**  
**Variances by Commission and Department**  
**Community and Fire Services**  
**Financial Results for the Twelve Months December 31, 2019**  
(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	0.40	0.78	0.22	1.40
FIRE SERVICES	(1.19)	(0.08)	0.00	(1.27)
LIBRARY	0.32	0.02	0.04	0.38
RECREATION SERVICES	(0.16)	(0.60)	(0.23)	(0.99)
ENVIRONMENTAL SERVICES	0.10	0.00	0.00	0.10
WASTE	0.02	0.17	0.01	0.20
COMMISSIONER'S OFFICE	0.04	0.04	0.00	0.08
<b>Total Excl. Winter Maintenance</b>	<b>(0.47)</b>	<b>0.33</b>	<b>0.04</b>	<b>(0.10)</b>
WINTER MAINTENANCE	0.04	(1.74)	(0.05)	(1.75)
<b>Total</b>	<b>(0.43)</b>	<b>(1.41)</b>	<b>(0.01)</b>	<b>(1.85)</b>

**APPENDIX 11**

**CITY OF MARKHAM**  
**Variances by Commission and Department**  
**Corporate Services**  
**Financial Results for the Twelve Months December 31, 2019**  
(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	(0.31)	(0.01)	(0.42)	(0.74)
FINANCIAL SERVICES	0.29	0.03	0.02	0.34
ITS DEPARTMENT	0.29	(0.12)	0.00	0.17
SUSTAINABILITY & ASSET MANAGEMENT	0.21	(0.50)	0.50	0.21
COMMISSIONER'S OFFICE	0.02	0.01	0.00	0.03
<b>Total</b>	<b>0.50</b>	<b>(0.59)</b>	<b>0.10</b>	<b>0.01</b>

## APPENDIX 12

**CITY OF MARKHAM**  
**Variances by Commission and Department**  
**Development Services**  
**Financial Results for the Twelve Months December 31, 2019**  
(in millions of dollars)

Department	Fav./ (Unfav.)			
	Personnel	Non-Personnel	Revenue	Total
CULTURE & ECONOMIC DEVELOPMENT	(0.34)	(0.27)	0.03	(0.58)
TRAFFIC OPERATIONS	0.10	0.09	0.00	0.19
COMMISSIONER'S OFFICE	0.06	0.00	0.00	0.06
<b>Total</b>	<b>(0.18)</b>	<b>(0.18)</b>	<b>0.03</b>	<b>(0.33)</b>

**APPENDIX 13**

**CITY OF MARKHAM**  
**Variances by Commission and Department**  
**Mayor and Council**  
**Financial Results for the Twelve Months December 31, 2019**  
(in millions of dollars)

<b>Department</b>	<b>Fav./ (Unfav.)</b>			
	<b>Personnel</b>	<b>Non-Personnel</b>	<b>Revenue</b>	<b>Total</b>
MAYOR and COUNCIL	0.15	0.07	0.00	0.22
<b>Total</b>	<b>0.15</b>	<b>0.07</b>	<b>0.00</b>	<b>0.22</b>

**APPENDIX 14**

**CITY OF MARKHAM**  
**Variances by Commission and Department**  
**Corporate Items**  
**Financial Results for the Twelve Months December 31, 2019**  
(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	0.54	4.39	1.15	6.08
<b>Total</b>	<b>0.54</b>	<b>4.39</b>	<b>1.15</b>	<b>6.08</b>



Report to: General Committee

Meeting Date: April 20, 2020

**SUBJECT:** Development Charges December 31, 2019 Reserve Balances and Annual Activity of the Accounts

**PREPARED BY:** Heena Mistry, Financial Analyst, ext. 2659  
Kevin Ross, Manager, Development Finance & Payroll, ext. 2126

### RECOMMENDATION:

1. That the report titled “Development Charges December 31, 2019 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.

### EXECUTIVE SUMMARY:

Not applicable.

### 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 2019.

### 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, 2019.

### OPTIONS/ DISCUSSION:

Not applicable.

### FINANCIAL CONSIDERATIONS

#### Summary of Activity

The December 31, 2019 closing balance of the development charges (DC) reserve accounts, before accounting for approved capital commitments, was \$43,562,485 (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, 2019 totaled \$50,982,025 resulting in an adjusted (committed) reserve balance of (\$7,419,540) (\$43,562,485 less \$50,982,025).



As depicted in Schedule B, the net decrease in the reserve fund before capital commitments from January 1, 2019 to December 31, 2019 was \$3,616,432 (\$43,562,485 less \$47,178,917). Schedule B also outlines the net amount of \$40,279,118 transferred to capital projects in 2019, which is broken down into two components: transfer to capital and transfer from capital. These two components of the transfer include \$45,783,569 of growth-related projects funded from development charges (Schedule C), as well as transfers to development charges of \$5,504,451 resulting mainly from the closure of capital projects as well as the realignment of funding sources.

In addition to the \$40,279,118 of growth-related capital projects funded from development charges in 2019, 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, 2019 opening balance	\$47,178,917
Development Charges received	\$36,124,063
Interest	\$538,624
Net amount transferred to capital projects	<u>(\$40,279,118)</u>
Balance as at December 31, 2019	<u><u>\$43,562,485</u></u>

The balance of the Development Charge Reserve Fund is made up of the following major categories:

City Wide Soft	(\$22,945,786)
City Wide Hard	\$60,034,173
Area Specific	<u>\$6,474,098</u>
Total	<u><u>\$43,562,485</u></u>

### **Interest**

During 2019, 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 (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 \$9,727,187, 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 2017 through 2019 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 2017 - 2019
	2017	2018	2019	
CITY-WIDE SOFT SERVICES	(\$35,948,450)	(\$13,220,358)	(\$22,945,786)	36%
CITY-WIDE HARD SERVICES	\$37,787,651	\$53,416,339	\$60,034,173	59%
AREA SPECIFIC CHARGES	\$7,494,104	\$6,982,936	\$6,474,098	-14%
TOTAL DEVELOPMENT CHARGE RESERVE	\$9,333,305	\$47,178,917	\$43,562,485	367%
CAPITAL COMMITMENTS AT YEAR-END	(\$38,748,797)	(\$28,611,850)	(\$50,982,025)	-32%
<b>ADJUSTED DC RESERVE BALANCES</b>	<b>(\$29,415,492)</b>	<b>\$18,567,067</b>	<b>(\$7,419,540)</b>	<b>75%</b>

The City Wide Soft services reserves negative balance has improved since 2017 due to reduced capital spending. The City Wide Soft services reserves are in a negative balance due to the pre-emplacment of recreation facilities. The reduction from 2018 to 2019 was as a result of the acquisition of land for the new works yard.

The increase in the City Wide Hard reserve is primarily due to expenditures on engineering-related infrastructure being done at a slower pace than anticipated to match growth patterns.

The Area Specific reserves reduced mainly due to funding for the Rodick Road extension from Miller Avenue to 14<sup>th</sup> Avenue.

#### **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, 2019 is significantly lower when capital commitments of \$50,982,025 are taken into account, leaving an adjusted (committed) reserve balance of (\$7,419,540). The total capital commitments for 2019 represent an increase of \$22,370,175 (\$50,982,025 less \$28,611,850) compared to the prior year. A large portion of this increase can be attributed to the Miller Pond Site Preparation project (\$15M), which was approved by Council as part of the 2019 Capital Budget process, and the design and construction of a new works yard (\$8M), which was approved by Council on April 30<sup>th</sup>, 2019. This project relates to the initial servicing, design and construction of salt, sand and brine storage facilities, construction of parking and the environmental assessment and design of a bridge to access the rear portion of the property located at 10192 Ninth Line.

The capital commitments relate mainly to City Wide Hard and City Wide Soft services projects which total approximately \$30M and \$20M respectively. The City Wide Hard includes projects such as the Miller Pond Site Preparation and Property Acquisition (\$15M), Highway 404 Midblock Crossing, North of 16<sup>th</sup> Ave (\$5M), Miller Avenue – CN

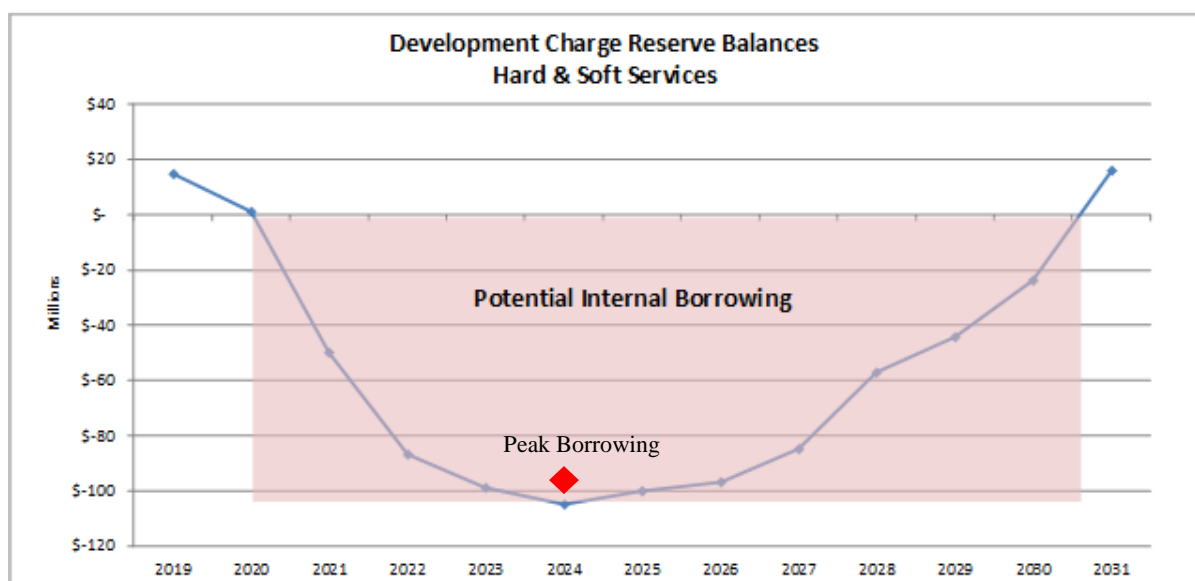
to Kennedy Road (\$5M), and construction of the John Street Multi-Use Pathway (\$3M). The City Wide Soft capital commitments includes projects such as the design & construction of works yard (\$8M) and several smaller projects relating to park development, such as the construction of Kirkham Drive Park Phase 2 (\$3M), Cornell Community Park Phase 1 of 3 (\$3M), and Box Grove Community Park East Phase 1 (\$3M). The adjusted (committed) reserve balance of (\$7.4M) represents a \$26M decrease from the prior year closing balance of \$18.6M.

The chart below summarizes the 2019 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	(\$22,945,786)	(\$20,071,137)	(\$43,016,923)
CITY WIDE HARD SERVICES	\$60,034,173	(\$30,034,708)	\$29,999,465
AREA SPECIFIC CHARGES	\$6,474,098	(\$876,180)	\$5,597,918
<b>TOTAL DEVELOPMENT CHARGE RESERVE</b>	<b>\$43,562,485</b>	<b>(\$50,982,025)</b>	<b>(\$7,419,540)</b>

### 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. The capital infrastructure to service anticipated growth is required to be installed ahead of the new population and, this pre-emplacment of facilities will result in debt in the DC reserves (expenditure preceding revenue inflow). The forecast shows that peak borrowing is projected to occur in 2024 at approximately \$100M with recovery expected to occur around 2030, as shown in the graph below. The anticipated debt will mainly be financed through internal borrowing from the City's reserves.



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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.

In accordance with the by-laws, the development charge rates were indexed up by 3.3% on January 1, 2019 and 1.7% on July 1, 2019. This represents the increase in the prescribed index, the Statistics Canada Quarterly, *Construction Price Statistics* for non-residential buildings in Toronto.

**Compliance with the Development Charges Act, 1997**

For the year ended December 31, 2019, 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.

**HUMAN RESOURCES CONSIDERATIONS**

Not applicable.

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

Not applicable

**BUSINESS UNITS CONSULTED AND AFFECTED:**

Not applicable.

**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, 2019

**SCHEDULE A**

	CASH	LETTERS OF CREDIT	RECEIVABLE AT PERMIT STAGE	RESERVE BALANCE	COMMITMENTS TO APPROVED CAPITAL PROJECTS	ADJUSTED RESERVE BALANCE
ADMINISTRATION	(\$12,748,974)	-	\$684,289	(\$12,064,685)	-	(\$12,064,685)
FIRE	\$2,107,183	-	\$948,411	\$3,055,595	-	\$3,055,595
LIBRARY	(\$829,562)	-	\$2,568,544	\$1,738,982	-	\$1,738,982
PARKLAND	\$31,967,527	-	\$6,271,495	\$38,239,022	(\$12,238,711)	\$26,000,311
RECREATION	(\$67,127,989)	-	\$9,363,885	(\$57,764,104)	-	(\$57,764,104)
PUBLIC WORKS	\$2,482,411	-	\$812,266	\$3,294,676	(\$7,832,426)	(\$4,537,750)
PARKING	\$171,401	-	\$41,681	\$213,083	-	\$213,083
WASTE MANAGEMENT	\$86,739	-	\$254,906	\$341,645	-	\$341,645
<b>TOTAL CITY WIDE SOFT SERVICES</b>	<b>(\$43,891,263)</b>	<b>-</b>	<b>\$20,945,477</b>	<b>(\$22,945,786)</b>	<b>(\$20,071,137)</b>	<b>(\$43,016,923)</b>
<b>CITY WIDE HARD SERVICES</b>	<b>\$48,619,706</b>	<b>\$10,144,366</b>	<b>\$1,270,101</b>	<b>\$60,034,173</b>	<b>(\$30,034,708)</b>	<b>\$29,999,465</b>
<b>AREA SPECIFIC CHARGES</b>	<b>\$6,468,762</b>	<b>\$5,336</b>	<b>-</b>	<b>\$6,474,098</b>	<b>(\$876,180)</b>	<b>\$5,597,918</b>
<b>TOTAL DEVELOPMENT CHARGE RESERVE</b>	<b>\$11,197,205</b>	<b>\$10,149,702</b>	<b>\$22,215,578</b>	<b>\$43,562,485</b>	<b>(\$50,982,025)</b>	<b>(\$7,419,540)</b>

**DEVELOPMENT CHARGES RESERVE**  
**Continuity Statement Including Accounts Receivable**  
Balances by Category as at December 31, 2019

**SCHEDULE B**

	BALANCE AT JANUARY 1 2019	DEVELOPMENT CHARGES EARNED	INTEREST	SUB TOTAL	TRANSFER TO CAPITAL PROJECTS	TRANSFER FROM CAPITAL PROJECTS <sup>1</sup>	BALANCE AT DECEMBER 31 2019	COMMITMENTS TO APPROVED CAPITAL PROJECTS	ADJUSTED BALANCE AT DECEMBER 31 2019
ADMINISTRATION	(\$11,032,652)	\$774,030	(\$491,210)	(\$10,749,832)	(\$1,547,377)	\$232,524	(\$12,064,685)	-	(\$12,064,685)
FIRE	\$2,064,280	\$1,005,378	\$61,504	\$3,131,162	(75,566.56)	-	\$3,055,595	-	\$3,055,595
LIBRARY	(\$385,372)	\$2,204,855	(\$80,500)	\$1,738,983	-	-	\$1,738,983	-	\$1,738,983
PARKLAND	\$39,628,610	\$5,383,482	\$1,282,694	\$46,294,786	(\$9,154,191)	\$1,098,426	\$38,239,021	(\$12,238,711)	\$26,000,310
RECREATION	(\$59,213,788)	\$8,038,009	(\$2,538,560)	(\$53,714,339)	(\$4,050,129)	\$365	(\$57,764,102)	-	(\$57,764,102)
PUBLIC WORKS	\$15,333,891	\$810,670	\$341,587	\$16,486,148	(\$13,392,963)	\$201,489	\$3,294,675	(7,832,426.00)	(\$4,537,751)
PARKING	\$163,272	\$44,088	\$5,722	\$213,082	-	-	\$213,082	-	\$213,082
WASTE MANAGEMENT	\$221,401	\$218,811	\$1,434	\$441,645	(\$100,000)	-	\$341,645	-	\$341,645
<b>TOTAL CITY WIDE SOFT SERVICES</b>	<b>(\$13,220,358)</b>	<b>\$18,479,323</b>	<b>(\$1,417,330)</b>	<b>\$3,841,636</b>	<b>(\$28,320,226)</b>	<b>\$1,532,804</b>	<b>(\$22,945,786)</b>	<b>(\$20,071,137)</b>	<b>(\$43,016,923)</b>
<b>CTIY WIDE HARD SERVICES</b>	<b>\$53,416,339</b>	<b>\$17,525,721</b>	<b>\$1,707,630</b>	<b>\$72,649,689</b>	<b>(\$16,587,162)</b>	<b>\$3,971,645</b>	<b>\$60,034,173</b>	<b>(\$30,034,708)</b>	<b>\$29,999,464</b>
<b>AREA SPECIFIC CHARGES</b>	<b>\$6,982,936</b>	<b>\$119,019</b>	<b>\$248,323</b>	<b>\$7,350,278</b>	<b>(876,180.00)</b>	<b>-</b>	<b>\$6,474,098</b>	<b>(\$876,180)</b>	<b>\$5,597,918</b>
<b>TOTAL</b>	<b>\$47,178,917</b>	<b>\$36,124,063</b>	<b>\$538,624</b>	<b>\$83,841,603</b>	<b>(\$45,783,569)</b>	<b>\$5,504,451</b>	<b>\$43,562,485</b>	<b>(\$50,982,025)</b>	<b>(\$7,419,540)</b>

Note:

1) Relates mainly to funds being returned from closed capital projects

**DEVELOPMENT CHARGES RESERVE**  
**Capital Fund Transfers Addendum - Total Project Funding**  
Balances by Category as at December 31, 2019

**SCHEDULE C**

PROJECT	PROJECT DESCRIPTION	CITY WIDE SOFT DC FUNDING	NON-DC GROWTH FUNDING <sup>1</sup>	OTHER PROJECT FUNDING <sup>2</sup>	2019 PROJECT FUNDING
6390	YMCA Land and Construction	\$4,050,129	\$270,009	-	\$4,320,137
12026	Angus Glen West Village Parks Dev. Reimbursement	\$67,759	-	\$7,529	\$75,288
12371	Milne Dam Conservation Area Master Plan	\$3,750	-	\$1,250	\$5,000
13011	Kirkham Drive Park Phase 2 Construction	\$40,000	-	-	\$40,000
13012	Box Grove Community Park - Design	\$37,344	-	\$4,149	\$41,493
14020	Reimbursement to 1691126 Ontario Ltd.	\$342,430	-	-	\$342,430
16021	Box Grove Rizal Avenue Neighbourhood Park - Construction	\$29,931	-	\$3,326	\$33,257
16038	Box Grove Community Park East (Phase 1) - Construction	\$100,000	-	-	\$100,000
16170	Growth Related Park Improvements	\$100,000	-	\$2,500	\$102,500
17001	Box Grove Community Park (Phase 2 of 2)	\$26,963	-	\$2,996	\$29,959
17014	Wismer Alexander Lawrie NP East & West - D & C	\$797,379	-	-	\$797,379
17017	Cornell Community Park - Phase 1 of 3 Construction	\$125,000	-	-	\$125,000
17055	Municipal Energy Plan - Implementation Phase	\$1,378	-	\$297,214	\$298,592
17075	Special Rescue - Confined Space	\$20	-	\$20	\$40
18033	Markham Centre Riverwalk Urban Park - Design & Const	\$55,000	-	-	\$55,000
18034	Wismer Park Pavilion & Washrooms - Design & Const.	\$35,000	-	-	\$35,000
18035	Parking Lot Adjacent - Cedarwood Park - Design & Constr.	\$24,344	-	\$2,705	\$27,049
19012	Accessibility & Age Friendly Design Guidelines	\$180,540	-	\$20,060	\$200,600
19013	Annual York Region Employment Survey	\$34,200	-	\$3,800	\$38,000
19014	Consultant Studies	\$87,300	-	\$9,700	\$97,000
19019	Future Urban Area Natural Heritage Restoration Plan	\$27,720	-	\$3,080	\$30,800
19020	Housing Strategy	\$90,000	-	\$10,000	\$100,000
19021	LPAT/OMB - Growth Related Hearings	\$274,770	-	\$30,530	\$305,300
19023	Secondary Plans	\$263,662	-	\$29,296	\$292,958
19024	Berczy Beckett East Park - Design and Constr.	\$485,111	-	\$53,901	\$539,012
19025	Box Grove Park Pavilion and Washrooms - Design	\$124,560	-	\$13,840	\$138,400
19026	Cornell Centre NP and Woodlot - Construction	\$878,762	-	\$97,641	\$976,403
19027	Cornell Park Maintenance Building - Construction	\$996,840	-	\$110,760	\$1,107,600
19028	Markham Centre Rouge Side Promenade Parks - Design	\$193,410	-	\$21,490	\$214,900
19029	Wismer Greenspire Parkette - Design and Construction	\$493,470	-	\$54,830	\$548,300
19064	Internal Project Management	\$578,820	-	-	\$578,820
19086	Salt Barn	\$440,400	-	\$466,962	\$907,362
19095	Radio Repeaters	\$33,174	-	\$13,673	\$46,847
19138	Morgan Pool Revitalization - Construction Phase 2 of 2	\$446,029	-	\$2,455,400	\$2,901,429
19178	Incremental Growth Related Winter Maintenance Vehicles	\$450,000	-	-	\$450,000
19204	Corporate Fleet Growth - Non-Fleet	\$10,200	-	-	\$10,200
19211	New Fleet - Fire (Ground Cover Firefighting)	\$42,373	-	-	\$42,373
19213	New Fleet - Parks	\$142,362	-	-	\$142,362
19219	Growth Related Parks Improvements	\$151,110	\$16,790	-	\$167,900
19240	Incremental Growth Related Waste Management Vehicles	\$100,000	-	-	\$100,000
19282	Land Acquisition - 10192 Ninth Line	\$15,600,000	\$400,000	-	\$16,000,000
19287	10192 Ninth Line - Demolition of barn (construction of a new Works Yard)	\$50,000	-	-	\$50,000
19288	Design and Construction of Works Yard	\$200,000	\$205,921	-	\$405,921
19293	14th Avenue Fencing, Gates, Lighting	\$108,987	-	-	\$108,987
<b>TOTAL FUNDED CITY-WIDE SOFT</b>		<b>\$28,320,226</b>	<b>\$892,720</b>	<b>\$3,716,653</b>	<b>\$32,929,599</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	2019 PROJECT FUNDING
18026	Markham Centre Secondary Plan Study	\$585,106	-	\$250,000	\$835,106
18043	Downstream Improvement Work Program	\$76,223	-	\$41,043	\$117,266
18045	John Street MUP Design	\$79,030	-	\$17,630	\$96,660
18048	Regional Mid-Block Crossing EA & Design	\$1,223,540	-	-	\$1,223,540
18049	Rouge Valley Trail Multi-Use Pathway (Phase 4 of 5)	\$16,090	\$29,882	-	\$45,972
18050	Sidewalk Construction (City Wide)	\$355,730	\$0	\$31,041	\$386,771
19022	Planning & Design Staff Salary Recovery	\$498,300	-	-	\$498,300
19030	Active Transportation Awareness Program	\$61,880	\$33,320	\$21,550	\$116,750
19032	Downstream Improvements Program (Design)	\$141,435	-	\$76,157	\$217,592
19033	Elgin Mills Road Environmental Conditions Study	\$567,000	-	-	\$567,000
19035	Hwy 404 Midblock Crossing, N of 16th Ave & Cachet Woods	\$7,100,000	-	-	\$7,100,000
19036	Intersection Improvements (Construction)	\$717,220	\$1,331,980	-	\$2,049,200
19038	Markham Road Multi-Use Pathway Cross-rides (Design)	\$42,250	\$22,750	-	\$65,000
19039	Sidewalk Program (Design)	\$364,406	\$125,259	-	\$489,665
19041	Markham Centre Trails EA for Areas 1, 2, and 4	\$298,555	-	\$127,155	\$425,710
19043	Municipal Inspection and Construction Guidelines Update	\$34,100	-	-	\$34,100
19044	North Markham Transportation Needs Assessment	\$634,900	-	-	\$634,900
19045	Smart Commute Markham - Richmond Hill	\$75,000	-	-	\$75,000
19046	Growth Related Salary Recovery	\$733,200	-	-	\$733,200
19047	Stormwater Thermal Cooling Pilot Project	\$256,200	-	-	\$256,200
19048	Streetlight Program (Construction)	\$100,000	-	-	\$100,000
19049	Streetlighting Program (Design)	\$192,600	-	-	\$192,600
19051	Traffic Safety Audit (City-wide)	\$113,346	\$61,032	-	\$174,378
19064	Internal Project Management	\$298,180	-	-	\$298,180
19232	Erosion Restoration Program	\$560,699	-	\$301,815	\$862,514
19257	Consulting Engineering Services for Hwy 404 North Sec Plan Ward 2	\$1,352,357	-	-	\$1,352,357
19262	Markham Centre Trails – Design (Phase 1 of 4)	\$84,815	-	\$45,670	\$130,484
19285	Yonge Street Hwy 7 Transit Planning Advisory Services	\$25,000	-	-	\$25,000
<b>TOTAL FUNDED CITY-WIDE HARD</b>		<b>\$16,587,162</b>	<b>\$1,604,223</b>	<b>\$912,061</b>	<b>\$19,103,447</b>

PROJECT	PROJECT DESCRIPTION	AREA SPECIFIC DC FUNDING	NON-DC GROWTH FUNDING	OTHER PROJECT FUNDING	2019 PROJECT FUNDING
14056	Rodick Extension - Phase 2 of 3 - Miller to 14th	\$876,180	-	-	\$876,180
<b>TOTAL FUNDED AREA SPECIFIC</b>		<b>\$876,180</b>	<b>\$0</b>	<b>\$0</b>	<b>\$876,180</b>

<b>TOTAL CAPITAL FUND TRANSFERS</b>		<b>\$45,783,569</b>	<b>\$2,496,943</b>	<b>\$4,628,714</b>	<b>\$52,909,225</b>
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**DEVELOPMENT CHARGES RESERVE****SCHEDULE D****Summary of Investments**

Balances by Category as at December 31, 2019

<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		-
				Bank Interest/Other		\$538,624
<b>TOTAL DCA INTEREST</b>						<b>\$538,624</b>

**DEVELOPMENT CHARGES RESERVE****SCHEDULE E****Credit Obligation Summary**

Balances by Category as at December 31, 2019

	<b>BALANCE A9 JANUARY 1 2019</b>	<b>NEW AGREEMENTS</b>	<b>REDUCTIONS IN CREDITS</b>	<b>BALANCE AT DECEMBER 31 2019</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.	\$343,373	-	-	\$343,373
AREA 42B.6 - MARKHAM CENTRE S. HWY 7				
1826918 Ontario Ltd.	\$526,893	-	-	\$526,893
<b>CITY WIDE HARD RESERVES</b>				
Angus Glen Village Limited	\$149,307	-	-	\$149,307
Forest Bay Homes Ltd.	-	\$3,710,951	\$2,416,558	\$1,294,393
Ruland Properties	-	\$5,614,928	\$5,614,928	-
<b>TOTAL CREDIT OBLIGATIONS</b>	<b>\$8,432,794</b>	<b>\$9,325,879</b>	<b>\$8,031,486</b>	<b>\$9,727,187</b>

**DEVELOPMENT CHARGES RESERVE**  
**Statement of Change in Year-End Balances**  
Balances by Category as at December 31, 2019

**SCHEDULE F**

	2017	2018	2019	% CHANGE 2017 - 2019
<b>CITY-WIDE SOFT SERVICES</b>				
ADMINISTRATION	(\$11,813,417)	(\$11,032,652)	(\$12,064,685)	
FIRE	\$683,394	\$2,064,279	\$3,055,595	
LIBRARY	(\$3,070,427)	(\$385,372)	\$1,738,982	
PARKLAND	\$34,269,984	\$39,628,611	\$38,239,022	
RECREATION	(\$70,386,944)	(\$59,213,788)	(\$57,764,104)	
PUBLIC WORKS	\$14,260,999	\$15,333,890	\$3,294,676	
PARKING	\$107,961	\$163,273	\$213,083	
WASTE MANAGEMENT	-	\$221,401	\$341,645	
<b>CITY-WIDE SOFT SERVICES</b>	<b>(\$35,948,450)</b>	<b>(\$13,220,358)</b>	<b>(\$22,945,786)</b>	<b>36%</b>
<b>CTIY WIDE HARD SERVICES</b>	<b>\$37,787,651</b>	<b>\$53,416,339</b>	<b>\$60,034,173</b>	<b>59%</b>
<b>AREA SPECIFIC CHARGES</b>	<b>\$7,494,104</b>	<b>\$6,982,936</b>	<b>\$6,474,098</b>	<b>-14%</b>
<b>TOTAL DEVELOPMENT CHARGE RESERVE</b>	<b>\$9,333,305</b>	<b>\$47,178,917</b>	<b>\$43,562,485</b>	<b>367%</b>



Report to: General Committee

Meeting Date: April 20, 2020

**SUBJECT:** Development Charge Interest Policy

**PREPARED BY:** Mark Visser, Senior Manager, Financial Strategy & Investments, ext. 4260  
Kevin Ross, Manager, Development Finance & Payroll, ext. 2126

**REVIEWED BY:** Francesco Santaguida, Assistant City Solicitor, ext. 3583

**RECOMMENDATION:**

1. That the report entitled “Development Charge Interest Policy” be received; and,
2. That the “Development Charge Interest Policy”, attached as Appendix A, be adopted by Council; and further,
3. 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 provide an update on the recent changes introduced by Bill 108, *More Homes, More Choice Act, 2019* (“Bill 108”), and further amended by Bill 138, *Plan to Build Ontario Together Act, 2019* (“Bill 138”), and to establish the rules and practices for charging interest for frozen DC rates and phased payments, as permitted under sections 26.1 and 26.2 of the *Development Charges Act, 1997, as amended*.

**BACKGROUND:**

Staff provided updates to Council on proposals under Bill 108 in [May 2019](#) and [July 2019](#). The biggest concern raised by staff was the creation of a Community Benefits Charge (“CBC”), which was proposed to take the place of certain soft development charges, parkland dedication, and Section 37. On February 28, 2020 the Province provided a proposed regulatory framework for the CBC, Development Charges Act and, Building Code Act with a 31-day commenting period ending March 30, 2020. A separate report with details on the proposed changes and staff recommendations will be brought to Committee ahead of the commenting deadline.

**Bill 138**

Bill 138, the *Plan to Build Ontario Together Act, 2019*, was brought forward by the Provincial government to the legislature in November 2019 and given Royal Assent on

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December 10, 2019. Among other things, Bill 138 amended the *Development Charges Act, 1997* to reverse some of the changes from Bill 108, through limiting the types of development that would be eligible to pay development charges in annual installments to rental housing, institutional and non-profit housing developments. Office and industrial development are no longer eligible to pay development charges in annual installments.

### **Finalized Regulations**

Development Charges (“DCs”) are the primary source of revenue to fund growth-related infrastructure. Bill 108, which received Royal Assent on June 6, 2019, amended the *Development Charges Act, 1997*, (“DC Act”) and the *Planning Act*, in ways that impact how municipalities determine and collect development charges. The Province has issued portions of finalized regulations pertaining to changes to the DC Act.

The sections of Bill 108 pertaining to the freezing of rates and phased payments for certain types of development came into effect on January 1, 2020. Prior to these changes, development charges were typically calculated and charged at prevailing rates at the time of building permit issuance. A summary of the previous and current process for determining and collecting DCs for a site plan agreement is shown Appendix B.

#### **A) Freezing of Rates**

DC rates are now to be frozen at the site plan or zoning bylaw application date. Once an application is approved, building permit issuance must occur within two years to maintain the frozen rate. If the two year period elapses, the prevailing development charge rates in effect at the time the permit is issued will be applied.

Unfortunately, there is no ‘sunset period’ between the application date and building permit issuance for the freezing of rates, as was requested by municipalities. This would have acted as a deterrent to developers submitting applications merely to freeze the rates, but having no intention of building in a timely manner.

#### **B) Phased Payments**

In addition, under Bill 108, as amended by Bill 138, institutional and rental housing development can now defer development charge payment to first occupancy and have payments phased in six equal annual installments. In the case of non-profit housing, the development charges are to be made over 21 equal annual installments.

As a result of the feedback from municipalities, the Province removed commercial and industrial buildings from the list of developments that could be eligible for phased payments; which is positive news.

### **OPTIONS/ DISCUSSION:**

The DC Act now allows municipalities to charge interest on frozen and phased development charges. Neither the updated DC Act nor the accompanying regulatory framework prescribes how a municipality should implement this interest charge. The regulatory framework does not prescribe a maximum interest rate that a municipality may charge, and the Province has indicated that it does not intend to prescribe a maximum rate.

The most transparent methodology to allow municipalities to communicate the interest rate to be charged is to formally adopt a DC Interest Policy.

To date, there is little consistency among the few municipalities that have instituted a policy. Some recently approved policies include:

Municipality	Frozen DCs/Phased DCs
Toronto	<p>For frozen DCs: 1.5% per month capped at their scheduled rate increase</p> <p>The rate is only until November 2020, as they are in the midst of a DC Rate Phase-in</p> <p>For Phased DCs:</p> <ul style="list-style-type: none"> <li>• The City's cost of capital if security is provided</li> <li>• The higher of the Canadian Bank Prime rate plus 5% or the market rate for construction financing, if no security is provided</li> </ul>
Ottawa	The greater of the Infrastructure Construction Price Index for Ottawa plus 0.5%, which is estimated to be 6.3% (5.8%+0.5%), and the average annual rate at which the City issues debentures to fund development charge projects plus 0.5%.
York Region	<ul style="list-style-type: none"> <li>• <b>5% interest rate for both frozen and phased DCs</b></li> <li>• <b>0% in instances that support broader policy objectives</b></li> <li>• <b>Many of the lower tier municipalities in York Region are proposing the same</b></li> </ul>
Milton	Prime Rate
Barrie	City's average weighted cost of capital
Guelph	Non-residential Construction Price Index

Markham staff have been participating in working groups with York Region and other York Regional municipalities over the past several months regarding the changes put forth by the Province. These working groups have sought to determine an appropriate interest rate to charge on frozen and phased payments. At the moment, many municipalities are still trying to determine an appropriate interest rate policy.

Staff are cognizant of what the Province is trying to accomplish with the changes to the DC Act. As such, in determining an appropriate interest rate policy, there needs to be a proper balance between providing reasonable and predictable rates to developers and maintaining municipal revenues. If too many municipalities decide to charge an unreasonable interest rate, there is a risk that the Province will mandate a maximum rate through the regulations.

Staff recommend being consistent with York Region and the lower tier municipalities within York Region by charging a 5% interest rate, to be compounded annually. While

5% surpasses the Construction Price Index (“CPI”) increases over the past 10 years, it is less than Markham’s DC increases over that same period. This is partially due to the fact that land values in Markham have increased at a much greater rate than CPI.

Jan 2010 – Jan 2020	Proposed Interest Rate	Markham DCs	Construction Price Index
Average Annual Increase	5.0%	7.1 – 7.4% for singles/ towns/large apartments  9.4% for small apartments	2.6%

Being aligned with York Region’s Interest Policy will create consistency and clarity regarding administration and communication to developers.

As these changes being introduced by Bill 108 are new to all municipalities, the Development Charge Interest Policy may need to be amended from time to time, as more information becomes available. Staff may review of the Interest Policy when the next Development Charges Background Study is undertaken, as well, the Policy gives authority to the Treasurer to make changes to the policy that do not change the intent of the policy.

See Appendix A, *City of Markham Development Charge Interest Policy* for more detailed information.

## **FINANCIAL CONSIDERATIONS**

Since Markham will be collecting DCs later that it would have prior to Bill 108, the City’s DC cashflows will be impacted which will result in increased borrowing for growth-related capital infrastructure projects. Staff believe that charging the 5% annual interest will be sufficient to offset the additional borrowing costs in the short term. The long-term financial impact of frozen rates and phased payments is unknown at this time however, the application of this policy (if approved) should limit any potential erosion in DC revenues.

## **HUMAN RESOURCES CONSIDERATIONS**

Not applicable.

## **ALIGNMENT WITH STRATEGIC PRIORITIES:**

Instituting an Interest Rate Policy is meant to ensure that the City remains revenue neutral in light of the changes to the *Development Charges Act, 1997* and, is consistent with good fiscal policy.

## **BUSINESS UNITS CONSULTED AND AFFECTED:**

Legal Services has been consulted and their comments have been included in the report.

**RECOMMENDED BY:**

Joel Lustig  
Treasurer

Trinela Cane  
Commissioner, Corporate Services


**ATTACHMENTS:**

Appendix A: Markham's Development Charge Interest Rate Policy

Appendix B: Site Plan Control - Previous and Current Development Charge  
Determination and Collection Regime



**Appendix A**

	<i>Development Charge Interest Policy</i>	
	Policy Category:	
	Policy No.:	Implementing Procedure No.:
Approving Authority: Council		Effective Date: January 1, 2020
Approved or Last Reviewed Date:		Next Review Year: 2025
Area(s) this policy applies to: Financial Strategy & Investments, Financial Services		Owner Department: Financial Strategy & Investments, Financial Services
Related Policy(ies): Development Charge Deferral Policy		

Note: Questions about this policy should be directed to the Owner Department.

### 1. Purpose Statement

The purpose of this policy is to establish the rules and practices for charging interest, as permitted under sections 26.1 and 26.2 of the *Development Charges Act, 1997*.

### 2. Applicability and Scope Statement

This Policy will apply to all landowners, developers and builders who submit a site plan and/or zoning amendment application to the City of Markham.


### 3. Background

In 2019, the Province introduced through Bill 108, *More Homes, More Choice Act, 2019*, and further amended by Bill 138, *Plan to Build Ontario Together Act, 2019*, amendments to the *Development Charges Act, 1997* which established the rules and practices for charging interest, as permitted under sections 26.1 and 26.2 of the *Development Charges Act, 1997*. The legislation and related regulations did not prescribe or set a maximum interest rate to be charged, so each municipality is responsible for setting its own interest rate.

#### 1. Legislative Framework

##### a) Installment Payments under section 26.1 of the Act

Under subsections 26.1(1), (2) and (3) of the Act, development charges shall be paid in equal annual instalments, beginning at the earlier of first occupancy or occupancy permit under the *Building Code Act, 1992*, for:

	<b>Development Charge Borrowing Policy</b>	
	<b>Policy No.:</b>	<b>Implementing Procedure No.:</b>

- Rental housing development that is not non-profit housing development
- Institutional development
- Non-profit housing development

For rental housing and institutional development, the first payment at occupancy is followed by five instalment payments on the anniversary date for total of six payments and, for non-profit housing development the first payment at occupancy is followed by twenty instalment payments on the anniversary date for a total of twenty-one payments.

b) Interest on Installment Payments under section 26.1 of the Act

Subsection 26.1(7) of the Act allows a municipality to charge interest on the instalments from the date the development charges would have been payable, under section 26 of the Act, to the date the instalment is paid, at a rate not exceeding the prescribed maximum interest rate.

c) Development Charge Freeze under section 26.2 of the Act

Under subsection 26.2(1) of the Act, the total amount of a development charge is determined (under the City's Development Charge Bylaw) on:

- The day an application for an approval of a site plan development under subsection 41 of the *Planning Act* was made, or
- If clause (i) does not apply, the day an application for a zoning amendment to a bylaw passed under section 34 of the *Planning Act* was made.

d) Interest under section 26.2 of the Act

Under subsection 26.2(3) of the Act, a municipality may charge interest on the development charge, at a rate not exceeding the prescribed maximum interest rate, from the date of the application referred to in clause c(i) or c(ii) to the date the development charge is payable.

e) Maximum Interest Rate under sections 26.1 and 26.2

The Act allows a municipality to charge interest on the development charge at a rate not exceeding the prescribed maximum interest rate.

There is no prescribed maximum interest rate under subsections 26.1 and 26.2 of the Act.



## Development Charge Borrowing Policy

Policy No.:

Implementing Procedure No.:

### 4. Definitions

**Act:** The *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended, revised, re-enacted or consolidated from time to time, and any successor statute

**Development:** means the construction, erection or placing of one or more buildings on land or the making of an addition or alteration to a building that has the effect of increasing the size or usability thereof, and includes redevelopment.

**Development Charge(s):** Markham's development charges, including City-wide Hard & Soft development charges, and Area Specific Development Charges ("ASDCs").

**Total Accrued Amount:** Equal to the total of the development charges and interest which has accrued

### 5. Policy Statements

#### 2. Interest Rate Used

- a) An interest rate of 5% shall be used.
- b) Notwithstanding clause 2(a), at the discretion of the Chief Administrative Officer, a rate less than 5% may be applied for payments under section 26.1, beginning at building permit issuance, for developments that have taken advantage of a City development charge incentive and/or relief, current or future, if the developer secures future payments with a letter of credit, a mortgage or other security satisfactory to the Treasurer on the subject property.

#### 3. Amendment or Revision to Interest Rates:

In the event the interest rate is amended or revised, the new interest rate shall apply to the total accrued amount, prorated from the date of the interest rate amendment or revision to:

- The date the total accrued amount is fully paid, or
- A subsequent amendment or revision of the interest rate



## *Development Charge Borrowing Policy*

Policy No.:

Implementing Procedure No.:

### **4. Interest Rate Publication and Notification**

Upon Council approval, this policy and the interest rates being used shall be made available on the City's website - <https://www.markham.ca/>

### **5. Compounding and Prorating:**

All interest shall be compounded annually and shall accrue from the date of the applicable application until the date the total accrued amount is fully paid. A 365 day calendar year, shall be used for the purposes of prorating.

#### **a) Subsequent Application(s)**

If a subsequent application(s) is made for a development:

- The date the subsequent application is made will become the new date under which the total amount of the development charge is determined
- All interest that had accrued prior to the subsequent application shall be deemed to be zero (0)
- Interest will be compounded annually and begin to accrue from the date the subsequent application is made

#### **b) Interest under section 26.1**

If a development was one of the eligible types of development for the instalment payments under section 26.1 of the Act, the total accrued amount shall continue to accrue interest from the date of the issuance of a building permit.


During the instalment timeframe, interest shall continue to accrue on the outstanding balance. This shall continue until the date the total accrued amount has been fully paid.

### **6. Effective Date**

Upon approval by Markham Council, this policy shall retroactively take effect as at January 1, 2020 at 12 a.m.

### **7. Transition**

To allow for a transition period, this policy does not apply to any development where:

	<i>Development Charge Borrowing Policy</i>	
	Policy No.:	Implementing Procedure No.:


- a) An application for a site plan (sections 41(4) of the *Planning Act*) or zoning by-law amendment (section 34 of the *Planning Act*) is not required, but the development:
  - Still qualifies for instalment payments under section 26.1 of the Act, and
  - A building permit has been issued for the development prior to July 1, 2020
- b) An application for a site plan under subsection 41(4) of the *Planning Act* is:
  - Made after January 1, 2020, and
  - A building permit has been issued for the development prior to July 1, 2020
- c) An application for a zoning amendment to a by-law passed under section 34 of the *Planning Act* is:
  - Made after January 1, 2020, and
  - A building permit has been issued for the development prior to July 1, 2020

## 6. Roles and Responsibilities

The Treasurer is delegated the authority to make administrative changes to this Policy that may be required from time to time due to legislative changes or if, in the opinion of the Treasurer, the amendments do not change the intent of the policy.

### Financial Services Department

- Administration of this policy, including but not limited to:
  - Assisting landowners, developers, builders and other stakeholders in determining the total amount of development charges that would be determined under the City's by-laws and the applicable interest rate that would apply
  - Ensuring that the total accrued amount is being calculated and charged
  - Collection of development charges, inclusive of interest, when due and payable

	<b>Development Charge Borrowing Policy</b>	
	<b>Policy No.:</b>	<b>Implementing Procedure No.:</b>

### Planning and Urban Design Department

- Determine the date that a Site Plan application is made for site plans in accordance with section 41(4) of the *Planning Act*, for the purposes of determining the date that development charge rates are frozen
- Determine the date that an application is received for a zoning by-law amendment (subsequently deemed complete) in accordance with section 34 of the *Planning Act*, for the purposes of determining the date that development charge rates are frozen

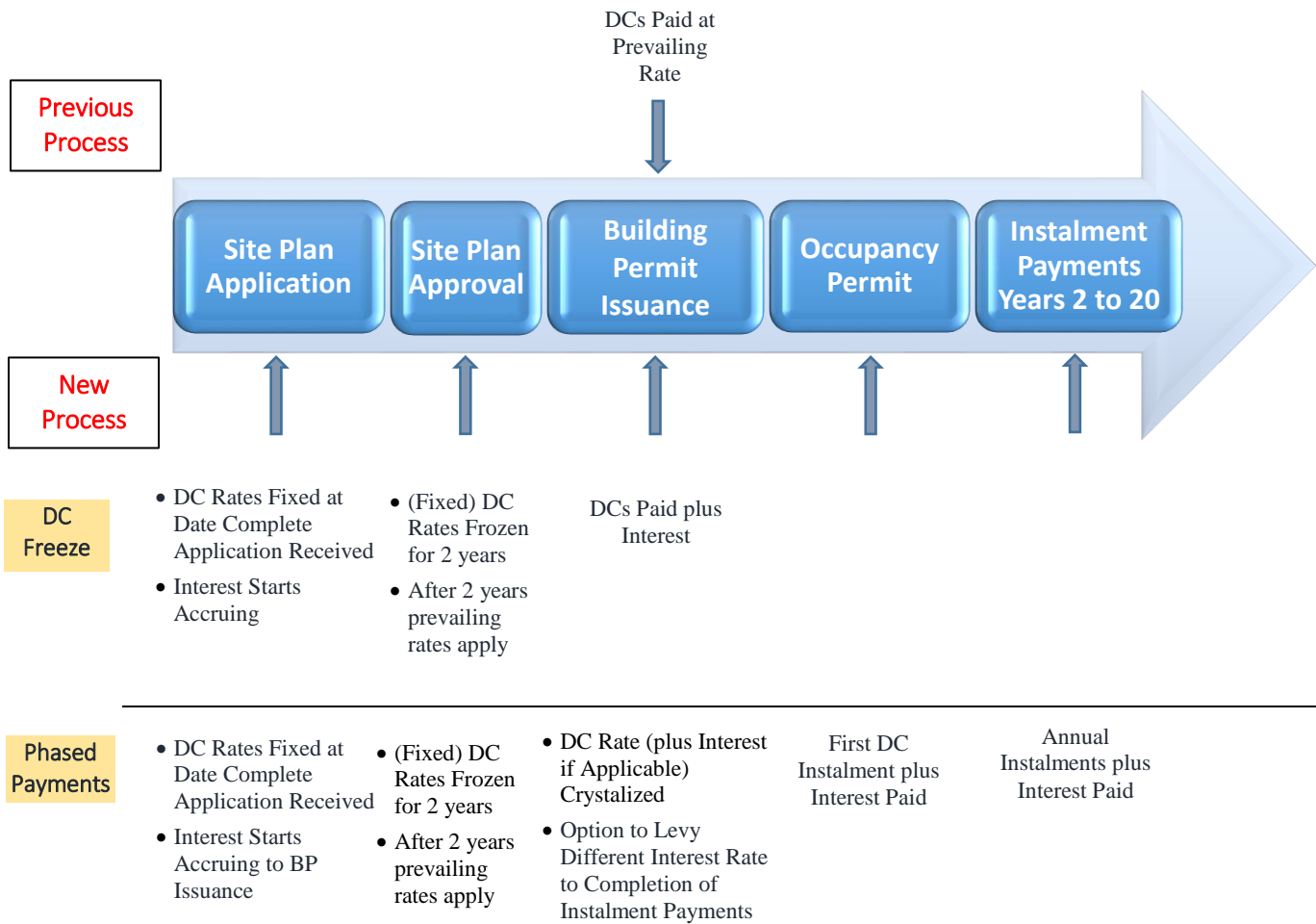
### Building Standards Department

- For developments subject to phased payments under section 26.1, provide the Financial Services Department with the date:
  - A permit authorizing occupancy under the *Building Code Act, 1992* is issued
  - A building is first occupied

**Appendix B**

**SITE PLAN CONTROL**

**PREVIOUS AND CURRENT DEVELOPMENT CHARGE DETERMINATION & COLLECTION REGIME**



Report to: General Committee

Meeting Date: March 23, 2020

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**SUBJECT:** Staff Awarded Contracts for the Month of February 2020  
**PREPARED BY:** Alex Moore, Ext 4711

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**RECOMMENDATION:**

1. That the report entitled “Staff Awarded Contracts for the Month of February 2020” be received; and,
2. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**PURPOSE:**

Pursuant to Part III section 15 of the Procurement Bylaw (No. 2017-8), passed by Council on March 21, 2017, a report shall be submitted to Council on a monthly basis to advise of awarded contracts greater than \$50,000.

This report advises Council of all contracts, awarded by the Chief Administrative Officer or Commissioners, or Directors with a total cost exceeding \$50,000 for the month of February 2020.

**BACKGROUND:**

The Procurement Bylaw delegates authority to staff to award contracts if the contract award meets specific criteria. The following chart outlines the contract award approval authority:

Dollar threshold	Within Criteria*	Outside Criteria*
\$50,000 or greater, but less than \$100,000	Director	Commissioner
\$100,000 or greater, but less than \$350,000	Commissioner	CAO
\$350,000 or greater	CAO	Council

\* If one (1) of the below noted criteria is not met then the contract award is identified as outside criteria and the approval authority.

- The Contract Award is to the lowest priced or highest ranked (as applicable), compliant Bidder
- The expenses relating to the goods/ services being procured are included in the budget (Operating/Capital).
- The Contract Award is within the approved budget.
- The term of the Contract is for a maximum of four (4) years.
- There is no litigation between the Successful Bidder and the City at the time of Contract Award.
- There is no disqualified Bidder (which disqualified Bidder is also the lowest priced or highest ranked Bidder (as applicable) pursuant to the Quotation process) at the time of Contract Award.



<b>Number</b>	<b>BMFT Objective</b>	<b>Description</b>	<b>Award Details</b>	<b>Commission</b>
1	Engaged, Diverse and Thriving City	024-Q-20 Consulting Services for the Construction of Tennis Domes at Reesor Park	Lowest Priced Bidder	CS
2	Exceptional Services by Exceptional People	032-T-20 Wireless Microphone and In Ear Monitor System Replacement	Lowest Priced Bidder	DS
3	Exceptional Services by Exceptional People	019-S-20 Privileged Access Management Solution (VOR # OSS-05522747)	Non-Competitive Bidder	CS
4	Safe & Sustainable	056-R-19 Fireworks Display for Canada Day	Highest Ranked/ Lowest Priced Bidder	CS
5	Safe & Sustainable Community	218-R-19 Consulting Engineering Services for Street-lighting Upgrades – Varley Village – Design and Contract Administration	Highest Ranked/ Lowest Priced Bidder	C&FS
6	Safe & Sustainable Community	219-R-19 Consulting Engineering Services for Structures Rehabilitation Works (5 Structures)	Highest Ranked/ Lowest Priced Bidder	C&FS
7	Safe & Sustainable Community	237-T-19 - Rehabilitation of Three Culverts	Lowest Priced Bidder	C&FS
8	Safe & Sustainable Community	026-Q-20 Supply and Delivery of Street Planters	Lowest Priced Bidder	C&FS
9	Safe & Sustainable Community	041-S-20 Removal and Installation of Hydro Infrastructure	Non-Competitive Bidder	DS
10	Stewardship of Money and Resources	243-Q-19 Supply and Delivery of Automotive Parts	Lowest Priced Bidder	C&FS

**RECOMMENDED BY:**

Joel Lustig  
Treasurer

Trinela Cane  
Commissioner, Corporate Services

#1

**STAFF AWARD REPORT****Page 1 of 2**

To:	Graham Seaman, Director of Sustainability & Asset Management
Re:	024-Q-20 Consulting Services for the Construction of Tennis Domes at Reesor Park
Date:	January 31, 2020
Commission:	Corporate Services

**BID INFORMATION**

Bids closed on	January 31, 2020
Number picking up bid documents	4
Number responding to bid	4

**BACKGROUND**

To obtain approval to award the consulting services contract to allow for the construction of two seasonal tennis bubbles and other site modifications at Reesor Park. The cost of the award under this report is for the City's component of the project. The project is divided into 2 phases and will be executed in parallel as follows:

- Phase 1: Markham Tennis Clubhouse Winterization & Fire Separation
- Phase 2: Markham Tennis Club Bubbles

**Timeline:**

- Design completion by March 6, 2020.
- Construction between April 13, 2020 to June 12, 2020

**RECOMMENDATION**

Recommended Bidder	Landscape Planning Limited (lowest priced bidder)	
Current budget available	\$120,888.48	058-6150-20291-005 Seasonal Tennis Bubble - Consultant
Less cost of award	\$ 60,547.20 <u>\$ 6,054.72</u> \$ 66,601.92	Cost of City's share of the award * Contingency 10% Total Award (incl. HST impact)
Budget remaining after award	\$ 54,286.56	**

\*A cash allowance of \$2,035.20 is included for 3<sup>rd</sup> party material testing.

\*\*The remaining budget of \$54,286.56 will be retained in the account until the end of construction. Any unused amount will be returned to original funding source.

**OPERATING BUDGET AND LIFE CYCLE IMPACT**

This award is only for consulting services and thus operating budget and life cycle impacts are not applicable at this stage. Actual impacts will be identified at a later stage of project.

**ENVIRONMENTAL CONSIDERATIONS**

All design and specifications will be prepared with reference to industry best practices for the construction of a sustainable and energy efficient building. Where feasible, measures to support net zero emissions by 2050 will be applied.

#2

**STAFF AWARD REPORT**

To:	Arvin Prasad, Commissioner, Development Services
Re:	032-T-20 Wireless Microphone and In Ear Monitor System Replacement
Date:	February 21, 2020
Commission:	Development Services

**BID INFORMATION**

Bids closed on	February 18, 2020
Number picking up bid documents	5
Number responding to bid	2

**BACKGROUND**

In December 2019, the City was made aware that the Government of Canada auctioned various frequency ranges to telecommunications companies for digital TV and cellular services. Our current inventory of wireless microphones and wireless in ear monitoring systems, which musicians use to hear themselves are both within the range of the sold bandwidth. As such, effective May 2, 2020 the City would not be able to operate within the sold bandwidth range with our existing wireless microphone systems.

Therefore, under this report, Staff are seeking approval to award the contract for the supply and delivery of a new wireless microphone and in ear monitoring systems to ensure reliable technology that can be used for professional productions at the Flato Markham Theatre.

All the work will be completed by April 1, 2020.

**RECOMMENDATION**

Recommended bidder	RP Dynamics Inc. (lowest priced bidder)	
Current budget available	\$156,710.40	510-101-5399-20011– System Replacement
Less cost of award	\$142,464.00	Bid Price (Incl. of HST)
	<u>\$ 14,246.40</u>	Contingency (10%)
	\$156,710.40	Total cost of award (Incl. of HST)
Budget remaining after this award	\$ 0.00	

**OPERATING BUDGET AND LIFE CYCLE IMPACT**

The Life Cycle Reserve study will be updated to reflect the addition of the equipment that will require replacement in 8-10 years. There is no Operating budget impact.

**ENVIRONMENTAL CONSIDERATIONS**

N/A

#3

**STAFF AWARD REPORT****Page 1 of 3**

To:	Andy Taylor, Chief Administrative Officer
Re:	019-S-20 Privileged Access Management Solution (VOR # OSS-5522747)
Date:	January 31, 2020
Commission:	Corporate Services

**PURPOSE AND BACKGROUND**

To obtain approval to award the contract for CyberArk's Privileged Access Management system through the Ontario Provincial Government Vendor of Record contract #OSS-05522747 to efficiently and securely manage privileged accounts (accounts with elevated permissions), their credentials, user access rights, and to proactively monitor and control privileged activity. This new system will be a critical layer to IT security to protect highly confidential information, infrastructure and assets across the enterprise for on premise and services provided by a third party.

**RECOMMENDATION**

Recommended bidder	Information Systems Architects Inc. (non-competitive procurement)	
Current budget available	\$151,338.17	049-6150-17304-005 Core IT Infrastructure – IS Enhancement
Less cost of award	\$144,546.46 \$ 15,245.59 \$ 15,245.59 \$ 15,245.59 \$ 15,245.59 \$205,528.82	Year 1 – Feb 2020 to Jan 2021* Year 2 – Feb 2021 to Jan 2022** Year 3 – Feb 2022 to Jan 2023** Year 4 – Feb 2023 to Jan 2024** Year 5 – Feb 2024 to Jan 2025** Total Cost of Award (Inclusive of HST)
Budget remaining after this award	\$ 6,791.71	***

\*Year 1 one-time cost includes the Licenses, software, installation, configuration, deployment, professional services, training and Year 1 Maintenance Fees

\*\*Recurring annual fees for software maintenance and on-going technical support fees. Years 2021 to 2025 will be subject to Council approval of the operating budget.

\*\*\*The remaining balance of \$6,791.71 will be returned to the original funding source.

Note: The costs for maintenance and on-going support fees starting Year 2 will be charged to ITS Computer Software Maintenance account, GL #400-404-5461.

**Further, Staff recommends:**

That the tendering process be waived in accordance with Purchasing By-Law 2017-8, Part II, Section 7 Non Competitive Procurement, item 1 (g) which states "Where it is in the City's best interest not to solicit a competitive bid";

That staff can amend the purchase order amounts in years 2021 - 2025 to accommodate business needs for the purchase of additional licenses and adjust the maintenance fees through operating budgets as approved by Council during the annual budget process.

**OPTIONS/DISCUSSION**

Privileged accounts and the associated access levels represent one of the largest security vulnerabilities an organization faces today. Privilege accounts (super-user accounts) are accounts that have elevated permission than standard accounts. These powerful accounts exist in every piece of hardware and software on a network. These accounts are required for installing software, configuring hardware, facilitating automated processes, safeguarding sensitive information, performing day-to-day software and hardware maintenance and ensuring business continuity. However, if compromised, through a cyber-attack, for example, these accounts can be used to gain access and steal sensitive data, take control of critical IT infrastructure and/or cause significant damage to the business. Global IT research and advisory firms, such as Gartner, Forrester and InfoTech, estimate that at least 80% of data breaches have a connection to compromised privileged account credentials.

To mitigate the risk of privilege accounts being compromised, enterprises are implementing a Privileged Access Management (PAM) solution that specifically addresses their privileged access exposure. CyberArk's PAM solution provides the comprehensive protection, monitoring, detection, alerting, and reporting required to stay one-step ahead of the attackers and to safeguard an organization's most critical assets.

The opportunity to acquire technology equipment and services through the competitive Vendor of Record process, which is administered by the Ontario Government and is offered to broader public services organizations including municipalities, provides tremendous value to the City in terms of accessing tested technology without the significant staff effort that would be required to proceed with a separate RFP. The City will also realize measurable financial benefits through this approach due to the Province's extensive purchasing power. Based on these factors, staff recommend that the City use Information Systems Architects Inc. to acquire CyberArk's PAM solution to secure and mitigate risks related to privileged accounts.

Through the Ontario Provincial Government (VOR # OSS-05522747), the City has access to the Information Systems Architects Inc. discounted pricing of 63% Off Manufacturer List Pricing (MLP). The recommended award also includes a complete solution with the installation, configuration, deployment, professional services, training for technical staff and five year software maintenance and support. Combined, this will assist in enhancing the City's logical security posture and mitigate risks as per the City's cyber security program.

**OPERATING BUDGET AND LIFE CYCLE IMPACT**

The annual incremental operating budget impact is \$15,245.59, inclusive of HST impact, to be reviewed and adjusted annually based on business needs. There is no incremental impact to the Life Cycle Reserve Study.

**ENVIRONMENTAL CONSIDERATION**

Not applicable.

#4

**STAFF AWARD REPORT****Page 1 of 2**

To:	Andy Taylor, Chief Administrative Officer
Re:	056-R-19 Fireworks Display for Canada Day
Date:	January 21, 2020
Commission:	Corporate Services

**BACKGROUND**

To obtain approval to award the contract for a federally licensed pyrotechnic company to design, deliver, and execute a professional fireworks display at the Canada Day event held at Milne Dam Conservation on July 1, 2020 Canada Day with the option to renew for each subsequent Canada's Day event.

The fireworks show will be choreographed to audio and is expected to be a captivating display lasting 15 minutes in duration including a dramatic 5 minute finale.

**BID INFORMATION**

Bids closed on	December 4, 2019
Number picking up bid documents	7
Number responding to bid	6

**RECOMMENDATION**

Recommended bidder	GFA Pyro (highest ranked / lowest priced bidder)	
Current budget available	\$ 30,528.00	Canada Day Fireworks Display (025 2100016)
Less cost of award	\$ 30,528.00 \$ 30,528.00 \$ 30,528.00 \$ 30,528.00 <u>\$ 30,528.00</u> \$ 52,640.00	July 1, 2020* July 1, 2021 July 1, 2022 July 1, 2023 July 1, 2024 Total Cost of Award (Inclusive of HST)
Budget remaining after this award	\$ 0.00	*

\*The term of the Contract is for one (1) year commencing July 1, 2020 with the option to renew for four (4) additional periods at the same itemized pricing, terms and conditions.

**PROPOSAL EVALUATION**

The evaluation team was comprised of staff from Fire & Emergency Services, Park Operations, Corporate Communications, and facilitated by staff from the Procurement Department. Bidders were assessed against pre-determined technical criteria as outlined in the RFP: 20% for qualifications/performance of the contractor, 20% for qualifications/experience of the project team, 30% for approach and methodology, 25% for project safety plan, and 5% for value add components, totaling 100 points.

**056-R-19 Fireworks Display for Canada Day****Page 2 of 2****PROPOSAL EVALUATION (Continued)**

The three highest ranked bidders were shortlisted, invited for an interview, and assessed against a computerized visual rendering of the proposed show and pre-determined questions and criteria with the resulting score as follows:

<b>Bidder</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Total</b>	<b>Overall Ranking</b>
	<b>Technical</b>	<b>Interview</b>	<b>Score</b>	
	<b>(100 points)</b>	<b>(10 points)</b>	<b>(110 points)</b>	
<b>GFA Pyro</b>	<b>85.00</b>	<b>10.00</b>	<b>95.00</b>	<b>1</b>

\*GFA Pyro showed a strong understanding of the project and has a qualified project team with over 20 years of related experience. In addition to executing Canada Day fireworks displays in Toronto, Brampton, Richmond Hill, Burlington, Mississauga, and several more, GFA Pyro's notable displays also include Vancouver Winter Olympics 2010, Pam Am Games Opening and Closing Ceremonies 2015, and Cavalcade of Light and New Year's Eve at Nathan Philips Square 2013 to 2019.

**OPERATING BUDGET AND LIFE CYCLE IMPACT**

There is no incremental operating budget impact and no life cycle impact.

**ENVIRONMENTAL CONSIDERATIONS**

To ensure a safe environment and to comply with the standards of the Explosives Regulatory Division (Natural Resources Canada), GFA Pyro has put in place safety procedures that are applied at all times during a pyrotechnic operation. This includes but is not limited to a weather contingency plan, safety monitoring, site-security plan, cease-firing controls, and emergency plans.

Furthermore, the contractor will be responsible for removing all fireworks materials, equipment and debris (boxes, carton, shell casings, waste, etc.) from the fenced fireworks launch zone at Milne Dam Conservation Park in addition to filling holes, and damage done to existing space on the day following the fireworks display.

#5

**STAFF AWARD REPORT****Page 1 of 2**

To:	Andy Taylor, Chief Administrative Officer
Re:	218-R-19 Consulting Engineering Services for Street-lighting Upgrades – Varley Village – Design and Contract Administration
Date:	January 22, 2020
Commission:	Community and Fire Services

**BID INFORMATION**

Bids closed on	December 20, 2019
Number picking up bid documents	10
Number responding to bid	4

**BACKGROUND**

To obtain approval to award the contract for the design and contract administration for underground street-lighting upgrades at Varley Village Area. The existing system was installed in 1960s consists of post-top mounted HPS fixtures on 3.8m high metal poles. As the existing system is at the end of service life, the City is proposing to replace the street-lighting system including poles, underground cables and fixtures.

**Timeline:**

- Design completion by October 2020
- Construction between March 2021 to November 2021

**RECOMMENDATION**

Recommended Bidder	IBI Group Professional Services (Canada) Inc. (Highest Ranked/Lowest Priced Bidder)	
Current budget available	\$362,000.00	058-6150-20239-005 Streetlight Poles & Cable Replacement – Varley Village
Less cost of award	\$100,192.90 \$173,114.11 \$ 10,019.29 <u>\$ 34,622.82</u> \$317,949.12	Detailed Design Services* Contract Administration & Construction Inspection Contingency 10% (Design) Contingency 20% (CA & CI) ** Total Award (incl. HST impact)
Budget remaining after award	\$ 44,050.88	***

\*A cash allowance of \$5,088.00 is included in the bid for utility coordination.

\*\*The standard contingency is 10%. Staff requests an additional 10% for the contract administration and construction inspection component as it is calculated as a fee per construction week (estimated at 30 weeks). The construction period may change subject to detailed design and therefore the purchase order is subject to change.

\*\*\*The remaining budget of \$44,050.88 will be returned to original funding source.



**218-R-19 Consulting Engineering Services for Street-lighting Upgrades – Design and Contract Administration**  
**Page 2 of 2****PROPOSAL EVALUATION**

The two-staged evaluation was based on pre-determined criteria as detailed in the Request for Proposal: 15% for experience/past performance, 25% for qualification and experience of the project manager and team, 30% for project delivery, project understanding and experience on similar/related projects, and 30% for price, totaling 100%.

Bidder	Score
IBI Group Professional Services (Canada) Inc.	90.5

\*Total Bid prices for Design and CA ranged from \$273,307.01 to \$370,742.21.

**OPERATING BUDGET AND LIFE CYCLE IMPACT**

On completion of the works, there will be \$7,260 in incremental energy savings to the operating budget. The life cycle reserve study will be updated to reflect the new poles and luminaries' quantity and cost.

**ENVIRONMENTAL CONSIDERATIONS**

The consultant will oversee the construction contract and review, monitor and ensure compliance with contractor environmental submissions. Additionally, they will maintain environmental compliance records complying with environmental statutes and regulations

#6

**STAFF AWARD REPORT****Page 1 of 2**

To:	Andy Taylor, Chief Administrative Officer
Re:	219-R-19 Consulting Engineering Services for Structures Rehabilitation Works (5 Structures)
Date:	February 19, 2020
Commission:	Community and Fire Services

**BID INFORMATION**

Bids closed on	January 15, 2020
Number picking up bid documents	18
Number responding to bid	9

**BACKGROUND**

To obtain approval to award consulting engineering services for rehabilitation of five (5) structures as identified in the 2017-2018 condition inspection program:

1. P005: Pedestrian Bridge at Pomona Mills Park, 295m west of Park Brook Pl
2. P012: Pedestrian Bridge at Markham Civic Centre, 15m west of Warden Ave
3. P083: Pedestrian Bridge at Apple Creek North Park, 60m northwest of Hoodview Crt
4. P091: Pedestrian Bridge at Toogood Pond, 140m south of Normandale Rd and Delhi Cres
5. C089: Culvert at Bur Oak Ave, 245m east of Hwy 48

The Bid was issued requesting pricing for the following:

- Stage 1 - Detailed condition survey, preliminary design and financial analysis
- Stage 2 - Detailed design
- Stage 3 - Contract administration and construction inspection

Timeline:

- Stage 1 & 2 work will commence in June 2020 and be completed by December 2020.
- Stage 3 work will commence in June 2021 and be completed by October 2021.

**RECOMMENDATION**

Recommended bidder	Stephenson Engineering Ltd. (highest ranked / lowest priced bidder)	
Current budget available	\$150,000.00	058-6150-20245-005 Structures Rehabilitation (5 Structures)
Less cost of award	\$ 31,708.42 \$ 11,702.40 \$ 78,660.48 \$ 5,088.00 \$ 12,715.93 \$ 139,875.23	Stage 1 Award Stage 2 Award* Stage 3 Award** Cash Allowance for Geotechnical Investigation Contingency 10% Total Award (Incl. of HST)
Budget remaining after award	\$ 10,124.77	***

**RECOMMENDATION (Continued)**

\*The detailed design (Stage 2) award amount is calculated as a percentage of construction cost, based on an estimated construction cost. The construction cost estimate may change subject to preliminary design and therefore purchase order for Stage 2 is subject to change.

\*\*The contract administration and construction inspection (Stage 3) award amount is calculated as a fee per construction week, based on an estimated construction period of 15 work weeks. The construction period may change subject to detailed design and therefore the purchase order for Stage 3 is subject to change.

\*\*\*The remaining balance of \$10,124.77 will be returned to original funding source.

**PROPOSAL EVALUATION**

The two-staged evaluation was based on pre-determined criteria as detailed in the Request for Proposal: 15% for experience/past performance, 25% for qualification and experience of the project manager and team, 30% for project delivery, project understanding and experience on similar/related projects, and 30% for price, totaling 100%.

Bidder	Score
Stephenson Engineering Ltd.	87.8

\*Total Bid prices ranged from \$127,159.30 to \$280,603.2 (Including Cash Allowance).

**OPERATING BUDGET AND LIFE CYCLE IMPACT**

There is no incremental impact to the operating budget and life cycle reserve study.

**ENVIRONMENTAL CONSIDERATIONS**

Not Applicable.

#7

**STAFF AWARD REPORT****Page 1 of 2**

To:	Andy Taylor, Chief Administrative Officer
Re:	237-T-19 - Rehabilitation of Three Culverts
Date:	February 19, 2020
Commission:	Community & Fire Services

**BID INFORMATION**

Bid closed on	February 10, 2020
Number picking up document	26
Number responding to bid	16

**BACKGROUND**

To obtain approval to award the contract for rehabilitation of three (3) culverts:

1. Culvert C072 – 19th Avenue - 150m West of McCowan Road
2. Culvert C082 – Edward Jeffery's Ave. - 55m West of Petunia Street
3. Culvert C088 - Wilfrid Murison Ave. - 50m West of Glenbrook Drive

This project will be completed by September 29, 2020.

**RECOMMENDATION**

Recommended bidder	Hawkins Contracting Services Limited (lowest priced bidder)	
Budget available	\$594,600.00	058-6150-19223-005 Culverts Rehabilitation
Less cost of award	\$484,982.11	Cost of Award (Incl. of HST)
	<u>\$ 48,498.21</u>	Contingency (10%)
	\$533,480.32	Total Award Inclusive of HST
Budget remaining after award	\$ 61,119.68	*

\*Of the remaining balance of \$61,119.68, \$25,000.00 will be retained for geotechnical investigation during construction and \$36,119.68 will be returned to the original funding source.

**OPERATING BUDGET AND LIFE CYCLE IMPACT**

There is no impact to the Life Cycle Reserve. There is no incremental operating budget impact.

**ENVIRONMENTAL CONSIDERATIONS**

Construction will be scheduled within the allowable TRCA/MNRF fisheries time window.

#8

**STAFF AWARD REPORT****Page 1 of 2**

To:	Morgan Jones, Director, Operations
Re:	026-Q-20 Supply and Delivery of Street Planters
Date:	February 18, 2020
Commission	Community & Fire Services

**BID INFORMATION**

Bid closed on	February 14, 2020
Number picking up bid document	2
Number responding to bid	2

**BACKGROUND**

To obtain approval to award the contract for the supply and delivery of 388 street planters (self-watering planters) for the City's Streetscape program.

All planters are to be delivered by March 1, 2020.

**RECOMMENDATION**

Recommended bidder	Equinox Industries Ltd. – lowest priced bidder	
Current budget available	\$80,000.00	See Financial Considerations below
Less cost of award	\$75,497.78	Total Award (Incl. of HST)
Budget remaining after this award	\$ 4,502.22	*

\* The remaining budget of \$4,502.22 will be used for other City park furniture and amenities on an as-required basis in 2020.

**FINANCIAL CONSIDERATIONS**

Account Name	Account #	Current Budget Available	Estimated Cost of Purchase	Budget Remaining/ (Shortfall)
Main St. Markham Streetscape	059-6150-18334-005	\$ 26,431.00	\$ 26,431.00	\$ -
Main St. Unionville Streetscape	059-6150-18333-005	\$ 6,651.00	\$ 6,651.00	\$ -
Yonge St. Heritage Streetscape	059-6150-18335-005	\$ 24,116.00	\$ 24,116.00	\$ -
City Park Furniture/Amenities	059-6150-20201-005	\$ 22,802.00	\$ 18,299.78	\$ 4,502.22
<b>Totals:</b>		<b>\$ 80,000.00</b>	<b>\$ 75,497.78</b>	<b>\$ 4,502.22</b>

**OPERATING BUDGET AND LIFE CYCLE IMPACT**

There is no incremental impact to the operating budget or Life Cycle Reserve Study.

**ENVIRONMENTAL CONSIDERATIONS**

Streetscape planters with water reservoirs (self-watering planters) reduce the frequency of the watering schedule and the impacts of a large City vehicle being on main streets during summer months. In filling the reservoir versus surface watering, substantially less water is lost to evaporation as the watering takes place from the bottom up.

#9

**STAFF AWARD REPORT**

To:	Arvin Prasad, Commissioner, Development Services
Award:	041-S-20 Removal and Installation of Hydro Infrastructure
Date:	February 14, 2020
Commission:	Development Services

**BACKGROUND**

To obtain approval to award the contract for the removal and installation of hydro infrastructure as part of the John Street Multi-use Pathway construction project. All infrastructure under this award is owned and operated by Alectra Utilities and construction activities must be completed by their work force. The scope of work includes the following:

1. Anchors (3 removals, 4 installs)
2. Down guys (5 removals, 6 installs)
3. Poles (3 removals, 3 installs)
4. Span guys (5 removals, 7 installs)
5. Strut guys (2 installs)

It is anticipated that work will commence in spring 2020 and be completed by summer 2020.

**RECOMMENDATION**

Recommended Bidder	Alectra Utilities (non-competitive procurement)	
Current budget available	\$55,222.15	083-5350-19037-005 John Street Multi-Use Pathways (MUP) - Construction
Less cost of award	\$ 50,201.96	Award (Incl. of HST)
	\$ 5,020.19	Contingency @ 10%
	\$ 55,222.15	Total cost of award (Incl. of HST)
Budget remaining after award	\$ 0.00	

**Staff further recommends**

That the tendering process be waived in accordance with Purchasing By-Law 2017-8, Part II, Section 11 Non Competitive Procurement, item 2 (a) which states "Requests for Quotations may not be required for goods and services to be provided by Hydro Electric Corporations;"

**OPERATING BUDGET AND LIFE CYCLE IMPACT**

There is no incremental impact to the operating budget and Life Cycle Reserve Study.

**ENVIRONMENTAL CONSIDERATIONS**

N/A

#10

**STAFF AWARD REPORT**

To:	Morgan Jones, Director, Operations
Re:	243-Q-19 Supply and Delivery of Automotive Parts
Date:	February 5, 2020
Commission	Community & Fire Services

**BID INFORMATION**

Bid closed on	February 4, 2020
Number picking up bid document	6
Number responding to bid	4

**BACKGROUND**

To obtain approval to award the contract for the supply and delivery of automotive parts to satisfy the requirements of the City's Fleet department. The list of parts were split into two separate groups, Group A (10 types of parts) and Group B (120 types of parts). The contract is being awarded based on the lowest price per group.

**RECOMMENDATION**

Recommended bidders	BDS Fleet Service (Group A) – lowest priced bidder Uni-Select Canada Inc. (Group B) – lowest priced bidder	
Current budget available	\$22,000.00	750-752-4320 FMDIR Vehicle Parts
Less cost of award	\$21,437.53	Feb 13, 2020 – Dec 31, 2020 (Incl. of HST)
	\$21,437.53	Jan 1 – Dec 31, 2021 (Incl. of HST)*
	\$21,437.53	Jan 1 – Dec 31, 2022 (Incl. of HST)*
	<u>\$21,437.53</u>	Jan 1 – Dec 31, 2023 (Incl. of HST)*
	\$85,750.12	Total Award (Incl. of HST)
Budget remaining after this award	\$ 562.47	**

\* The term of the Contract is for a period starting from February 13, 2020 to December 31, 2020 with an option to renew for an additional three (3) year period at the same itemized pricing. Years 2-4 are subject to Council approval of the 2021-2023 budgets.

\*\* The remaining budget of \$562.47 will be used for other vehicle parts purchases as required in 2020.

**OPERATING BUDGET AND LIFE CYCLE IMPACT**

There is no incremental impact to the operating budget or Life Cycle Reserve Study.

**ENVIRONMENTAL CONSIDERATIONS**

N/A



Report to: General Committee

Meeting Date: April 20, 2020

**SUBJECT:** Tender 060-T-20 Thornhill Community Centre Parking Lot  
Light Poles Replacement

**PREPARED BY:** Khwaja Waker, Facility Engineer, Ext. 2636

### **RECOMMENDATION:**

1. That the report entitled “Tender 060-T-20 Thornhill Community Centre Parking Lot Light Poles Replacement” be received; and,
2. That the contract for Tender 060-T-20 Thornhill Community Centre Parking Lot Light Poles Replacement be awarded to the lowest priced bidder, CM Lighting Maintenance Ltd., in the amount of \$151,113.60, inclusive of HST; and,
3. That the estimated cost of \$18,000 (including HST) for temporary light towers starting from January 2020 until completion of project in October 1, 2020 along with the above tender award for a total cost of \$169,113.60 be funded from the Life Cycle Replacement & Capital Reserve; and further,
4. That Staff be authorized and directed to do all things necessary to give effect to this resolution

### **PURPOSE:**

The purpose of this report is to obtain approval to replace the existing light poles that are in poor condition at Thornhill Community Centre parking lot at a cost of \$169,113.60 (Incl. of HST) to be funded from the Life Cycle Replacement & Capital Reserve.

### **BACKGROUND:**

On October 31<sup>st</sup>, 2019, one of 14 light poles collapsed on a parked vehicle near the west entrance of the Thornhill Community Centre parking lot. As a result, the vehicle was damaged. Fortunately, there were no injuries as no one was inside or near the vehicle. At the time of the incident, the weather was extremely windy with high wind gusts. The collapsed pole was estimated to be between 45 to 50 years old. A condition assessment of all 14 light poles was performed in 2017 and the consultant recommended replacement of the majority of the poles in 2022.

After the incident, the collapsed pole was removed along with 2 additional poles as a precaution based on a contractor inspection. Temporary light towers were rented after removing these poles to maintain sufficient lighting levels in the parking lot.

After the pole failure, Staff engaged a consultant to determine the cause(s) of failure, review the condition of the remaining light poles and recommend an action plan. The report from the consultant stipulated that ‘the light pole fell due to a combination of cyclical wind load, low base installation and corrosion to the light pole’.



The consultant recommended immediate replacement of 13 of the 14 poles. The addition of one new light pole was recommended to provide sufficient lighting at the southwest corner of the parking lot. The one pole not being replaced was installed in 2018. These poles will have new LED luminaires to match the 2018 pole.

The consultant also recommended constructing raised concrete bases for the new light poles to limit the metal poles' exposure to de-icing salt, and snowmelt that can lead to premature corrosion.

#### **OPTIONS/ DISCUSSION:**

The majority of the poles in this parking lot were scheduled for replacement in 2024 as part of the Asset Life Cycle Program. However, the failure of one pole suggests rapid deterioration of the remaining poles and warrants accelerating the replacement of these poles sooner than 2024.

As reviewed by Staff and the consultant, 13 of 14 light poles will require immediate replacement and one new pole is required to be added to the southwest corner. As a result, a total of 14 new poles are recommended to be installed at this parking lot. These new poles will have concrete bases to minimize the impact of salt and all 14 new poles will be LED and dark sky compliant.

#### **Tender Information (060-T-20)**

Bid closed on	March 12, 2020
Number picking up bid document	13
Number responding to bid	10

#### **FINANCIAL CONSIDERATIONS**

Recommended bidder	CM Lighting Maintenance Ltd. (lowest priced bidder)	
Less cost of award	\$137,376.00	Bid Price (Incl. of HST)
	<u>\$13,737.60</u>	Contingency (10%)
	\$151,113.60	Total cost of award (Incl. of HST)*

\*The amount of \$151,113.60 will be funded from the Life Cycle Replacement and Capital Reserve Fund.

The rental cost for temporary light towers starting from January 2020 until completion of projection October 1, 2020, is \$18,000.00, including HST impact. Total budget request for light poles replacement and temporary light towers is \$169,113.60, inclusive of HST impact.

#### **OPERATING BUDGET AND LIFE CYCLE IMPACT**

Staff recommend the total estimated amount of \$169,113.60 (inclusive of HST impact) to be funded from Life Cycle Replacement & Capital Reserve. The Life Cycle Reserve Study planned for the replacement of the original poles in 2024. The Study will be updated upon project completion. The as built drawings will be entered into the corporate GIS database upon completion and acceptance. The incremental operating budget impact would be a cost saving of approximately \$3,600 per year due to the energy efficiency of the LED lights.

**ENVIRONMENTAL CONSIDERATIONS**

All luminaires will be LED and Dark Sky compliant. The new system is expected to reduce energy consumption by 23,000 kWh per year.

**HUMAN RESOURCES CONSIDERATIONS**

Not Applicable

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

This project aligns with City's 'Building Markham's Future Together' goal #3 (Safe, Sustainable and Complete Community) through promoting retrofits to our existing infrastructures in order to achieve our Net Zero plan.

**BUSINESS UNITS CONSULTED AND AFFECTED:**

The comments from Operations, Recreation & Finance have been incorporated into this report.

**RECOMMENDED BY:**

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Graham Seaman, P.Eng  
Director of Sustainability &  
Asset Management

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Trinela Cane,  
Commissioner, Corporate Services

**ATTACHMENTS:**

Not Applicable



Report to: General Committee

Meeting Date: April 20, 2020

**SUBJECT:** Award of Construction Tender 014-T-20 Bayview Glen North and Laureleaf Road Cast Iron Watermain Replacement

**PREPARED BY:** Prathapan Kumar, Senior Manager, Environmental Services, Ext. 2989  
Flora Chan, Senior Buyer, Ext. 3189

**RECOMMENDATION:**

1. That the report entitled “Award of Construction Tender 014-T-20 Bayview Glen North and Laureleaf Road Cast Iron Watermain Replacement” be received; and,
2. That the contract for Tender 014-T-20 Bayview Glen North and Laureleaf Road Cast Iron Watermain Replacement be awarded to the lowest priced Bidder, Sam Rabito Construction Ltd. in the amount of \$5,656,644.04, inclusive of HST; and,
3. That a 3% contingency in the amount of \$169,699.32 inclusive of HST, 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,
4. That the construction award in the amount of \$5,826,343.36 (\$5,656,644.04 + \$169,699.32) be funded from the capital project 053-6150-20257 “CI Watermain Replacement – Construction & CA” with budget available of \$5,447,381.00; and,
5. That the shortfall of \$378,962.36 be funded through Waterworks Stabilization/Capital Reserve; and further,
6. 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 obtain Council approval to award the contract for the 2020 Cast Iron Watermain Replacement within the Bayview Glen North and Laureleaf Road neighbourhood.

**BACKGROUND:**

Watermain Replacement:

Watermain break records and assessments indicate that the cast iron pipes structural condition is close to the end of its lifecycle and need replacement at Ladyslipper Court, Multiflora Place, Poinsetta Drive, Wildrose Crescent, Hammock Crescent, Babcombe Drive, Laureleaf Road between Daffodil Ave and Steeles Ave.

A total of 4,067 metres of existing cast iron watermain have been identified for replacement.

Construction Tender

Due to the scope of the project, contractors were prequalified to ensure that they had the necessary qualifications, experience and resources to complete the work in accordance with the City's requirements and within the specified timelines. Prequalification 066-P-17 was issued in accordance with the Purchasing By-law 2017-8.

**Pre-Qualification Information (066-P-17)**

Prequalification closed on	January 26, 2017
Number of Contractors picking up the Pre-qualification document	34
Number of Contractors responding to the Pre-qualification	16
Number of Contractors Pre-qualified	9

**Construction Tender Information (014-T-20)**

Bids closed on	March 5, 2020
Number picking up the Bid document	8
Number responding to the Bid	5

**Price Summary**

<b>Bidder</b>	<b>Bid Price (Incl. of HST)</b>
<b>Sam Rabito Construction Ltd.</b>	<b>\$5,656,644.04*</b>
KAPP Infrastructure Inc.	\$7,247,103.31
Lancorp Construction Co Ltd.	\$7,795,261.25
Dom – Meridian Construction Ltd.	\$7,878,725.26
Robert B. Somerville Co. Limited	\$9,259,583.02

\*Staff negotiated with Sam Rabito, the lowest priced bidder, a \$15,500.00 or 0.3% cost reduction from their original bid price (from \$5,672,416.84 to \$5,656,644.04), as allowed under the Purchasing By-Law, while still maintaining the same level of project deliverables.

**OPTIONS/ DISCUSSION:**Watermain Replacement

The existing cast iron watermain on Ladyslipper Court, Multiflora Place, Poinsetta Drive, Wildrose Crescent, Hammock Crescent, Babcombe Drive, Laureleaf Road between Daffodil Ave and Steeles Ave are close to the end of their life cycle.

The replacement of cast iron watermain is consistent with the City's strategy to upgrade aged and deficient watermain to improve supply capacity and reliability. Replacement of these old cast iron watermain will also offer improved reliability (less risk of breaks) as well as improved water quality and flows for domestic and fire demand. Based on experience, cast iron watermain are susceptible to internal and external corrosion as they age which leads to poor water quality and increased watermain breaks. The new watermain replacement material will be PVC pipe, which has a service life of 90 years and is superior as it is heat resistant, chemical resistant and non-corrosive.

Public Input

A Public Information Committee (PIC) meeting was held on March 12, 2020 to provide an update to the area residents and businesses, as well as to address any potential issues or concerns that the public may have on the proposed construction.

#### Traffic Management Plan

The objective of the traffic management plan is to limit the traffic within the construction zone (only local traffic will be allowed) and divert through traffic onto adjacent roadways.

#### Communications Plan

Staff will be providing regular updates to the affected stakeholders as well as providing early notification for any disruptions to driveway access or municipal services. The City's website will also be updated as required to provide up-to-date information on the status of the project.

#### Project Schedule:

- Mid May 2020 - Commencement of work
- December 18, 2020 - Completion of 80% work to base asphalt
- January to Spring 2021 - Winter Shutdown
- Spring 2021 to Summer 2021 - Complete remaining 20% work, top asphalt, restoration etc.

### **FINANCIAL CONSIDERATIONS**

The following table summarizes the financial considerations for the project:

Budget allocation (CA and Construction)	\$5,729,700.00	053-6150-20257-005 "CI Watermain Replacement – Construction & CA"
Budget available for construction (A)	\$5,447,381.00	
Less: construction cost (B)	\$5,656,644.04	} Awarded to Sam Rabito Construction Ltd. (014-T-20)
Less: contingency (3%) (C)	\$ 169,699.32	
Total cost (D) = (B) + (C)	\$5,826,343.36	
Budget Shortfall (E) = (A) – (D)	(\$ 378,962.36)	

Note: Budget shortfall of \$378,962.36 is due to budget estimate that was based on unit rates for watermain replacement based on City's West Thornhill Flood Control Remediation projects completed over the past 3 years. These projects had a combined watermain, storm and road reconstruction under one bid. Since this contract was tendered as a standalone watermain project, the City did not receive the economies of scale as received in the past 3 years.

#### Operating Budget and Life Cycle Reserve Impact

The 2020 Waterworks Asset Life Cycle Reserve Study will be updated to reflect the current market rates. There is no incremental impact to the operating budget.

### **HUMAN RESOURCES CONSIDERATIONS**

Not Applicable.

### **ALIGNMENT WITH STRATEGIC PRIORITIES:**

The proposed watermain replacement program is aligned with City's goal to provide better quality services to the public and is consistent with the Building Markham's Future Together strategic priority on the "Environment" as it considers sustainability on the built environment.

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**BUSINESS UNITS CONSULTED AND AFFECTED:**

Finance department has been consulted and their comments have been incorporated.

**RECOMMENDED BY:**

Phoebe Fu  
Director of Environmental Services

Brenda Librecz  
Commissioner, Community & Fire Services

**ATTACHMENTS:**

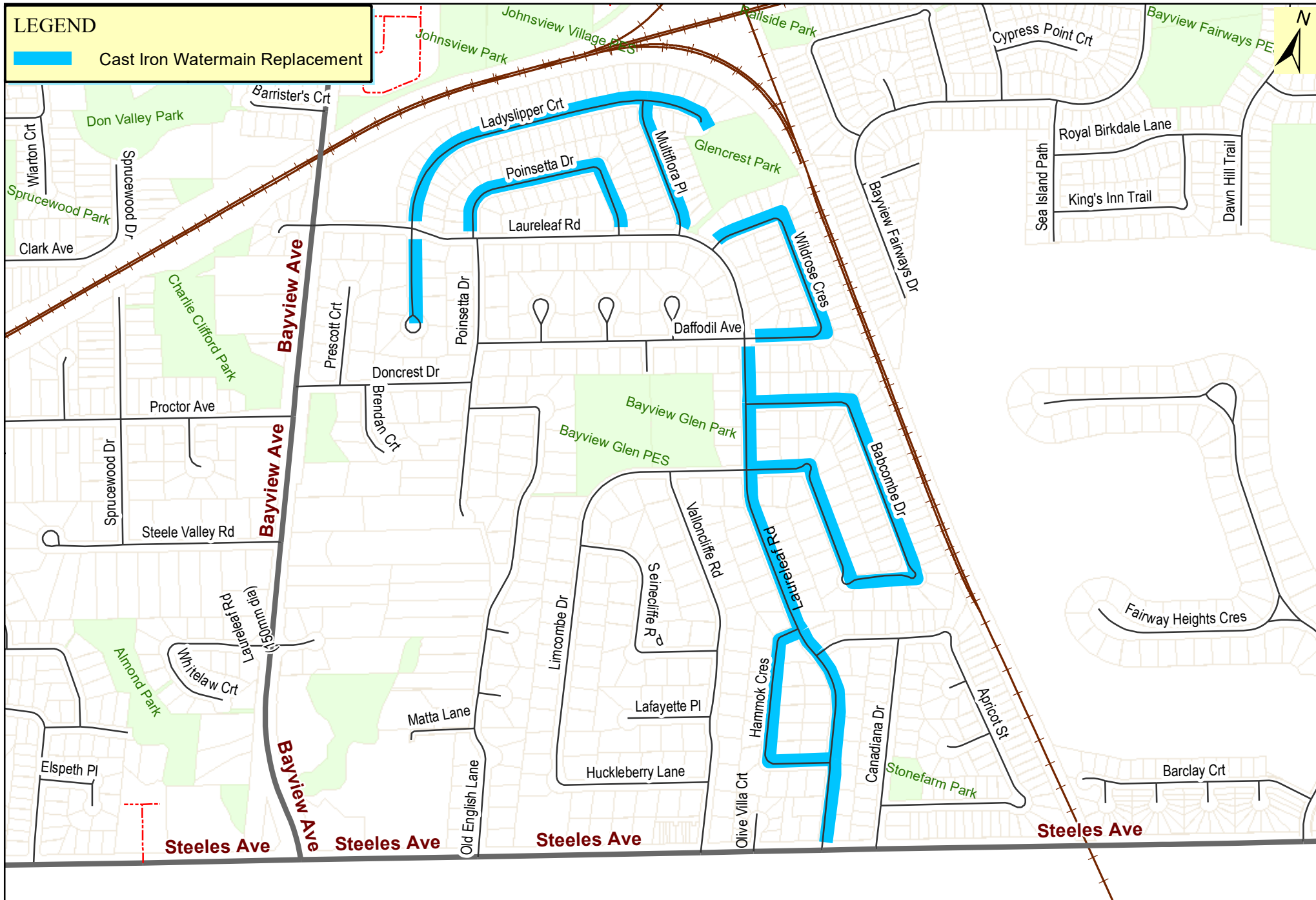
Attachment - Location Map



**Location Map**  
**Cast Iron Watermain Replacement (Design) -2019**

**Laureleaf Area**

ES - Infrastructure (2019)





Report to: General Committee

Meeting Date: April 20, 2020

**SUBJECT:** Award of Contract 023-R-20 Plumbing Services for various City of Markham locations on an as required basis

**PREPARED BY:** Jason Ramsaran, Facility Coordinator ext 3526,  
Flora Chan Senior Buyer ext 3189

### **RECOMMENDATION:**

- 1) That the report “Award of Contract #023-R-20 Plumbing Services for various City of Markham locations on an as required basis” be received; and,
- 2) That the contract be awarded to the highest ranked / lowest priced bidder, Saunders Plumbing and Heating Inc. in the estimated annual amount of \$120,000.00 inclusive of HST; and,
- 3) That Staff be authorized to extend the contract for three (3) additional years (2021-2023) in the estimated annual amount of \$120,000 inclusive of HST, subject to supplier performance; and,
- 4) That the contract be funded from various City Departments’ operating budgets on an as-required basis; and,
- 5) That the award amounts in 2021 to 2023 be subject to Council approval of the respective annual operating budgets and that the award amounts be amended to reflect changes to the various departments’ budget accounts as approved by Council during the annual budget process; and further,
- 6) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

### **PURPOSE:**

The purpose of this report is to obtain approval to award the contract for plumbing services for various City locations on an as-required basis.

### **BACKGROUND:**

The work is to include all materials, labour and equipment necessary to provide plumbing services to various locations within the City of Markham, including recreation centres, cultural facilities, fire stations, parks, and administrative buildings. This contract is for 24/7 plumbing services on an as-required basis for day-to-day repairs not to exceed a value of \$5,000.00, pre-tax, per repair. For any job in excess of \$5,000.00, pre-tax, the City reserves the right to competitively price the work. The contract also includes priority response time within 1 hour for emergency services.



**PROPOSAL INFORMATION:**

Bids closed on	February 20, 2020
Number picking up bid documents	13
Number responding to bid	11

**EVALUATION RESULTS:**

The Bid Evaluation Committee was comprised of staff from Recreation and Sustainability & Asset Management Department, with staff from Procurement acting as the evaluation facilitator.

The evaluation was based on the pre-established evaluation criteria as listed in the Request for Proposal: Price 30%, Experience and Qualification of Company 15%, Experience and Qualification of Personnel 15%, Equipment & Resources 20%, and Quality Control & Project Management 20%, for a total of 100% with resulting scores as below:

Bidders Name	Total Score	Rank
Saunders Plumbing & Heating Inc.	95.0	1

Note: The bid price was based on hourly rates and estimated annual usage, ranges from \$119,992.85 to \$235,818.62.

**FINANCIAL CONSIDERATIONS:**

Original Budget & Account #	\$120,000.00	Various operating accounts
Budget Available	\$ 80,000.00	Budget allocated for this award (May–Dec)
Cost of award	\$ 80,000.00	2020 (May– Dec) Inclusive of HST * 2021 Inclusive of HST** 2022 Inclusive of HST** 2023 Inclusive of HST** 2024 (Jan–Apr) Inclusive of HST** Total Award
	\$120,000.00	
	\$120,000.00	
	\$120,000.00	
	\$ 40,000.00	
	\$480,000.00	
Budget Remaining	\$ 0.00	

\*Cost of award is estimated based on prior year actual requirements.

\*\*Subject to Council approval of the annual operating budgets.

Saunders Plumbing & Heating Inc. (Saunders) is the current plumbing service provider at an hourly rate of \$47/hour. The existing plumbing contract has been in place since May 2016 and expires in May 2020, Saunders has maintained the same hourly rate since 2016.

Under this new contract, the hourly rate has increased to \$55/hour (17% increase).

Though this is a significant increase, similar to the old contract, the hourly rate will stay fixed until 2024. Therefore, for the 4 year contract term, the annual increase is 4.25% (17% / 4 years) compared to previous hourly rate or a 2.16% annual increase compared to the 2016 hourly rate over the 8 years (17% / 8 years).

**ENVIRONMENTAL CONSIDERATIONS:**

All waste will be disposed of at an authorized dump, waste treatment site or recycling facility by the Contractor, and will be disposed of in accordance with applicable by-laws and regulations.

**HUMAN RESOURCES CONSIDERATIONS:**

Not applicable

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

Not applicable

**BUSINESS UNITS CONSULTED AND AFFECTED:**

Recreation and Sustainability & Asset Management departments have historically been primary users of this contract and were involved in the RFP evaluation process of this award.

**RECOMMENDED BY:**

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Graham Seaman  
Director of Sustainability &  
Asset Management

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Trinela Cane,  
Commissioner, Corporate  
Services

**ATTACHMENTS:**

N/A



Report to: General Committee

Meeting Date: April 20, 2020

**SUBJECT:** Annual Water Quality Report (January-December 2019)  
**PREPARED BY:** Helena Frantzke, Ext 2449  
 Water Quality Coordinator, Environmental Services

### **RECOMMENDATION:**

1. That as the COVID-19 declared emergency suspended General Committee gatherings, Council acknowledge that the report titled “Annual Water Quality Report (January-December 2019)” was delivered to Council through a Monday March 30, 2020 email from Brenda Librecz Commissioner, Community and Fire Services to meet provincial regulation 170/03 (under the Safe Drinking Water Act, 2002); and,
2. That as Council resumes the report titled “Annual Water Quality Report (January-December 2019)” as required by Schedule 22 of Ontario Regulation 170/03, under the *Safe Drinking Water Act, 2002*, enclosed herein be officially received; and,
3. That the Annual 2019 Regulatory Water Quality Report (Attachment “A”), containing information for the Ministry of the Environment, Conservation and Parks (MECP) on water supply and quality as required by Section 11 of Ontario Regulation 170/03, under the *Safe Drinking Water Act, 2002*, be received; and,
4. That Council acknowledge that staff posted the Annual 2019 Detailed Regulatory Water Quality Report on the City’s website and that it has been made available electronically and in hard copy version by February 28, 2020 as per regulations; and further,
5. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

### **SPECIAL ANNOUNCEMENT**

Due to the COVID-19 declared emergency where normal non-essential activities were affected and larger public gathering were suspended to assure social distancing, the report titled “Annual Water Quality Report (January-December 2019)” originally prepared and scheduled for the March 23, 2020 General Committee did not go as scheduled. To still meet our legislative responsibility under provincial regulation 170/03 (under the Safe Drinking Water Act, 2002) where by the Annual Water Quality report needs to be shared with Members of Council as owners of the drinking water system prior to March 31<sup>st</sup>, the report was sent to Council through a Monday March 30, 2020 email from Brenda Librecz Commissioner, Community and Fire Services.

As Council is resuming it’s sitting on April 20<sup>th</sup>, 2020, this report is being officially presented to Council and the public for their mutual record. The content of the report from here on is as it was originally prepared for the March 23, 2020 General Committee meeting.

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**EXECUTIVE SUMMARY:**

As per Provincial Regulation 170/03, under the *Safe Drinking Water Act, 2002*, the City of Markham is mandated to produce the following two reports:

An annual report summarizing water quality information. This report outlines how the City of Markham receives its water, a description of the drinking water system and the water quality results for the period from January 1, 2019 to December 31, 2019. In addition, this report is required to be made available to the public upon request. The annual report has been posted on the Markham website and is available at the Waterworks Department located at 8100 Warden Avenue. The regulatory requirements for such a report are met in this way and a copy of the report has been enclosed as Attachment “A”, for Council reference.

A report prepared for Council is to be submitted by March 31, 2020. This report is to inform Council on any regulatory requirements that have not been met during the period of January 1, 2019 to December 31, 2019. For each requirement not met, Council is to be informed of what corrective actions were taken. In addition, a summary is to be provided of the quantities and flow rates of the water supplied during the same period. This report enclosed herein ensures that Markham has met all regulatory requirements.

Markham’s customers consumed 29,907,848 m<sup>3</sup> of water over 365 days in 2019. Representative water quality sampling was undertaken throughout the distribution system and analyzed according to O. Reg. 170/03. A total of thirteen Adverse Water Quality Incidents (AWQIs) were reported to the MECP. There are two ways that an AWQI can arise, either as a result of sampling or from an on-site observation. Of the 7,323 regulatory samples taken in 2019, eight samples (0.10%) did not meet regulatory limits outlined in the Ontario’s Drinking Water Systems Regulation (O. Reg. 170/03). The remaining five AWQIs were reported as on-site observations during watermain break repairs. For all of the adverse incidents, the City of Markham performed the regulatory notifications and corrective actions to rectify the situation.

**PURPOSE:**

To inform Council, as owners of the drinking water system, on the quality of drinking water provided to the residents of Markham in 2019 through the water distribution system. By doing so, we are meeting the requirements of Schedule 22 of Ontario Regulation 170/03, under the *Safe Drinking Water Act, 2002*.

To provide Council with a summary on the more detailed & technical annual water quality report (included as Attachment “A”). This annual report has been prepared and made available to the public prior to February 28, 2020 via Markham’s website and at the Waterworks Department located at 8100 Warden Avenue. This annual report details the drinking water system, sampling activity, corrective actions and any major monetary expenses incurred in 2019.

**BACKGROUND:**

In order to meet regulatory requirements and to strengthen customer confidence in the quality of the City of Markham's drinking water supply, Waterworks prepares annual update reports on the status of drinking water quality.

Enclosed, as Attachment "A", is the 2019 Annual Water Quality Report, which is intended to be a standalone document. This detailed, technical and statistical report summarizes the 2019 water distribution system, for: results of lab tests and corrective actions taken, and any major expenses incurred. The Regulation also requires that this report be made available to the public, free of charge, and be posted on the City of Markham's website on or before February 28, 2020.

The 2019 Annual Water Quality Report to Council, contained herein, is intended to inform Council on the performance of the water distribution system over the past year and to provide specific information that meets the Ontario Regulation 170/03 requirements concerning Markham's Drinking Water Distribution System.

**2019 Drinking Water System Information**

The City of Markham's drinking water system is strictly a distribution system. We do not operate any treatment plants and therefore the rated capacity of our system, as requested by the MECP, is not applicable. The Region of York receives treated water from both the City of Toronto and the Region of Peel, stores and distributes it to various Municipalities including Markham, through trunk watermain from York and Toronto. The City of Markham purchases its water entirely through the Region of York as the wholesaler, and distributes this water to its residents through metered connections

**OPTIONS/ DISCUSSION:****Water Supplied During 2019**

The City of Markham customers (including residential, industrial, commercial and institutional) purchased a total of 29, 907,848 m<sup>3</sup> of water over 365 days in 2019. This amounts to an average of 2,492,320 m<sup>3</sup>/ month or 81, 939 m<sup>3</sup>/day.

In 2019 a total of thirteen (13) Adverse Water Quality Incidents (AWQIs) were reported to the MECP. There were five (5) reported AWQIs due to on-site observations during watermain break repairs and there were eight (8) reported AWQIs, as a result of the 7,323 samples taken, which did not meet the Ontario's Drinking Water Systems Regulation (O. Reg. 170/03).

**2019 On-Site Observations**

In 2019 there were five (5) on-site observation incidents reported as adverse water quality incidences during five separate watermain break repairs. Waterworks staff immediately notified the MECP & MOH. All watermain breaks was repaired, the system was then flushed until acceptable chlorine residuals were established and a water sample was taken and tested for microbial contamination following the repair of the break.

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Watermain breaks are only to be reported to MECP when it has been observed that contaminated water may have been directed to users. These observations often occur when there is a severe watermain break resulting in the collapse of the pipe wall and entry of dirt in the watermain. Further, following every watermain repair, regardless of its severity, Waterworks initiates a procedure to test a water sample for microbial contamination.

#### 2019 Drinking Water Quality Sampling Results

Ontario's Drinking Water Systems Regulation (O.Reg.170/03) requires all drinking water system owners to collect and test a minimum prescribed number of representative water quality samples for its distribution system. It further requires that drinking water system owners prepare an annual report (in MECP format) on the operation and the quality of drinking water within their jurisdictional boundaries. Markham Waterworks Department has complied with this requirement. For the calendar year January 1, 2019 to December 31, 2019; an annual regulatory report was prepared (MECP format) in January 2020 on the Markham Water Distribution System and is enclosed as Attachment "A". This report was posted prior to Feb. 28, 2020 as required by the Regulation.

During the period from January 1, 2019 to December 31, 2019, the total number of water samples collected and tested by Waterworks Operators was 7,323. These samples were tested for the presence of bacteria (*Escheria coli*, Total Coliforms, and Heterotrophic Plate Count), for chemical analysis [Organic parameters, including Trihalomethanes (THM), Haloacetic acids (HAA) and Nitrosodimethylamine (NDMA) and Inorganic parameters including Lead (Pb), Nitrate ( $\text{NO}^3$ ) & Nitrite ( $\text{NO}^2$ )} and all chlorine residuals as required.

Of the 7,323 regulatory samples collected and tested in 2019, eight samples (0.10%) did not meet regulatory limits outlined in the Ontario's Drinking Water Systems Regulation (O. Reg. 170/03). The table below depicts the total number of AWQIs from all regulatory sampling in 2019.

2019 TOTAL NUMBER OF AWQIs FROM SAMPLING

PARAMETER	# SAMPLES TAKEN (TOTAL 7,323)	REPORTABLE TO MOECC	ADVERSE RESULT (AWQI)
MICROBIOLOGY - Scheduled (Total Coliforms / E. coli)	1,835	Yes	3
MICROBIOLOGY - Scheduled (HPC)	625	Not applicable	Not applicable
MICROBIOLOGY -Unscheduled (Total Coliforms /E. coli /HPC) Watermain Breaks and Adverse Water Quality Incident Resamples	54	Yes	1
CHLORINE	4,669	Yes	4
OTHERS (Organic, Inorganic, Lead, THM, HAA, NO2/NO3, NDMA)	140	Yes	0

1. Adverse Water Quality – Presence of Bacteria

As part of our weekly regular sampling schedule the required number of samples are taken and tested for microbiological parameters. In 2019 as part of our weekly regular scheduled sampling program 1,835 samples were tested for microbiology parameters, of which three (3) tested positive for the presence of total coliforms (one of the samples had a count of total coliforms and two samples had an overgrowth of target bacteria, total coliform). In addition during our unscheduled microbiology sampling one (1) sample detected the presence of total coliforms as part of our resampling during corrective action in response to an AWQI.

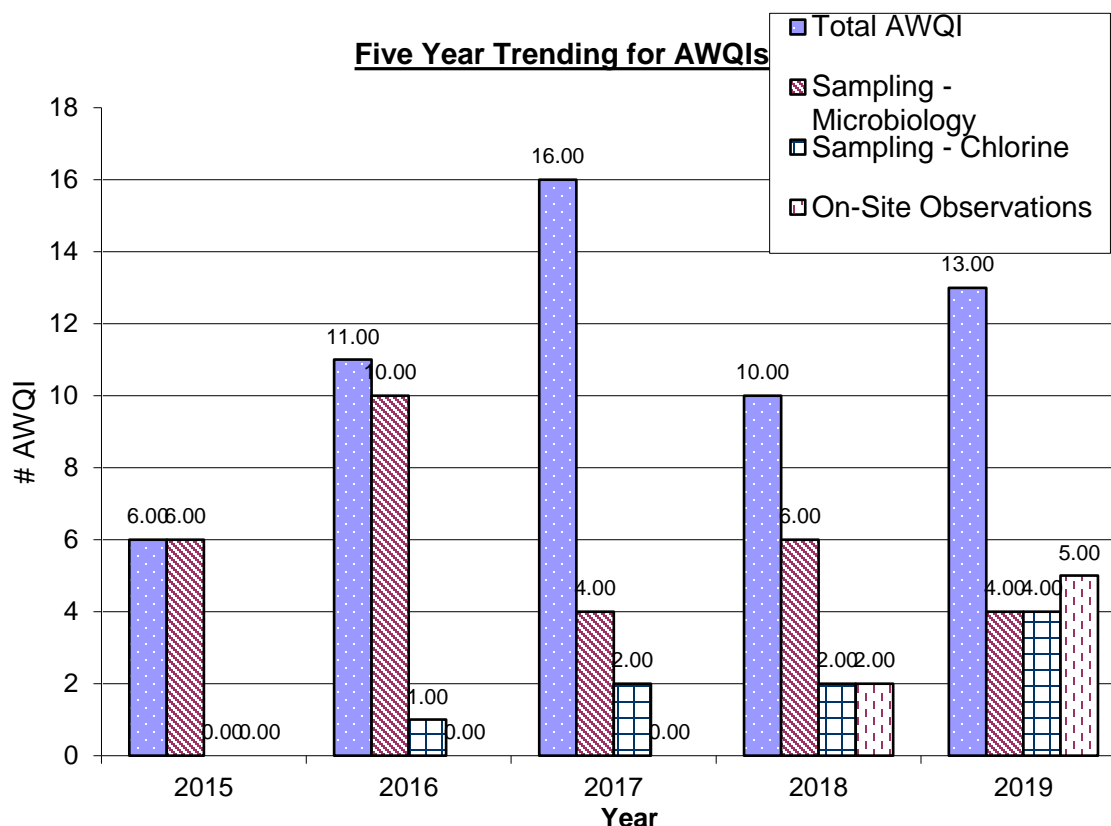
The detection of total coliform in drinking water has had a longstanding history of use as an indicator of drinking water safety. Total coliform bacteria are common in the environment (soil or vegetation) and are generally harmless. Upon being notified by Caduceon Environmental Laboratories that a given sample did not meet the water quality regulations for bacteria, Waterworks staff immediately notified the York Region Medical Officer of Health (MOH) and the MECP Spills Action Centre. Senior staff were informed of all incidents by email. Immediate and proactive corrective actions were followed as per Standard Operating Procedures for responding to an adverse water quality test result. In such incidents the location which failed is resampled along with one location upstream and one location downstream of the initial location some distance away.

2. Adverse Water Quality – Low Chlorine Residual

In 2019 there were four (4) adverse chlorine residual incidents where the chlorine residual dropped below the regulatory requirement of 0.25 mg/L. Waterworks staff immediately notified the MECP & MOH and corrective actions were taken as required to flush the watermain to restore chlorine residual levels were, which occurred within 7 to 20 minutes. All four incidents occurred during flushing at dead end locations.

### 5 Year Trending of Adverse Water Quality Incidents (AWQIs):

The graph below depicts the breakdown of the total number of adverse water quality incidents for the last 5 years (Total AWQIs and the source of the adverse incidents).



### Lead Sampling

The City of Markham has been granted relief from regulatory requirements outlined in Ontario Regulation 170/03 with respect to lead sampling. This includes no lead testing from plumbing servicing of private residences or non-residential buildings and reduced lead testing from distribution locations (20 per year). This reduced sampling has been granted for 2019 and extends until the end of 2021, at which time the MECP will review our program.

### Conclusions:

In 2019, the drinking water distributed to the City of Markham residents continued to be of high quality. During the operation of the water distribution system during 2019, there were few adverse water quality incidents, (0.10% of all system samples undertaken) and corrective actions were taken immediately to resolve each incident. The drinking water system is maintained by Waterworks with continual improvements and programs in place to ensure excellent water quality.

### **FINANCIAL CONSIDERATIONS**

Not Applicable



**HUMAN RESOURCES CONSIDERATIONS**

Not Applicable

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

The Annual Water Quality Report (January – December 2019) on the drinking water system meets legislative requirements and is consistent with the City's corporate goals of Infrastructure Management and Quality Community.

**BUSINESS UNITS CONSULTED AND AFFECTED:**

Not Applicable

The undersigned represent the Top Management of City of Markham's Drinking Water Distribution System, and by signing below the Top Management of the Operating Authority has reviewed the deficiencies, decisions and action items identified in the Management Review, and hereby communicating these results to the Owner.

**RECOMMENDED BY:**

Phoebe Fu, P. Eng.  
Director, Environmental Services

Brenda Librecz  
Commissioner, Community and Fire Services

Andy Taylor  
CAO, City of Markham

**ATTACHMENTS:**

Attachment "A" – Annual Water Quality Report (January – December 2019)

The contents of this report include:

1. A description of where the report will be located and made available to the public.
2. A brief description of the drinking water system.
3. A breakdown of major expenses incurred to install, repair or replace required equipment.
4. A summary of adverse water quality reports and corrective actions taken.
5. A summary of water quality testing results for microbiological, inorganic chemical, and organic chemical parameters.

The City of Markham has met the Regulation 170/03 submission dates and requirements of reporting for the annual water quality report.



**The Corporation of the City of Markham  
Annual Water Quality Report**

Covering the period from  
January 1, 2019 to December 31, 2019

**In compliance with  
The Ministry of the Environment, Conservation and Parks (MECP)  
Ontario Drinking Water Systems Regulation 170/03**

Dated: March 23, 2020



## CITY OF MARKHAM - WATER SAMPLING PROGRAM

*January 1 to December 31, 2019*

To comply with the Ontario Drinking Water System Regulation, Markham collects and tests water samples throughout its distribution system at a total of 106 locations. The 106 sample locations are strategically selected and evenly distributed to ensure Markham gets the best representation of the water distribution system. The need for additional locations is reviewed annually & in 2019, no additional locations were warranted. Sampling is rotated through the 106 locations and the drinking water is tested for Chlorine residual, Bacteria, Trihalomethanes (THM), Haloacetic Acids (HAA), Nitrites & Nitrates, Lead, Organics & Inorganics in compliance with Ontario Regulation 170/03. The samples are collected by licensed Waterworks operators and analyzed by an accredited and provincially licensed Laboratory.

Waterworks follows rigorous testing and compliance procedures. The City reports any adverse sampling results that occur to the York Region Medical Officer of Health and to the Ministry of Environment, Conservation and Parks (MECP) and immediately undertakes the necessary corrective action. Re-samples are taken following the corrective action(s) and tested until two consecutive samples are within acceptable parameters.

### **Summary of the sampling for 2019 follows:**

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#### **Sampling Program:**

Total Number of Samples collected and tested in 2019= 7,323

#### **Adverse Test Results:**

Total Number of Adverse Water Quality Incidents (AWQI) = 13

#### **Breakdown of Adverse Results:**

Total adverse due to Microbiology Exceedances = 4

Total adverse due to low Chlorine Residual = 4

Total adverse due to Observation during Watermain Break = 5

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The drinking water distributed to the City of Markham residents in 2019 was safe to drink and met all drinking water requirements. During 2019 the operation of the water distribution system, there were very few adverse sample incidents (less than 0.10% of all system samples undertaken) and when these occurred, they were immediately resolved. The drinking water system is maintained by Waterworks with continual improvements and programs in place to ensure water of the highest quality.



## ANNUAL REPORT

**Drinking-Water System Number:**  
**Drinking-Water System Name:**  
**Drinking-Water System Owner:**  
**Drinking-Water System Category:**  
**Period being reported:**

<b>220004162</b>
Markham Distribution System
The Corporation of the City of Markham
Large Municipal Residential System
January 1, 2019 to December 31, 2019

**Complete if your Category is Large Municipal Residential or Small Municipal Residential**

**Does your Drinking-Water System serve more than 10,000 people? Yes [ x ] No [ ]**

**Is your annual report available to the public at no charge on a web site on the Internet? Yes [ x ] No [ ]**

**Location where Summary Report required under O. Reg. 170/03 Schedule 22 will be available for inspection.**

- [www.markham.ca](http://www.markham.ca)
- 8100 Warden Ave. – Waterworks Department

**Complete for all other Categories.**

**Number of Designated Facilities served:**

Not applicable

**Did you provide a copy of your annual report to all Designated Facilities you serve? Yes [ ] No [ ]**

**Number of Interested Authorities you report to:**

Not applicable

**Did you provide a copy of your annual report to all Interested Authorities you report to for each Designated Facility? Yes [ ] No [ ]**

**Note: For the following tables below, additional rows or columns may be added or an appendix may be attached to the report**

**List all Drinking-Water Systems (if any), which receive all of their drinking water from your system:**

Drinking Water System Name	Drinking Water System Number
Not applicable	

**Did you provide a copy of your annual report to all Drinking-Water System owners that are connected to you and to whom you provide all of its drinking water?**

Yes [ ] No [ ]



Indicate how you notified system users that your annual report is available, and is free of charge.

- ☒ Public access/notice via the web  
☒ Public access/notice via Government Office  
☐ Public access/notice via a newspaper  
☒ Public access/notice via Public Request  
☐ Public access/notice via a Public Library  
☐ Public access/notice via other method \_\_\_\_\_

**Describe your Drinking-Water System**

The City of Markham's distribution system is an extension of the Toronto and York Region distribution systems. Raw surface water from Lake Ontario is disinfected, treated and tested rigorously by the City of Toronto and Peel Region for microbiological, organic and inorganic parameters prior to reaching the York Region distribution system. Markham is supplied with treated water via feeder mains from Toronto and Peel Region. York Region distribution system acts as a wholesale supplier of water and provides further testing, storage and pressure boosting for the Markham system.

Markham's Distribution System provides treated water to approximately 349,007 residents and is comprised of approximately 1,092 kilometers of various size watermain, 11,239 watermain valves and 8,803 municipal fire hydrants. Markham is a distribution only system, without pumping and storage facilities. Markham's drinking water within the distribution system is tested for standard parameters, in compliance with Ontario Regulation 170/03. The samples are collected by licensed Waterworks operators and analyzed by an accredited and provincially licensed Laboratory.

**List all water treatment chemicals used over this reporting period**

Not applicable; treatment chemicals are introduced at various sources by the City of Toronto, Peel Region and York Region only.

**Were any significant expenses incurred to?**

- ☒ Install required equipment  
☒ Repair required equipment  
☒ Replace required equipment

**Please provide a brief description and a breakdown of monetary expenses incurred**

Cathodic Protection of Iron Watermains	= \$259,768
Watermain CIPP Lining (Watermain Rehabilitation)	= \$510,335
Water Meter Replacement/Upgrades	= \$1,086,858
Watermain Replacement	= \$8,454,682
Watermain Replacement Design for 2019	= \$244,402
Curb Box Inspection and Replacement	= \$201,845



**Provide details on the notices submitted in accordance with subsection 18(1) of the Safe Drinking-Water Act or section 16-4 of Schedule 16 of O.Reg.170/03 and reported to Spills Action Centre**

<b>Incident Date</b>	<b>Parameter</b>	<b>Result</b>	<b>Unit of Measure</b>	<b>Corrective Action</b>	<b>Corrective Action Date</b>
<b>January 02, 2019 (AWQI # 144429)</b>	<b>Combined Chlorine Residual</b>	<b>0.11</b>	<b>mg/L</b>	<b>Flush Mains and Resample</b>	<b>January 02, 2019</b>
<b>January 03, 2019 (AWQI # 144435)</b>	<b>Combined Chlorine Residual</b>	<b>0.17</b>	<b>mg/L</b>	<b>Flush Mains and Resample</b>	<b>January 03, 2019</b>
<b>January 03, 2019 (AWQI # 144436)</b>	<b>Combined Chlorine Residual</b>	<b>0.00</b>	<b>mg/L</b>	<b>Flush Mains and Resample</b>	<b>January 03, 2019</b>
<b>January 14, 2019 (AWQI # 144516)</b>	<b>On-Site Observational Adverse</b>	<b>n/a</b>	<b>n/a</b>	<b>Repair Watermain Break, Flush Mains and Sample</b>	<b>January 14, 2019</b>
<b>January 21, 2019 (AWQI # 144586)</b>	<b>On-Site Observational Adverse</b>	<b>n/a</b>	<b>n/a</b>	<b>Repair Watermain Break, Flush Mains and Sample</b>	<b>January 21, 2019</b>
<b>January 23, 2019 (AWQI # 144613)</b>	<b>On-Site Observational Adverse</b>	<b>n/a</b>	<b>n/a</b>	<b>Repair Watermain Break, Flush Mains and Sample</b>	<b>January 23, 2019</b>
<b>March 11, 2019 (AWQI # 144960)</b>	<b>On-Site Observational Adverse</b>	<b>n/a</b>	<b>n/a</b>	<b>Repair Watermain Break, Flush Mains and Sample</b>	<b>March 11, 2019</b>
<b>March 20, 2019 (AWQI # 145032)</b>	<b>Combined Chlorine Residual</b>	<b>0.18</b>	<b>mg/L</b>	<b>Flush Mains and Resample</b>	<b>March 20, 2019</b>
<b>July 23, 2019 (AWQI # 146688)</b>	<b>Total Coliform</b>	<b>1</b>	<b>cfu/100mL</b>	<b>Flush Mains and Resample</b>	<b>July 23, 2019</b>
<b>July 30, 2019 (AWQI # 146927)</b>	<b>Total Coliform</b>	<b>No Data, Overgrown</b>	<b>cfu/100mL</b>	<b>Flush Mains and Resample</b>	<b>July 30, 2019</b>
<b>July 31, 2019 (AWQI # 147000)</b>	<b>Total Coliform</b>	<b>146</b>	<b>cfu/100mL</b>	<b>Flush Mains and Resample</b>	<b>July 31, 2019</b>
<b>September 10, 2019 (AWQI # 147979)</b>	<b>Total Coliform</b>	<b>No Data Overgrown</b>	<b>cfu/100mL</b>	<b>Flush Mains and Resample</b>	<b>Sept. 10, 2019</b>



October 23, 2019 (AWQI # 148712)	On-Site Observational Adverse	n/a	n/a	Repair Watermain Break, Flush Mains and Sample	October 23, 2019
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**Microbiological testing done under the Schedule 10, 11 or 12 of Regulation 170/03, during this reporting period.**

	Number of Samples	Range of E.Coli Or Fecal Results (min #)-(max #)	Range of Total Coliform Results (min #)-(max #)	Number of HPC Samples	Range of HPC Results (min #)-(max #)
Raw	N/A				
Treated	N/A				
Distribution	1,835	0-0	0-Presence Of Total Coliforms	625	0-1,420

**Operational testing done under Schedule 7, 8 or 9 of Regulation 170/03 during the period covered by this Annual Report.**

	Number of Grab Samples	Range of Results (min #)-(max #)
Turbidity		
Chlorine	8,760 (Chlorine Analyzer) 4,669 (Grab)	Combined: 0.00mg/L – 1.93 mg/L
Fluoride (If the DWS provides fluoridation)	*Next sampling is in January, 2020	

*NOTE: For continuous monitors use 8760*

*NOTE: Record the unit of measure if it is **not** milligrams per litre.*

**Summary of additional testing and sampling carried out in accordance with the requirement of an approval, order or other legal instrument.**

Date of legal instrument issued	Parameter	Date Sampled	Result	Unit of Measure
N/A				

**Summary of Inorganic parameters tested during this reporting period or the most recent sample results**

Parameter	Sample Date	Result Value	Unit of Measure	Exceedance
Antimony	April 30, 2019	0.0001	mg/L	No
Arsenic	April 30, 2019	0.0007	mg/L	No



Barium	April 30, 2019	0.021	mg/L	No
Boron	April 30, 2019	0.023	mg/L	No
Cadmium	April 30, 2019	<0.000015	mg/L	No
Chromium	April 30, 2019	<0.002	mg/L	No
*Lead	See Summary Below			
Mercury	April 30, 2019	<0.00002	ug/L	No
Selenium	April 30, 2019	<0.001	mg/L	No
Sodium	N/A			
Uranium	April 30, 2019	<0.00033	mg/L	No
Fluoride	N/A			
Nitrite	November 26, 2019	<0.01	mg/L	No
Nitrate	November 26, 2019	0.30	mg/L	No

\*Summary of Lead testing under Schedule 15.1 during this reporting period  
(applicable to the following drinking water systems; large municipal residential systems, small municipal residential systems, and non-municipal year-round residential systems)

Location Type	Number of Samples	Range of Lead Results (min#) – (max #)	Number of Exceedances
Plumbing	0	n/a	n/a
Distribution	20	<0.00002 mg/L – 0.00230 mg/L	0

The City of Markham was granted relief from regulatory requirements contained in Schedule 15.1 of O. Reg. 170/03. This includes no lead testing from plumbing servicing of private residences, no lead testing from plumbing servicing non-residential buildings and reduced lead testing from distribution locations (10 per period). This reduced sampling was granted for the two periods of sampling in 2019, December 15, 2018 to April 15, 2019 and June 15, 2019 to October 15, 2019.

## Summary of Organic parameters sampled during this reporting period or the most recent sample results

Parameter	Sample Date	Result Value	Unit of Measure	Exceedance
Alachlor	April 30, 2019	<0.3	ug/L	No
Atrazine + N-dealkylated metabolites	April 30, 2019	<0.5	ug/L	No
Azinphos-methyl	April 30, 2019	<0.1	ug/L	No
Benzene	April 30, 2019	<0.5	ug/L	No
Benzo(a)pyrene	April 30, 2019	<0.005	ug/L	No
Bromoxynil	April 30, 2019	<0.5	ug/L	No
Carbaryl	April 30, 2019	<3.0	ug/L	No
Carbofuran	April 30, 2019	<1.0	ug/L	No
Carbon Tetrachloride	April 30, 2019	<0.2	ug/L	No
Chlorpyrifos	April 30, 2019	<0.5	ug/L	No
Diazinon	April 30, 2019	<1.0	ug/L	No
Dicamba	April 30, 2019	<10.0	ug/L	No
1,2-Dichlorobenzene	April 30, 2019	<0.5	ug/L	No
1,4-Dichlorobenzene	April 30, 2019	<0.5	ug/L	No
1,2-Dichloroethane	April 30, 2019	<0.5	ug/L	No





1,1-Dichloroethylene (vinylidene chloride or 1,1-dichloroethene)	April 30, 2019	<0.5	ug/L	No
Dichloromethane	April 30, 2019	<5.0	ug/L	No
2-4 Dichlorophenol	April 30, 2019	<0.1	ug/L	No
2,4-Dichlorophenoxy acetic acid (2,4-D)	April 30, 2019	<10.0	ug/L	No
Diclofop-methyl	April 30, 2019	<0.9	ug/L	No
Dimethoate	April 30, 2019	<1.0	ug/L	No
Diquat	April 30, 2019	<5.0	ug/L	No
Diuron	April 30, 2019	<5.0	ug/L	No
Glyphosate	April 30, 2019	<25	ug/L	No
Haloacetic Acids (HAA)	Running Annual Average of Quarterly Results	< 5.3	ug/L	No
Malathion	April 30, 2019	<5.0	ug/L	No
Metolachlor	April 30, 2019	<3.0	ug/L	No
Metribuzin	April 30, 2019	<3.0	ug/L	No
Monochlorobenzene	April 30, 2019	<0.5	ug/L	No
Nitrosodimethylamine (NDMA)	Running Annual Average of Quarterly Results	0.001	ug/L	No
Paraquat	April 30, 2019	<1.0	ug/L	No
Pentachlorophenol	April 30, 2019	<0.1	ug/L	No
Phorate	April 30, 2019	<0.3	ug/L	No
Picloram	April 30, 2019	<20.0	ug/L	No
Polychlorinated Biphenyls(PCB)	April 30, 2019	<0.05	ug/L	No
Prometryne	April 30, 2019	<0.1	ug/L	No
Simazine	April 30, 2019	<0.5	ug/L	No
THM (NOTE: show latest annual average)	Running Annual Average of Quarterly Results	14.08	ug/L	No
Terbufos	April 30, 2019	<0.4	ug/L	No
Tetrachloroethylene(perchloroethylene)	April 30, 2019	<0.5	ug/L	No
2,3,4,6-Tetrachlorophenol	April 30, 2019	<0.1	ug/L	No
Triallate	April 30, 2019	<10.0	ug/L	No
Trichloroethylene	April 30, 2019	<0.5	ug/L	No
2,4,6-Trichlorophenol	April 30, 2019	<0.1	ug/L	No
Trifluralin	April 30, 2019	<0.5	ug/L	No
Vinyl Chloride	April 30, 2019	<0.2	ug/L	No
MCPA	April 30, 2019	<10.0	ug/L	No

**List any Inorganic or Organic parameter(s) that exceeded half the standard prescribed in Schedule 2 of Ontario Drinking Water Quality Standards.**

Parameter	Result Value	Unit of Measure	Date of Sample
NONE			



Report to: General Committee

Meeting Date: April 20, 2020

**SUBJECT:** York Region District School Board – Flato Markham Theatre Shared Facility Agreement

**PREPARED BY:** Renée England, Sr. Manager, Sustainability and Asset Management, ext. 2674

### **RECOMMENDATION:**

1. That the report entitled, “York Region District School Board – Flato Markham Theatre Shared Facility Agreement” be received; and,
2. That the Mayor and Clerk be authorized to execute an agreement, including any amendments to the agreement, between the City and York Region District School Board (“**YRDSB**”) for the shared use, operation, maintenance and repair of portions of the Unionville High School site, the Flato Markham Theatre and the Markham Civic Centre site, provided the form of such agreement is satisfactory to the Commissioner of Corporate Services and the City Solicitor; and,
3. That Staff be authorized to increase the Operating Budget by \$44,000 to reimburse YRDSB for utility costs based on metered heating and cooling usage at the Theatre; and further,
4. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

### **PURPOSE:**

The purpose of this report is to obtain Council approval for the execution of an agreement between the City and YRSDB for the shared use, operation, maintenance and repair of portions of the Unionville High School site, the Flato Markham Theatre and the Markham Civic Centre site.

### **BACKGROUND:**

The Flato Markham Theatre and Unionville High School were constructed at the same time in 1985. Both buildings and surrounding property were constructed as a campus, see Attachment No. 2 for property ownership. The City of Markham owns and operates the Markham Flato Theatre. When the buildings were constructed, the original intent was for the theatre and school site to be connected through a joint heating and cooling system. The heating and cooling equipment was sized to heat and cool both the theatre and the school. The boiler, chillers and associated equipment are located in the school’s mechanical room. Similarly, a stage was not constructed in the school as the intent of the parties at the time was for the school to have use of the theatre.

Despite attempts to finalize an agreement for the shared use, operation and maintenance of the school and theatre in 1984 and in the late 90s, an agreement between YRDSB and the City was never finalized.

Notwithstanding the lack of an agreement, the theatre and the school have continued to share usage of the heating and cooling system, with the cost of utilities being borne by YRDSB. In exchange, the City has been providing grounds maintenance over a portion of the school property. The school has also enjoyed access to the theatre at agreed-upon times.

YRDSB approached Staff in 2015 to negotiate a shared use agreement because the heating equipment in the school was nearing end of life. In 2010 the school's existing cooling equipment was removed and Markham District Energy ("MDE") cooling energy service was installed. Additional pipes for heating from MDE were installed at the time to make conversion to district heating energy service easier when the school's boiler was due for replacement. The boiler is due for replacement in the summer of 2020.

### **OPTIONS/ DISCUSSION:**

Staff recommend that the City and YRDSB enter into a shared use agreement for the shared facility, repair and maintenance arrangements for Unionville High School site, the Flato Markham Theatre and the Markham Civic Centre site. A written agreement would clarify the roles and responsibilities of each party and would assist in long term planning.

The proposed agreement will address the following matters:

- Responsibility for certain grounds keeping on the school site (excluding sports fields which are covered under the Annual Sport Field Agreement)
- Shared access to certain driveways that serve both the school and Civic Centre
- Repair, maintenance and replacement of the heating and cooling system that services both the theatre and school
- Responsibility for heating and cooling costs for the theatre and the school ("**Utilities**")
- Usage of the theatre by YRDSB
- Usage of classrooms in the school by the Flato Markham Theatre

Both parties will pay for their share of the annual billed utility costs for both heating and cooling based on usage recorded by their respective building meters. The grounds keeping work carried out by the City for the YRDSB will be credited against the City's overall utility billing.

The parties would each be responsible for paying the capital costs of replacing the heating and cooling system that services both the school and theatre on a proportionate share basis.

YRDSB is planning to replace the heating system that services both the theatre and the school in 2020. The City's proportionate share of the cost, based on floor area is 36%.

The main terms of the agreement are set out in a Memorandum agreed to by Staff at the YRDSB and the City, a copy of which is attached as Attachment No. 1. These terms may be amended and refined during the drafting and finalization of the agreement.

## FINANCIAL CONSIDERATIONS

### Capital Budget

The City's proportionate share of 36% for the replacement of the heating system (which heats both the Unionville High School and the Markham Theatre) is \$252,000. This amount was approved through the 2019 Capital Budget process.

In recognition of the cooling capital improvement by the YRDSB, which the City did not contribute to, the City will provide the following; access to the Theatre with full support at the base educational fee with a credit of \$5000/year to a maximum of \$60,000 total for the first 12 years from the signing of the Shared Use Agreement. This will be absorbed through the Theatre's Operating Budget.

### Operational Budget

The proposed agreement will include a requirement for the City to reimburse YRDSB for utility costs based on metered heating and cooling usage at the Flato Markham Theatre. Additional operating costs are estimated at \$44,000 per year and will be addressed through the 2021 Operating Budget process.

Annual Utility Costs for Theatre (based on 2018 metered readings)	\$70,000	Paid by YRDSB
Less; Annual Grounds Keeping Costs for UHS	\$32,500	Value of Services by City
Operating Budget Shortfall	\$44,000	City to Reimburse YRDSB

## HUMAN RESOURCES CONSIDERATIONS

Not applicable as no staffing impacts is anticipated for this project.

### **ALIGNMENT WITH STRATEGIC PRIORITIES:**

Supports the BMFT Safe and Sustainable priority, the Greenprint, Markham's Community Sustainability Plan and Municipal Energy Plan goal of Net Zero Energy Emissions by 2050. Heating and cooling energy supplied by Markham District Energy is lower in carbon emissions than the current case and MDE energy supply is more resilient to extreme weather.

### **BUSINESS UNITS CONSULTED AND AFFECTED:**

The comments from the Legal Department, Finance and Culture, Recreation and Operations have been incorporated into this report.

### **RECOMMENDED BY:**

Graham Seaman, P.Eng.  
Director of Sustainability & Asset Management

Trinela Cane  
Commissioner, Corporate Services

### **ATTACHMENTS:**

Attachment No. 1 – YRDSB-City Memorandum  
Attachment No. 2 – Property Boundaries



## Sustainability & Asset Management Department

### MEMORANDUM

**To:** Dawn Adams – Planning & Property Development Services  
 Jerry Stoangi – Senior Manager, Plant Services  
 Gilbert Luk – Planning & Property Development Services

**From:** **Graham Seaman, Director of Sustainability & Asset Management**

**Copy To:** Arvin Prasad, Commissioner, Development Services  
 Brenda Librecz, Commissioner, Community and Fire Services  
 Trinela Cane, Commissioner, Corporate Services

**Date:** December 16, 2019

**Subject:** FLATO Markham Theatre & Unionville High School (UHS) Proposed Shared Use Agreement - Summary of Key Terms and Conditions

This memorandum is being exchanged between staff at the York Region District School Board (the “**YRDSB**”) and staff at The Corporation of the City of Markham (the “**City**”) with a view of determining whether the City and YRDSB have sufficient common ground to commence negotiations of either a formal, binding shared use agreement (“**Shared Use Agreement**”) for the shared use, maintenance, repair and replacement of certain facilities located at Unionville High School and grounds owned by YRDSB (“**UHS**”) and the Flato Markham Theatre (the “**Theatre**”) owned by the City.

This memorandum is not binding upon the parties. Without limiting the generality of the foregoing, this memorandum does not bind either party to enter into the Shared Use Agreement. This memorandum only describes the principal terms and conditions of the Shared Use Agreement recommended by staff at both YRDSB and the City, subject at all times to obtaining approval to enter into the Shared Use Agreement by both Council of the City of Markham and the Board of YRDSB and the full execution of a definitive and legally binding Shared Use Agreement.

1. General terms

- a. Recognition of how the site including the Theatre and UHS was originally constructed to be considered as a campus with shared use of the grounds and facilities.
  - UHS and the Theatre were constructed with shared services;
  - UHS provides heating and cooling supply to the Theater.
  - UHS was built without a stage with the understanding that UHS would be able to use the Theatre facilities under mutually agreed upon terms
- b. Both parties will continue to foster a cooperative relationship with each other in the operation, maintenance and repair of certain shared facilities at UHS and the Theatre. This cooperative relationship has been in effect in practice since the two facilities were open even though there has not been an executed agreement
- c. The maintenance and use of the sportsfields at UHS are excluded from this Shared Facilities Agreement as they are covered under separate agreement.



## Sustainability & Asset Management Department

- d. A Management Committee is to be established (3 representatives per party) and shall meet regularly on the operation, maintenance and repair of shared facilities at UHS and the Theatre. Disputes will be resolved by escalating matters to senior staff of both parties. The City's representatives include staff from the Theatre, Sustainability and Asset Management, and Operations departments. The Board's representatives include; Planning & Property Development Services and Plant Services. More details are provided in the Shared Use Agreement.
  - e. The cost sharing arrangement between the two parties for shared facilities at the Theatre and UHS will be reviewed every 5 years to ensure it remains equitable in the spirit of the agreement. The Shared Use Agreement will address insurance, liability and indemnity.
  - f. The term of the Shared Use Agreement will be 28 years commencing the date it is executed. The term will approximately coincide with the length of the proposed heating supply agreement between YRDSB and Markham District Energy (MDE), which will have a term of 30 years. The term of the Shared Use Agreement will be 2 years shorter than the term of the heating supply agreement between YRDSB and MDE in anticipation of negotiations and planning prior to the expiry of the heating supply agreement between YRDSB and MDE. Cooling supply is already provided by MDE. The Shared Use Agreement is contingent on the execution of agreement between YRDSB and MDE for the installation of heating for UHS and the Theatre.
2. Maintenance of Grounds
    - a. The City, at YRDSB's cost, will maintain landscaping on UHS property excluding the sportsfields, but including flowerbeds, and trees, and will provide grass cutting consistent with the City's current standards.
    - b. The City, at YRDSB's cost, will provide snow clearing to UHS parking and shared driveways consistent with snow clearing at the Civic Centre. UHS will be responsible for snow clearing of their walkways. The attached maps shows the shared driveways.
    - c. The City will maintain the streetlights on the shared driveways shown on the attached maps themselves.
    - d. All capital repairs and replacements are the responsibility of the individual parties within the boundaries of their own property, except for the shared heating and cooling system (see Section 3).
    - e. YRDSB will illuminate the rear parking lot behind the Theatre from dusk until 2am.
    - f. The cost of maintenance for landscaping by the City for UHS property will be increased by CPI (Toronto CPI All-Items) annually from December to December.
    - g. Two YRDSB concrete bunkers on the YRDSB property adjacent to the Theatre loading dock will be moved to a mutually agreed upon location.
  3. Theatre Heating and Cooling
    - a. YRDSB will pay for heating and cooling UHS and the City will pay for heating and cooling the Theatre. Both parties will pay for their share of the annual billed amount based on usage recorded by the respective buildings meters for:
      - Heating - Natural Gas (m3 equivalent) from MDE or by conventional heating means
      - Cooling - Electricity (kWh equivalent) from MDE
      - Respective buildings meters will be calibrated regularly by an independent party based on industry best practices.
    - b. YRDSB will invoice the City at the end of each year for energy used minus the cost of landscaping and snow clearing (based on the costs in the attached spreadsheet). The costs between January and December each year will be set out on an invoice to be delivered in Q1 of the following year.



## Sustainability & Asset Management Department

- c. Future capital repairs and replacement cost for the shared heating and cooling system will be shared by the City and the YRDSB based on the gross floor area (36% City and 64% Board).
  - d. At this time, the heating system is due for upgrade. The City will pay its share of the cost of the upgrade to MDE (based on the above) up to a maximum of \$252,000, which was approved by City Council through the 2019 budget process.
4. Theatre Usage by UHS
- a. UHS may use Theatre facilities under mutually agreed upon terms set out in this section.
  - b. UHS is to have access to the Rehearsal Hall at no cost when available and with reasonable notice.
  - c. UHS will have access to the main theatre (with house lights only) at no cost when available and with reasonable notice during week days only to maximum 30 occurrences (uses) per year.
  - d. YRDSB will pay for actual costs of any technical support provided by the Theatre that are over and above house lights.
  - e. Additionally, UHS is to have access to the main theatre with full support (technician, house manager, usher) to maximum of 30 occurrences per year, and pay the base educational fee, (per Theatre fee schedule) and the support cost at City's straight cost with no mark up (estimated at \$40,000/year)
    - In recognition of the cooling capital improvement by the YRDSB, the City will provide for the first 12 years from signing of the Shared Use Agreement that paid bookings are to be credited by \$5,000 per year, to the maximum of \$60,000 total.\*
5. Use of UHS by the City
- a. City (Theatre) is to have access to the two Drama Rooms, Dance Studio and Small Gymnasium during the March Break week and summer break (8 weeks per year) free of charge when available.
  - b. UHS will confirm for the City the booking of the Drama Rooms, the Studio and the small Gymnasium for the March break week by June 30<sup>th</sup> of the previous year
  - c. UHS will confirm for the City booking of the rooms and gymnasium for the summer break by September 30<sup>th</sup> of the previous year.

The proposed next steps are summarized below:

1. Staff at YRDSB and the City confirm their agreement with the terms of this memorandum and agree to recommend them to their respective Council and Board for approval
2. Staff at the City and YRDSB to seek approval to enter into the Shared Use Agreement on the above noted terms from their respective Council and Boards.
3. Draft and Finalize Agreement – Both parties engage solicitors to draft and finalize the agreement.
4. Both parties to execute Shared Use Agreement.
5. YRDSB to execute heating supply agreement with MDE and initiate conversion of heating system to MDE.
6. Establish Management Committee – Identify staff to form the Management Committee. Management Committee to prepare terms of reference and continue regular communication between two parties.

\*Additional Background:



## **Sustainability & Asset Management Department**

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Recognition of the capital contribution: YRDSB solely funded the capital cost of the cooling system when it was converted to MDE at \$885K. The City did not contribute to the improvement. Based on the cost sharing formula in Section 3, City would have been responsible for 36% of the cost (\$319K City's share). The City did not pay this amount as there was no agreement in place.

A separate set of energy meters (heating and cooling) was installed by YRDSB for the Theatre in 2017 at the City's cost of \$24,825.42

Attachment: Site map and UHS & Theatre Cost Analysis (Excel)

DRAFT





Theatre Parking

YRDSB-Theatre Shared Driveway

YRDSB Parking

City-Theatre Shared Driveway

YRDSB Landscaped Areas



Report to: General Committee

Meeting Date: April 20, 2020

**SUBJECT:** City of Markham Comments on Bill 108 Proposed Regulatory Matters – Community Benefits Authority, Development Charges Act and Building Code Act

**PREPARED BY:** Planning and Urban Design Department  
Financial Strategy and Investment  
Legal Services  
Contact: Kevin Ross, Manager, Development Finance & Payroll, ext. 2126

**RECOMMENDATION:**

- 1) That the report entitled, “*City of Markham Comments on Bill 108 Proposed Regulatory Matters – Community Benefits Authority, Development Charges Act and Building Code Act*”, dated April 20, 2020, be received; and,
- 2) That this report, including the recommendations from the City of Markham on Bill 108 Proposed Regulatory Matters, be forwarded to the Minister of Municipal Affairs and Housing and to the Regional Municipality of York; and,
- 3) That the City of Markham supports the following:
  - a) The proposal for the regulation under the *Development Charges Act, 1997*;
  - b) The community benefits proposed to be included within the community benefits charge regulation;
  - c) The proposal for a public notice to be provided prior to the enactment of a community benefits by-law;
  - d) The proposed application of an interest rate on refunds in the event of a successful appeal to a community benefits by-law; and,
  - e) The proposal to add the community benefits charge authority to the applicable law list under the Building Code; and,
- 4) That the City of Markham request that the Province:
  - a) Provide municipalities with wide latitude to determine what community facilities can be supported through community benefits charges;
  - b) Amend the Community Benefits Charge legislation to allow a municipality to require the conveyance of parkland in lieu of payment of a community benefits charge;
  - c) Implement an escalating Community Benefits Charge collection limit tied to density to allow municipalities to be able to provide a minimum of 0.8 hectares of parkland per 1,000 residents, and that the maximum limit of the Community Benefits Charge eligible to be collected be set at 50% of the value of the fully developed land;
  - d) Given the ongoing emergency situation and scale of work required to implement a Community Benefits Charge regime, increase the timeline for implementation of a Community Benefits Charge by-law be the later of, (1) two years from the date the

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- community benefits regulation comes into effect or, (2) the expiration of the current Development Charge by-laws;
  - e) Allow municipalities to fully recover the capital cost of Development Charges without the requirement of preparing a background study until the development charge by-law is next updated; and,
  - f) Allow municipalities to utilize the community benefits charge by-law and the parkland dedication provisions of the *Planning Act* for specific types of developments, i.e. allow the municipality to specify the types of development that would be subject to a CBC vs. parkland dedication provisions; and further,
- 5) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

### **EXECUTIVE SUMMARY:**

On February 28, 2020, the Province released a regulatory proposal for the Community Benefits Charge which outlines additional matters and changes and seeks input to inform the further development of the Community Benefits Charge authority and regulation under the *Planning Act*. There is a 52-day consultation period to elicit feedback, closing on April 20, 2020.

The proposed regulatory changes return the soft services such as library, park development and recreational services to development charges from the initially proposed Community Benefits Charge authority. The 10% discount on growth-related soft services is also being removed under the proposal to allow for the full recovery of capital costs.

Under the proposal, the Community Benefits Charge will fund infrastructure for community services such as land for parks, affordable housing and childcare facilities that are required to support growth. These proposed amendments are in addition to the mechanism that allows a Community Benefits Charge by-law to be appealed to the Local Planning Appeal Tribunal, which received Royal Assent on December 10, 2019.

Additional proposals by the Province include:

- a) *Limit on amount of Community Benefits Charge payable* – Amount payable cannot exceed the prescribed percentage of land value as follows:
  - a) Single-Tier Municipalities: 15%
  - b) Lower-Tier Municipalities: 10%
  - c) Upper-Tier Municipalities: 5%
- b) *Required content of the Community Benefits Charge strategy* – Identifies the items to be funded through the charge, as well as others items such as the requirement for a parks plan, the current parks service level and the capital costs associated with the increased need for a particular community service;
- c) *Transition timeline* - Municipalities to transition to the Community Benefits Charge authority one-year after the date the proposed Community Benefits Charge comes into effect;

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- d) *Requirement for a Community Benefits Charge by-law notice* – Similar to notice requirements for a development charges by-law;
  - e) *Interest rate for Community Benefits Charge refund* – Bank of Canada rate to be applied for refunds due after successful appeal of the by-law. This is similar to the manner in which development charge by-law appeals are handled; and
  - f) *Building Code Amendment* – Addition of Community Benefits Charge authority to list of applicable law items.

Of particular importance, is the fact that if the City has a Community Benefits Charge by-law in place, it cannot apply the basic parkland dedication provisions of the *Planning Act*.

This report explores each of these proposals and makes recommendations to the Province. It is recommended that this report be forwarded to the Ministry of Municipal Affairs and Housing as the City of Markham's comments on Bill 108, *More Homes, More Choice Act, 2019*, prior to the April 20, 2020 commenting deadline.

#### **PURPOSE:**

This report provides staff comments and recommendations in response to the Province's proposed regulatory framework for the Community Benefits Authority, *Development Charges Act, 1997* and *Building Code Act, 1992*.

#### **BACKGROUND:**

On May 2, 2019 the Province released the More Homes, More Choice: Ontario Housing Supply Action Plan (the "Housing Supply Action Plan") and introduced Bill 108, the *More Homes, More Choice Act, 2019* ("Bill 108") with the aim of making it faster and easier for municipalities, non-profits and the private sector to build housing. Staff provided updates to Council in [May 2019](#) and [July 2019](#) outlining the impacts to Markham and providing recommendations to the Province on the proposals under the Housing Supply Action Plan. The City's main concern was the proposal to change the current Section 37 and Parkland regimes to a new Community Benefits Charge ("CBC"). The initial proposal provided by the Province was proposed to take the place of certain soft service development charges, parkland dedication and Section 37. The proposal to cap the amount of the CBC that may be collected was also a concern for the City along with other Ontario municipalities.

The City provided feedback to the initial regulatory CBC proposal, which was posted on the Environmental Registry of Ontario on June 21, 2019 (ERO 019-0183) with comments required by August 21, 2019. The staff report to a Special Council meeting (Items 4.1 and 4.2) on [July 26, 2019](#) included the City's comments and recommendations on the initial CBC regulatory proposals.

On November 6, 2019, amendments to the CBC provisions under the *Planning Act* were introduced through the *Plan to Build Ontario Together Act, 2019*. The Bill received Royal Assent on December 10, 2019. The amendments include new transition provisions for



alternative parkland dedication and a mechanism to allow the development industry to appeal a municipality's CBC by-law to the Local Planning Appeal Tribunal ("LPAT"). The CBC authority has not been proclaimed and is not in effect at this time.

On February 28, 2020 the Province released a second regulatory proposal for the CBC (ERO 019-1406) which outlines some of the implementation details and changes to the initial June 21, 2019 proposal and seeks public input to inform the further development of the CBC authority and regulation under the *Planning Act*. There is a 52-day consultation period to elicit feedback which closes on April 20, 2020.

#### Development Charges Act ("DCA") Regulatory Proposal

The most significant change in this proposal is that many of the soft services that were to be transferred from the DCA to the new CBC regime are now proposed to remain under the DCA funding framework. These services include:

- a) Public Libraries (including library resources)
- b) Long-Term Care
- c) Park Development (but not parkland acquisition)
- d) Recreation (including community centres and arenas)
- e) Public Health

Another significant change is that the growth-related capital costs for these services will now be completely recoverable through development charges as the 10% discount under the previous legislation will no longer apply.

These proposed changes to the regulation are positive for municipalities as the DCA regime is preferred (as opposed to the CBC) to recover growth-related capital related cost.

#### CBC Regulatory Proposal

Bill 108 proposes that CBCs can be utilized to fund the development-related costs of services that would benefit the community that are ineligible for funding under the DCA. The Province has identified what services will be included within a CBC funding framework. They include:

- a) Parkland Acquisition
- b) Parking and By-law Enforcement
- c) Supporting Affordable Housing and Shelters
- d) Childcare

It is currently unclear if this will be a complete list of eligible community benefits, or if municipalities will have a broad authority to apply the monies collected to a variety of community benefits. Under the proposal, services that are excluded from the CBC will be similar to those under the DCA and include municipal administration buildings, tourism facilities, landfill sites and services, facilities for treatment of waste and hospitals.

For *any* particular development, the amount of CBCs payable cannot exceed a prescribed percentage of land value determined on the day before a building permit is issued. The following percentage caps have been proposed by the Province:

1. Single-Tier Municipalities: 15%
2. Lower-Tier Municipalities: 10%
3. Upper-Tier Municipalities: 5%

It is important to note that if a municipality chooses to utilize the CBC, then it cannot apply the amended parkland dedication and cash-in-lieu of parkland provisions under the *Planning Act*, and vice-versa. Bill 108 changed the parkland and cash-in-lieu provisions to remove the alternative parkland rate for dedication (1 ha per 300 units) and cash-in-lieu (1 ha per 500 units) for high density residential developments, while the 2% of land area for commercial/industrial uses, and 5% for all other uses (including residential) remains the same. The usage of these tools (i.e. parkland dedication and/or cash-in-lieu vs. the new CBC) are mutually exclusive.

#### **OPTIONS/ DISCUSSION:**

The changes made by Bill 108 will mean that municipalities will have two primary funding streams to pay for the increased need for service due to new development – development charges and community benefits.

To implement the new CBC authority, the Province is seeking feedback on the following regulatory matters under the *Planning Act*, the *DCA* and the *Building Code Act*:

1. Required content of a CBC strategy;
2. Services eligible to be funded through development charges;
3. Percentage of land value for determining a maximum CBC;
4. Timeline to transition to the new CBC regime;
5. CBC by-law notice;
6. Minimum interest rate for CBC refunds where a by-law has been successfully appealed;  
and
7. Building code applicable law.

#### **1. *Required Content of a Community Benefits Charge Strategy***

Before passing a CBC by-law, a municipality must prepare a CBC strategy. The strategy must identify the items that a municipality intends to fund through CBCs. It must also comply with any mandatory requirements of the strategy that may be prescribed in the regulation. In preparing a CBC strategy, a municipality must consult, but has the flexibility to determine their consultation approach.

#### **Provincial Proposal**

To provide greater clarity about the components of a CBC strategy, the Province has proposed that a municipality would need to include the following content in their strategy:

- 
1. The anticipated type, amount and location of development or redevelopment that would be subject to a CBC;
  2. The anticipated increase in the need for a specific community service (for example, the acquisition of land for parks, affordable housing, child care, etc.) resulting from new development or redevelopment;
  3. A parks plan that examines the need for parkland in the municipality;
  4. The amount of parkland per person currently being provided in the municipality, and if this is planned to increase, decrease or stay the same;
  5. The capital costs associated with the increased need for a specific community service resulting from new development or redevelopment;
  6. The excess capacity that exists in those specific services (for example, the extra capacity that exists in a service that is not currently being used);
  7. Whether the increased provision of those specific services would also serve existing residents (for example, existing residents may also benefit from new child care facilities that are needed as a result of new development or redevelopment); and
  8. Any capital grants, subsidies or contributions from other levels of government or other sources like donations that are anticipated to be made to support those specific services.

#### Comments

While the proposed regulations offer further details on what could be included in a CBC, and what can still be collected through a development charge, there are some key points that require clarification before staff can fully assess the potential implications related to the development of a CBC Strategy.

It is clear that the acquisition of cash-in-lieu of parkland must be included in the CBC, and reference is made to the inclusion of affordable housing in the CBC Strategy.

Amendments to the *Planning Act* under the Bill 108 limited the application of inclusionary zoning to Major Transit Station Area (“MTSA”), and a CBC cannot be collected where inclusionary zoning is applied. Staff are unclear if it is the intent of the regulation to have municipalities complete a review and assessment of all affordable housing options, and consider the need for inclusionary zoning instead of applying a CBC.

Staff are not clear whether the list of eligible services that the Province has indicated could be included in a CBC is a comprehensive list. Staff are reviewing various services that may be eligible to be included in a future CBC or development charge by-law (e.g. parking enforcement).

The City is reviewing MTSA's and developing an affordable housing strategy. Further, the City is in the early stages of developing a Parks Plan to review and assess parkland needs and priorities that could be used to inform the CBC Strategy.

#### ***Recommendation:***

**It is recommended that the Province provide municipalities with wide latitude to determine what community facilities can be supported through CBCs.**

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At present, the City does not collect development charges to fund affordable housing, or to fund Parking Enforcement. A decision of Council is not required at this time to determine if CBC funds will go to either of these services, however through the CBC strategy, these issues may need to be addressed.

## **2. *Services Eligible to be funded through Development Charges***

The DCA provides authority for municipalities to impose development charges to pay for the increased capital costs of specific services that are needed as a result of new growth.

The services that are eligible to be funded through development charges are listed under subsection 2(4) of the DCA. The list includes a provision for other services that may be prescribed in regulation. The *Planning Act* stipulates that services funded by development charges may not be funded by CBCs.

When proclaimed, Bill 108 will make waste diversion and ambulance services fully recoverable through development charges.

The government is proposing to prescribe additional services to be funded through changes to the regulations under the DCA.

### Provincial Proposal

It is proposed that the following services would be identified in regulation under subsection 2(4) of the DCA:

1. Public libraries, including library materials for circulation, reference or information purposes;
2. Long-term care;
3. Parks development, such as playgrounds, splash pads, equipment and other park amenities (but not the acquisition of land for parks);
4. Public health; and
5. Recreation, such as community recreation centres and arenas.

Development charges may be imposed to fully recover the capital costs related to the provision of these proposed services due to new growth. These proposed services would be ineligible to be funded through CBCs.

### Comments

The CBC as proposed in May 2019 was to recover the cost of certain soft services, parkland dedication and Section 37. In the City's comments to the Province in May 2019 regarding the initial Bill 108 proposal, Markham recommended that the soft services be included as a part of the CBC, be fully recoverable, and not subject to a cap. Further, in the comments and recommendations to the Province in August 2019, the City recommended that the soft services remain in development charges to recover the capital cost of services resulting from growth.



This current proposal by the Province has addressed those comments and proposes to return soft services, such as library services, parkland development and recreation services, to the DCA. This proposal is supported by staff.

The proposed elimination of the 10% discount on these services to allow for the recovery of 100% of capital cost is also supported by staff. In the City's 2017 DC Background Study, the 10% discount represented \$30.5M in growth-related capital cost that was ineligible for development charge recovery. These funds would need to be recovered through other revenue sources, including the City's existing tax base. Given that Markham has already conducted its background study to determine the total value of the growth related capital works to the expiry of the current by-law in December 2022, staff further seek that the Province allow for the additional 10% to be collected on a go-forward basis without having to amend the City's development charges by-law.

***Recommendations:***

**That the City of Markham support the Province's proposal for the development charge regulation.**

**That the Province allow municipalities to fully recover the capital cost of development charges without the requirement of preparing a background study until the development charge by-law is next updated.**

***3. Percentage of Land Value for Determining a Maximum Community Benefits Charge***

The CBC authority proposes to include a mechanism to determine the maximum CBC payable for any particular development. The CBC payable cannot exceed the amount determined by applying a prescribed percentage to the value of the land under development.

**Provincial Proposal**

The proposed percentages of land value that would be prescribed in regulation under the *Planning Act* would be structured as follows:

- a) single-tier municipalities: 15%
- b) lower-tier municipalities: 10%
- c) upper-tier municipalities: 5%

In any particular case, the CBC levied by a municipality could not exceed the amount determined by applying the applicable proposed percentage to the value of the land that is subject to development. The land value would be calculated as of the valuation date, which is the day before the building permit is issued in respect of the development or redevelopment.

The CBCs levied by municipalities would support the growth- related capital costs of acquiring land for parks, and other community benefits required because of development,

such as child care facilities, affordable housing, social services, parking and by-law enforcement. There would need to be a connection between the CBC levied and the increased need for community services associated with new development.

Different percentages are being proposed for single, upper and lower-tier municipalities to reflect the varying service delivery requirements of each tier of municipality to service new growth with community amenities. This percentage structure ensures that the combined percentage for upper and lower-tier municipalities would be equal to the percentage for single tier municipalities.

#### Comments

Staff would like to acknowledge some positive aspects of the draft regulations, particularly as they relate to development charges. Firstly, keeping the traditional development charges services such as park development, recreation, and library services within the development charge framework, as opposed to within a CBC regime, is a positive change. Secondly, the elimination of the mandatory 10% reduction for these services will be beneficial. While it still may not allow municipalities to fully recover the growth-related capital costs for these services (as municipalities can still only collect based on a 10-year historic service level, as opposed to a forward looking approach based on planned service levels), it assists in reducing the gap.

However, with respect to the CBC, capping the charge at 10% of the developed land value will have a significant negative financial impact to Markham, and other municipalities that have high-density development.

The Province's intention with Bill 108 and the implementation of a CBC regime was to help create complete communities, while attempting to allow municipalities to remain revenue neutral. By implementing a CBC capped at 10% of land value (for lower tier municipalities), neither of these goals will be achieved.

The existing parkland dedication formulas result in the City acquiring, as a result of new development, approximately 1.0 hectare per 1,000 people, either in the form of land, or cash-in-lieu as an average across the City. The rate may differ in areas of the City. Markham's Official Plan targets approximately 1.2 hectares of parkland for every 1,000 people.

Staff have prepared a simplified analysis to measure the impacts on Markham based on the following assumptions (these assumptions are only for the purposes of this analysis):

- A. The City collects parkland from low-density developments and cash-in-lieu from high density developments;
- B. All CBC collections will be directed towards the acquisition of parkland; and
- C. The City will opt into the CBC regime and charge the full 10% of land value. (If the City chooses to not have a CBC by-law, the City can only collect up to 5% of the land as parkland – this would result in even greater shortfalls than indicated in the following analysis).

### Impacts on Low Density Residential Development

The City's current parkland dedication practice for low density residential development is to collect either 5% of land area, or 1 hectare per 300 units, whichever is greater. For most developments, the 1 hectare per 300 units is the greater number.

The implementation of a 10% CBC would generally make Markham neutral in terms of amount of the land conveyed to the City for parks, or revenue in the form of cash-in-lieu for single/semi-detached developments, but results in a reduction in revenues/ parkland for townhouse developments.

As noted above, the 10% CBC would not guarantee that the City would be able to purchase the desired parkland parcel within a subdivision. If the City opts to collect parkland instead of a CBC, the amount is capped at 5%, which would further exacerbate the shortfall.

<b>Assumptions</b>	<b>Single/Semi</b>	<b>Towns</b>	
PPUs	3.8	2.9	
Units per Ha	30	50	
People per Ha	114	145	
<u>Current Methodology</u>	1 Ha./300 units	1 Ha./300 units	
Parkland Dedication (Ha)	0.10	0.17	
Ha per 1,000 people	<b>0.88</b>	<b>1.15</b>	<b>AVG= 1.0</b>
<u>New Methodology (CBC)</u>	10% land value	10% land value	
Parkland Equivalent (Ha)	0.10	0.10	
Ha per 1,000 people	<b>0.88</b>	<b>0.69</b>	<b>AVG = 0.8</b>
Percentage Reduction	<b>0%</b>	<b>40%</b>	

**Table 1:** Impact of CBC implementation on amount and rates of parkland for low-density residential development.

### Impacts on High Density Residential Development

To simplify the analysis, it is assumed that all parkland requirements for high density residential development are satisfied through cash-in-lieu, at a rate of 1 hectare for every 500 units.

For high density residential development, the problem is magnified as the 10% cap does not address a core principle of planning for parks in a municipality: that people, not land, drive the need for parks. In past reports, staff used examples of 14-storey and 40-storey residential buildings to illustrate the potential impacts. Using those same examples, a 14-storey condo could have approximately 350 units, or house approximately 700 people per hectare and a 40-storey condo could have 1,000 units, or house approximately 2,000 people per hectare. A 10% cap on the value of land essentially means that for every 1 hectare of development, the City receives cash to acquire approximately 0.1 hectare of parkland, regardless of how many people reside in that development. At this rate for high density

developments, 1 hectare of parkland would have to service approximately 7,000-20,000 people in the surrounding area. This represents a much lower level of service than permitted in low density developments. This does not meet the principle of allowing municipalities the ability to create complete communities, and risks creating “have” and “have not” communities with respect to access to parks and other community facilities.

Assumptions	14-storey Condo	40-storey Condo
PPUs	2.0	2.0
Units per Ha	350	1,000
People per Ha	700	2,000
<u>Current Methodology</u>	1 Ha./500 units	1 Ha./500 units
Parkland Equivalent CIL (Ha)	0.70	2.00
Ha per 1,000 people	<b>1.00</b>	<b>1.00</b>
<u>New Methodology (CBC)</u>	10% land value	10% land value
Parkland Equivalent (Ha)	0.10	0.10
Ha per 1,000 people	<b>0.14</b>	<b>0.05</b>
Percentage Reduction	<b>86%</b>	<b>95%</b>

**Table 2:** Impact of CBC implementation on amount and rates of parkland for high-density development.

#### Financial Impact

The growth forecast, as detailed in Markham’s Development Charges Background Study that was approved in 2017, assumed the following average growth per unit type from 2017-2026:

Singles/Semis: 855

Townhouses: 718

Apartments: 1,076

For the purpose of this analysis, it is assumed that Markham will take the 10% CBC charge for all developments. The analysis also assumes that condo buildings built during this time will be approximately 25-30 floors.

	<b>Singles</b>	<b>Towns</b>	<b>Apt/Condo Units</b>
<b>Average volume per year</b>	<b>855</b>	<b>718</b>	<b>1076</b>
Additional DC Collections per Unit (approx.)	\$1,583	\$1,211	\$823
Elimination of Section 37 cash equivalent per Unit	(\$1,400)	(\$1,100)	(\$2,600)
Change in Parkland/Cash-in-lieu Per Unit	\$0	(13,333)	(\$80,857)
<b>Total Change in Revenue/Unit</b>	<b>\$183</b>	<b>(\$13,223)</b>	<b>(\$82,635)</b>

Total Annual Impact per building type	\$156,495	(\$9,493,803)	(\$88,914,754)
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<b>Total Annual Impact</b>	<b>(\$98,252,062)</b>
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**Table 3:** Annual financial impact of implementation of CBC regime.

Based on this analysis, it is clear that the CBC's 10% land value cap does not leave Markham (and likely other municipalities) in a revenue neutral position after the implementation of CBCs, especially with respect to high density residential development.

The proposed CBC regime and 10% cap will result in reduced parkland service levels, especially in high density areas, and greatly reduce municipal revenues. While the Province has not advanced the implementation of the Bill 108 changes in the timeframe it had initially indicated, we have not received any further indication that it is seeking to revisit those changes.

As a result of these significant impacts, it is recommended that the Province re-evaluate the 10% cap with respect to high density development, ideally to allow for the municipality to obtain the same amount of parkland per 1,000 residents that low density developments are permitted. For Markham, it would be the equivalent of 0.80 hectares per 1,000 residents, based on our development forecasts.

In order to accomplish this same level of service of 0.80 hectares of parkland per 1,000 residents within high-density areas, the CBC cap would have to increase as densities increase. For example, a 14-storey condo building would require a CBC equal to 56% of the land value in order to allow for 0.8 ha of parkland per 1,000 people. Meanwhile, a 40-storey condo building would require a CBC equal to 160% of the land value in order to achieve the same service level. Staff believe these percentages may not be feasible, and as a result recommend a maximum percentage limit of 50%, which would greatly assist in meeting Markham's goals, while having an unfortunate, but more manageable impact on the provision of complete communities.

This would still not result in revenue neutrality for Markham, however it is an approach that would allow residents of our high density residential communities enjoy the same level of service as those that reside in low density developments.

	14-storey Condo	40-storey Condo
Units per Ha	350	1,000
Land Value/Ha	\$25,000,000	\$60,000,000
1) Current CIL (@ 1 Ha per 500 units)	\$17,500,000	\$120,000,000
2) CBC (10% cap)	\$2,500,000	\$6,000,000
3) CBC (to achieve 0.8 Ha of parkland per 1,000 people)	\$14,000,000 (CBC @ 56%)	\$96,000,000 (CBC @ 160%)
4) CBC (to achieve 0.8 Ha of parkland per 1,000 people) – capped at 50%	\$12,500,000	\$30,000,000

**Table 4:** Analysis of cash collected under different cash-in-lieu and CBC scenarios for high-density residential development.

If the Province implemented an escalating CBC for high density residential development to allow for 0.8 hectares of parkland per 1,000 people, with a cap of 50% of land value, the impact to Markham would be reduced from \$98 million to \$72 million.

***Recommendation:***

**That the Province implement an escalating CBC collection limit tied to density to allow municipalities to be able to provide a minimum of 0.8 hectares of parkland per 1,000 residents, and that the maximum limit of the Community Benefits Charge eligible to be collected be set at 50% of land value.**

Application of CBCs to Different Types of Development

It is also unclear whether a CBC by-law could specify that CBCs be collected for certain types of development (e.g. high rise residential development) and parkland dedication be provided for other types of development (e.g. low density residential development). As the details of the CBC regime are not yet known, it may be beneficial to apply the CBC selectively to specific types of development.

***Recommendation:***

**That municipalities be permitted utilize the community benefits charge by-law and the parkland dedication provisions of the Planning Act for specific types of developments, i.e. allow the municipality to specify the types of development that would be subject to a CBC vs. parkland dedication provisions.**

Mandatory Conveyance of Parkland at Election of Municipality

As has been previously noted in the previous staff reports related to Bill 108, if the municipality chooses to collect CBCs, it is not permitted to require a landowner to convey parkland to the municipality. If CBCs are collected, the municipality and the landowner may make arrangements for the municipality to purchase the land in lieu of payment of CBCs. Conversely, as a result of Bill 108, a municipality may require 5% of the land area

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of the application to be conveyed as parkland, but will not be able to collect CBCs. The two options are mutually exclusive.

The requirement to convey parkland to the municipality has been a powerful tool that the City has used to ensure that new and evolving communities have sufficient park and recreation space to meet its needs, and to mitigate the effects of urbanization.

***Recommendation:***

**That the Province amend the legislation related to the Community Benefits Charge to allow a municipality to require the conveyance of parkland in lieu of payment of the Community Benefits Charge.**

***4. Timeline to Transition to the New Community Benefits Charge Regime***

The date by which a municipality must transition to the CBC authority (should it wish to do so) would be prescribed in regulations under the DCA. The prescribed date would be the deadline for establishing a CBC strategy and by-law in order to charge for the capital costs of services funded through CBCs.

The CBC by-law would set out the charge payable in any particular instance, any municipal exemptions, and other details. Should a municipality fail to, or decide not to, pass a community benefit charge by-law, then the current Section 37 provisions will no longer be applicable, and the municipality may only require the conveyance of 5% of the land area, or the payment of a cash in lieu for the area.

**Provincial Proposal**

It is proposed that the specified date for municipalities to transition to the CBCs regime would be one year after the date the proposed CBC regulation comes into effect.

This transition period would allow municipalities to prepare CBC strategies and pass by-laws if they choose to implement a CBC regime.

**Comments**

The City will require time to assess the benefits of instituting a CBC by-law as it will eliminate the City's ability to use the parkland dedication requirements under the *Planning Act*. In order to allow for this analysis to be undertaken, the City would like the timeline for implementation of a CBC by-law to be at least 2 years from the date the community benefits comes into effect or the expiration of the current development charge by-laws, whichever comes first.

While components of the CBC strategy and by-law requirements are already underway (e.g. an updated Parks Plan for Markham), any work completed to date will need to be updated with further analysis required to analyze the need related to other community benefits. Given the relatively few number of consultants who are able to undertake this type of work, and the number of municipalities that will be seeking to undertake this work,

staff believe it will be a challenge to implement a CBC by-law within a year of the regulation coming into force. Further, the ongoing COVID-19 emergency, and the resulting suspension of various commercial, legal and government services, adds to the challenges that municipalities face in implementing a CBC regime within the next 12 months.

***Recommendation:***

**That given the ongoing emergency situation and scale of work required to implement a CBC regime, the timeline for implementation of a CBC by-law be the later of (1) two (2) years from the date the community benefits comes into effect or, (2) the expiration of the current development charges by-laws.**

**5. *Community Benefits Charge By-Law Notice***

The *Plan to Build Ontario Together Act, 2019* amended the Bill 108 changes to establish a mechanism by which a municipality's CBC by-law could be appealed to LPAT. A municipality will be required to provide notice to the public when it passes a CBC by-law. To implement the by-law appeal mechanism, requirements associated with how to provide public notice will be prescribed in regulation.

**Provincial Proposal**

To implement the appeal mechanism, it is proposed that upon passage of a CBC by-law, a municipality would be required to comply with the following notice provisions. These provisions are similar to the notice provisions under the DCA regarding the passage of a development charges by-law:

1. Notice would be required to be given through newspaper or to every land owner in the area covered by the by-law through personal service, fax, mail or email;
2. Notice would also be required to be provided by personal service, fax, mail or email to those individuals who specifically request notice, the clerk of the lower or upper-tier municipality (if and as applicable), and the secretary of every school board having jurisdiction in the area covered by the by-law;. And
3. In order to facilitate public awareness of the passage of a CBC by-law, notice would include the following:
  - a) A statement that the council of the municipality has passed a CBC by-law;
  - b) A statement setting out when the by-law was passed;
  - c) A statement that any person or public body may appeal the by-law to the Local Planning Appeal Tribunal by filing with the clerk of the municipality a notice of appeal setting out the objection to the by-law and the reasons supporting the objection;
  - d) A statement setting out the last day for appealing the by-law;
  - e) An explanation of the charges imposed by the by-law;
  - f) A description of the lands to which the by-law applies, a key map showing the lands to which the by-law applies, or an explanation why no description or key map is provided; and
  - g) An explanation of where and when persons may examine a copy of the by-law.



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4. The date on which notice would be deemed to have been given would be:
- a) the newspaper publishing date if the notice is published by a newspaper
  - b) the date the fax is sent, if the notice is faxed
  - c) the date the email is sent, if the notice is emailed
  - d) the date the notice is mailed, if the notice is sent by mail

#### Comments

In the comments forwarded to the Province in May 2019, the City requested that an appeal mechanism be introduced for the determination of a CBC by-law. The notice provisions align with the City's comments, and are supportable.

The City consults with the development industry during the preparation of Development Charges Background Studies where discussions include policies, capital costs and project timing. The consultation group is also advised of the timing of when a by-law is proposed to be enacted. With the benefit of this type of consultative practice, which will likely be followed for a CBC by-law, the proposal for a public notice to be done before the City enacts a CBC by-law is acceptable.

#### ***Recommendation:***

**That the proposal for a public notice to be provided prior to the enactment of a community benefits by-law be supported.**

#### ***6. Minimum Interest Rate for CBC Refunds Where a By-Law Has Been Successfully Appealed***

The mechanism to appeal a CBC by-law includes a requirement for municipalities to provide full or partial refunds in the event of a successful appeal. The interest rate paid on amounts refunded must not be less than the prescribed minimum interest rate.

#### Provincial Proposal

It is proposed that the minimum interest rate a municipality would be required to pay on amounts refunded after successful appeals would be the Bank of Canada rate on the date the by-law comes into force. Alternatively, if the municipality's by-law so provides, the minimum interest rate would be the Bank of Canada rate updated on the first business day of every January, April, July and October.

This proposal aligns with the prescribed minimum interest rate for refunds of development charges after successful appeals under the DCA.

#### Comments

The City is currently required to pay interest on refunds in the event of a successful appeal to a development charge by-law. The proposal for refunds on successful appeals to a CBC by-law to attract the Bank of Canada rate, as well as the methodology on the timing of the interest calculation, is currently utilized for development charges and is therefore supported by the City.

***Recommendation:***

**That the City supports the application of interest on refunds in the event of a successful appeal to a community benefits by-law.**

**7. *Building Code Applicable Law***

The Building Code is a regulation under the *Building Code Act, 1992*. The Building Code sets out minimum administrative and technical requirements for the construction, renovation, demolition and change of use of buildings. It also establishes a list of applicable law that must be satisfied in order to receive a building permit. Municipalities enforce the Building Code and, through Chief Building Official, are responsible for issuing building permits for the construction, renovation, demolition or change of use of buildings.

**Provincial Proposal**

It is proposed that the Building Code be amended to add the CBC authority to the list of items under Division A - Article 1.4.1.3 Definition of Applicable Law. This amendment would establish a mechanism for ensuring the payment of CBCs prior to the issuance of a building permit.

**Comments**

Inclusion of the CBC as an applicable law under the Building Code would be consistent with the inclusion of the conveyance of parkland and development charges as applicable law. The proposal for CBCs to be collected in a similar manner will provide a defined timeline for collection and allow for the new regime to be integrated into the current development charge administration process. This ensures that construction cannot proceed until the CBC payment is made, and that the funds may be utilized as the need for those community services arises.

Under the DCA, a municipality has the authority to defer payment of development charges however, there does not appear to be a mechanism to defer a CBC, so those fees would need to be paid in full prior to the issuance of a building permit.

***Recommendation:***

**That the City supports the proposal to add the CBC authority to the applicable law list under the Building Code.**

**NEXT STEPS:**

It is recommended that this report be forwarded to the Ministry of Municipal Affairs and Housing as the City of Markham's comments on Bill 108, prior to the April 20, 2020 commenting deadline.

The Province is expected to review comments from municipalities and utilize them to inform the final version of the regulations.

**FINANCIAL CONSIDERATIONS**

The proposed elimination of the 10% discount on soft services will enable the City to recover the full capital cost of services required as a result of growth. The amount that can be recovered by the City on the next Development Charge Background Study update is not known at this time however, the 10% discount on services from the 2017 study totaled \$30.5M.

The proposal to cap the CBC at 10% of developed land value will have a significant negative financial impact to Markham, and other municipalities that have high density residential development. While low density residential development is also impacted, the major impact to Markham is high density residential development which comprises approximately 41% of anticipated growth to 2031. The proposed 10% cap will have a negative annual financial impact of up to \$98M on the City, with high-rise residential development accounting for \$89M of this amount. One of the most significant negative impacts of this cap relates to the City's ability to fund and acquire parkland, which is a necessary component to achieving complete communities.

The City has proposed a cap of 50% of developed land value for high rise residential development which will reduce the annual financial impact by \$26M.

**HUMAN RESOURCES CONSIDERATIONS**

Not applicable

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

The comments in this report support the City's efforts to enable a strong economy, manage growth, protect the natural environment, and ensure growth related services are fully funded, which are the key elements of the Engaged, Diverse and Thriving City; Safe and Sustainable Community; and Stewardship of Money and Resources strategic priorities.

**BUSINESS UNITS CONSULTED AND AFFECTED:**

Comments from the Planning & Urban Design, Building, Finance, and Legal Departments are included in this report.

**RECOMMENDED BY:**

Joel Lustig  
Treasurer

Trinela Cane  
Commissioner, Corporate Services

Biju Karumanchery  
Director, Planning and Urban Design

Arvin Prasad  
Commissioner, Development Services

Claudia Storto  
City Solicitor and Director of Human Resources

**ATTACHMENTS:**

None.

# City of Markham Comments on Bill 108 Proposed Regulatory Matters – Community Benefits Authority, Development Charges Act and Building Code Act

April 20, 2020

**General Committee**



# Agenda

## 1. Summary

## 2. Feedback

1. Required content of a community benefits charge strategy
2. Services eligible to be funded through development charges
3. Percentage of land value for determining a maximum community benefits charge
4. Timeline to transition to the new community benefits charge regime
5. Community benefits charge by-law notice
6. Minimum interest rate for community benefits charge refunds where a by-law has been successfully appealed
7. Building code applicable law

## 3. Recommendations

# 1. Summary

- The Province released on February 28, 2020 a regulatory proposal for the Community Benefits Charge (“CBC”), which outlines a framework to implement CBCs and seeks input for the further development of the CBC regime under the *Planning Act*.
- Initially, the Province provided a 31-day consultation period to elicit public feedback, which has since been extended to April 20, 2020.

# 1. Summary

## Key Aspects:

- **Soft services** (library, park development and recreational services) will **remain within the Development Charges Act with the mandatory 10% discount removed**
- *Required content of the CBC strategy* – Identifies benefits to be funded, requires study of current service levels and future needs for benefits.
- *Transition timeline* - one-year after the proposed CBC comes into effect.
- *Requirement for a CBC by-law notice* – Similar to development charges.
- *Interest rate for CBC refund* – Bank of Canada rate for refunds due after successful appeal of the by-law. Similar to development charges.
- *Building Code Amendment* – Addition of CBC authority to list of applicable law items.



# 1. Summary

## Key Aspects:

- **CBC Cap** – Amount of CBC payable cannot exceed the prescribed percentage of land value as follows:
  - Single-Tier Municipalities: 15%
  - **Lower-Tier Municipalities: 10%**
  - Upper-Tier Municipalities: 5%
- CBC can fund Parkland Acquisition, Parking and By-law Enforcement, Social/Subsidized Housing and Shelters, Childcare, other community amenities previously funded under s.37.
- **If the City has a CBC by-law in place, it cannot apply the basic parkland dedication provisions of the *Planning Act*.**

## 2. Feedback

To implement the new CBC authority, the Province is seeking feedback on the following regulatory matters under the *Planning Act*, the *Development Charges Act* and the *Building Code Act*:

1. Required content of a community benefits charge strategy
2. Services eligible to be funded through development charges
3. Percentage of land value for determining a maximum community benefits charge
4. Timeline to transition to the new community benefits charge regime
5. Community benefits charge by-law notice
6. Minimum interest rate for community benefits charge refunds where a by-law has been successfully appealed
7. Building code applicable law

## 2.1. Required Content of a CBC Strategy

A municipality would need to prepare a CBC strategy similar to a DC background study, including historic service levels, and capital programs.

Services that have been identified to be funded include parkland acquisition, parking and by-law enforcement, childcare, affordable housing and shelters (it is currently unclear if this is a complete list or if municipalities will have greater flexibility).

### **Recommendation**

**That the Province provide municipalities with wide latitude to determine what community facilities can be supported through CBCs**

## 2.2. Services Eligible to be Funded Through DCs

Recreation, library, and park development remain within the DC regime.

The 10% mandatory reduction for these services has also been removed – it is unclear if municipalities can take advantage of this without having to undertake a new DC Background Study.

### Recommendation

**That the City of Markham support the Province's proposal for the development charge regulation.**

**That the Province allow municipalities to fully recover the capital cost of development charges without the requirement of preparing a background study until the development charge by-law is next updated.**

## 2.3. % of Land Value for Determining a Maximum CBC

*CBC Cap* – Amount payable cannot exceed the prescribed percentage of land value as follows:

Single-Tier Municipalities: 15%

**Lower-Tier Municipalities: 10%**

Upper-Tier Municipalities: 5%

**The CBC regime and remaining parkland dedication regime are mutually exclusive: if a CBC by-law applies to the land subject to development, then the City cannot require the dedication of parkland. Conversely, if the City requires parkland to be conveyed (at the 2% rate for commercial/industrial, 5% for everything else), the City cannot collect CBCs.**

## 2.3. % of Land Value for Determining a Maximum CBC

### Background

#### Current Practice:

- **Land Dedication** – the greater of:
  - 5% of land area
  - 1 ha. per 300 unitsTo a maximum of:
  - 1.2 ha per 1,000 residents (Markham OP)
- Any under-dedication would be topped up with cash-in-lieu at a rate of 1 ha. per 500 units.

## 2.3. % of Land Value for Determining a Maximum CBC

### Assumptions Used in Analysis

- The City currently collects **parkland** from **low-density developments** (1 ha. Per 300 units) and **cash-in-lieu** from **high density developments** (1 ha. Per 500 units).
- All CBC collections will be directed towards the **acquisition of parkland**
- The City will **opt into the CBC regime** and charge the full 10% of land value. (If the City chooses to not have a CBC by-law, the City can only collect up to 5% of the land as parkland – this would result in even greater shortfalls than what is indicated in the following analysis).

## 2.3. % of Land Value for Determining a Maximum CBC

### Impact – Low Density

<u>Assumptions:</u>	<u>Single/Semi</u>	<u>Towns</u>
PPUs	3.8	2.9
Units per Ha	30	50
People per Ha	114	145
<u>Current Methodology</u>	1 Ha./300 units	1 Ha./300 units
Parkland Dedication (Ha)	0.10	0.17
Ha per 1,000 people	0.88	1.15
<u>New Methodology (CBC)</u>	10% land value	10% land value
Parkland Equivalent (Ha)	0.10	0.10
Ha per 1,000 people	0.88	0.69

Avg =  
1.0 Ha/1,000 people

Avg =  
0.8 Ha/1,000 people

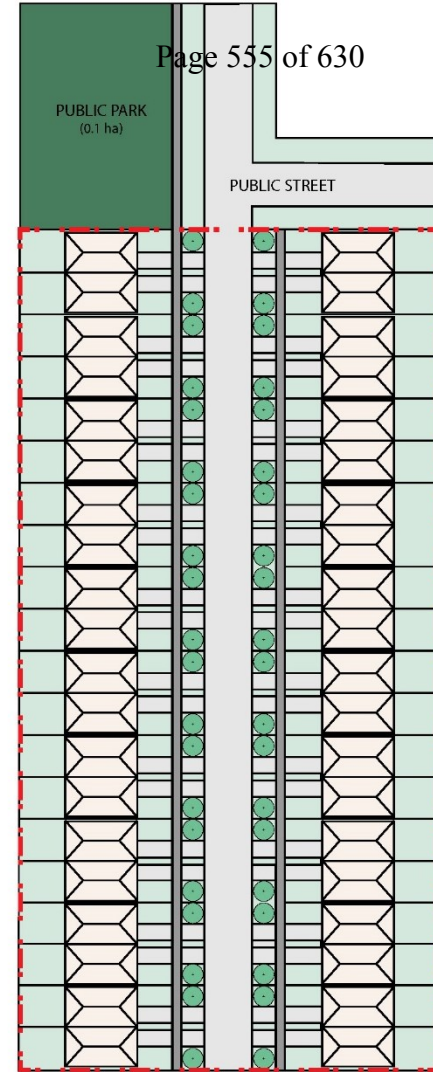
*Municipalities can only receive 10% CBC OR 5% land now. If City opts to receive land, “New Methodology” service levels would be reduced by 50%.*



# Parkland Comparison: Semi-detached



- PUBLIC PARK (CBC)  
(CURRENT PLANNING ACT)
- PUBLIC STREET
- DEVELOPMENT BLOCK (1.0 ha)



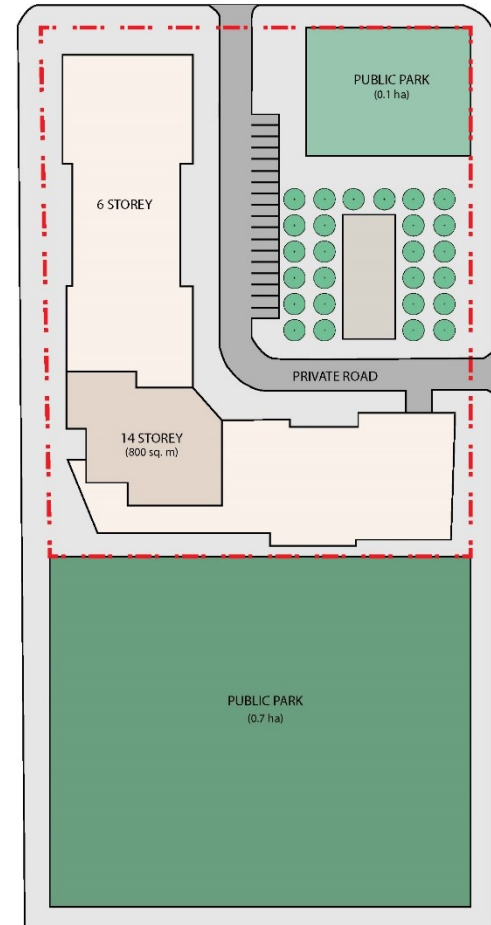
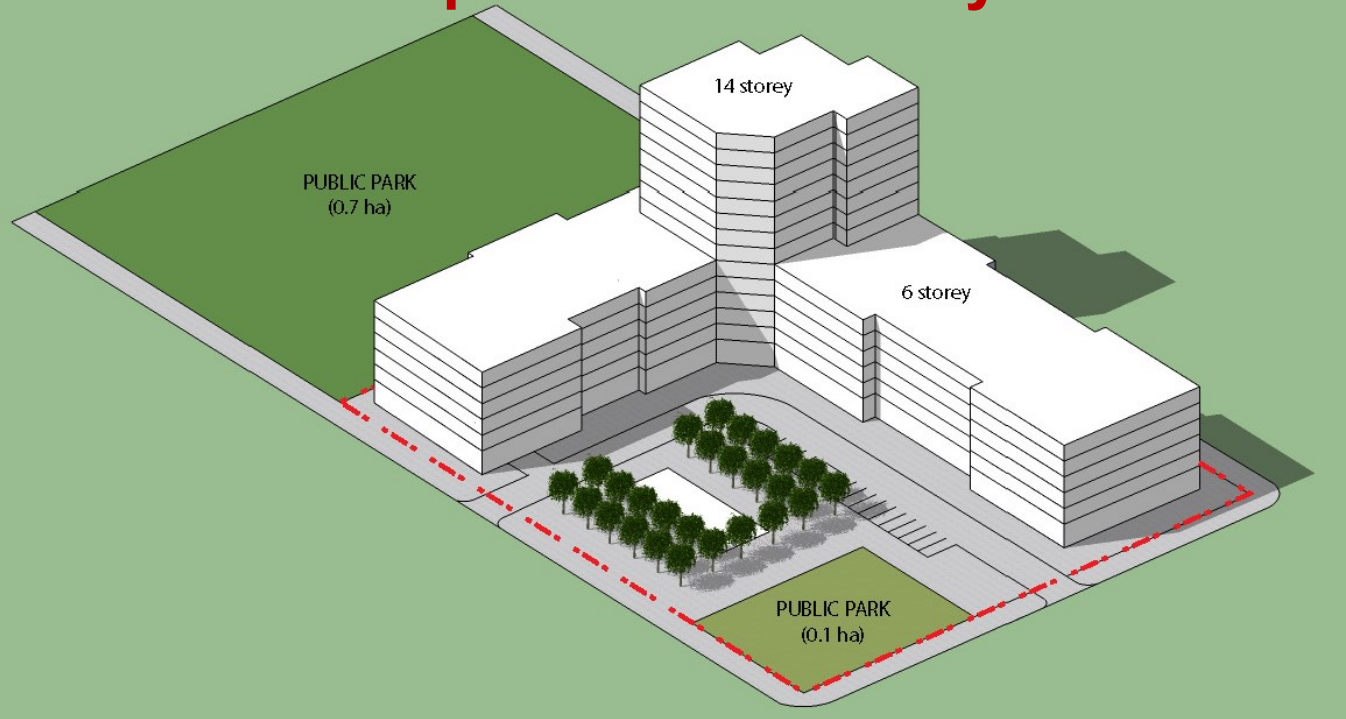
## 2.3. % of Land Value for Determining a Maximum CBC

### Impact – High Density

Assumptions:	<u>14-storey Condo</u>	<u>40-storey Condo</u>
PPUs	2.0	2.0
Units per Ha	350	1,000
People per Ha	700	2,000
<u>Current Methodology</u>	1 Ha./500 units	1 Ha./500 units
Parkland Equivalent CiL (Ha)	0.70	2.00
Ha per 1,000 people	1.00	1.00
<u>New Methodology (CBC)</u>	10% land value	10% land value
Parkland Equivalent (Ha)	0.10	0.10
Ha per 1,000 people	0.14	0.05

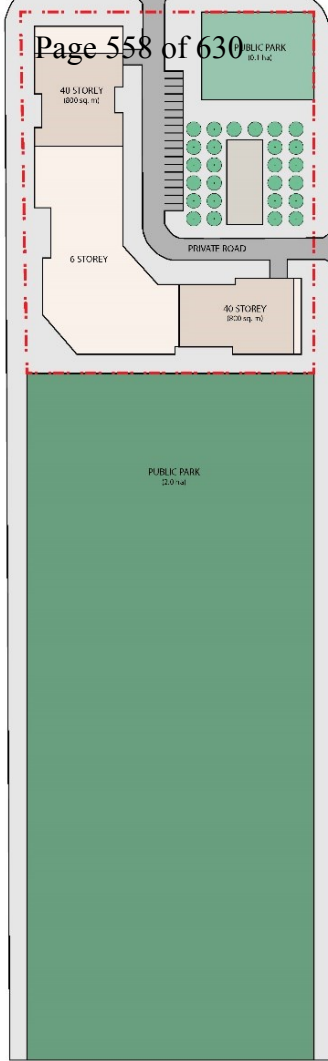
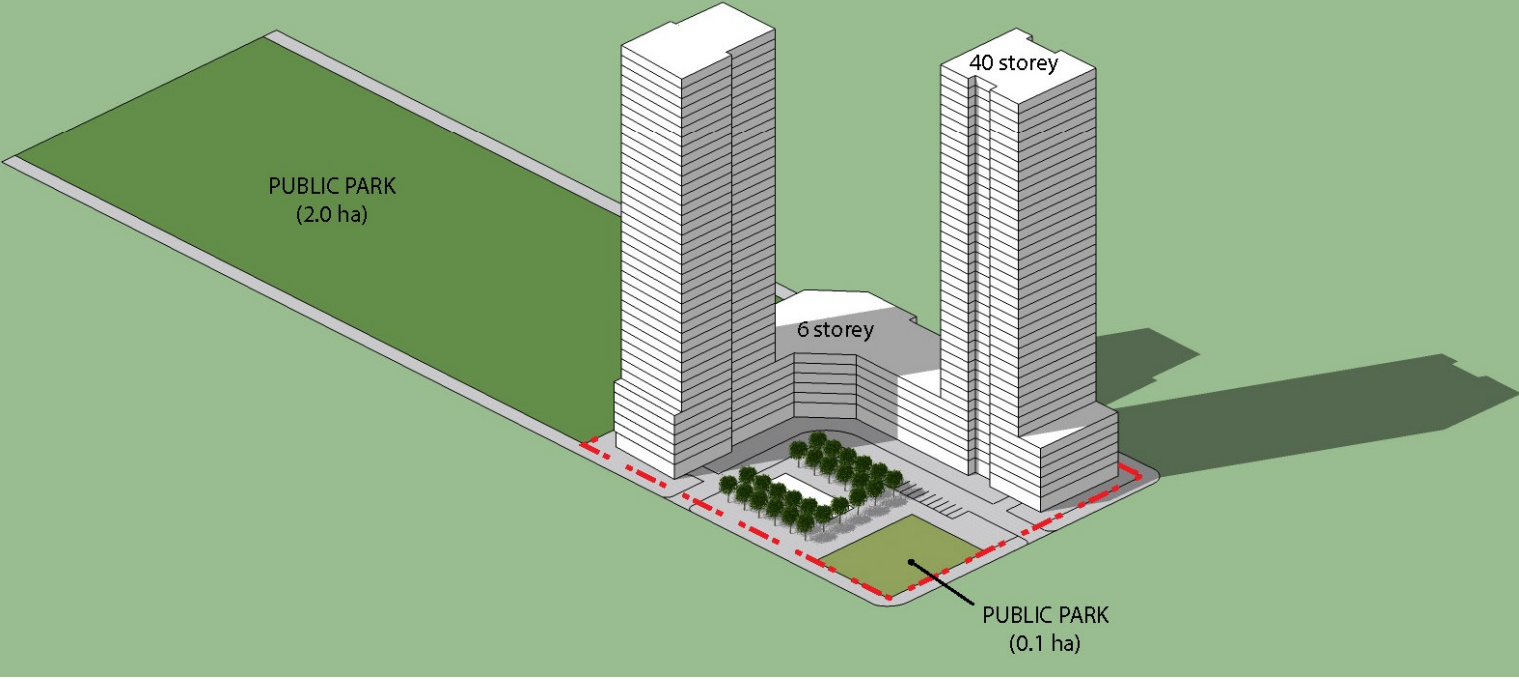
Service levels dramatically decrease (86-95% reduction) since people, not land, drive the need for parkland

# Parkland Comparison: 14 Storey Condo



- PUBLIC PARK (CBC)
- PUBLIC PARK (CURRENT PLANNING ACT)
- PRIVATE ROAD
- DEVELOPMENT BLOCK (1.0 ha)

# Parkland Comparison: 40 Storey Condo



## 2.3. % of Land Value for Determining a Maximum CBC

### Financial Analysis

The City's growth forecast used for Markham's 2017 Development Charges Background Study assumed the following average growth per unit type from 2017-2026:

- Singles/Semis: 855
- Townhouses: 718
- Apartments: 1,076

For the purpose of this analysis, it is assumed that Markham will take the 10% CBC charge for all developments. The analysis also assumes that condo buildings built during this time will be of the 25-30 storey variety

## 2.3. % of Land Value for Determining a Maximum CBC

### Financial Analysis:

#### Annual Impact:

	Singles	Towns	Apt/Condo Units
Average volume per year	855	718	1076
Additional DC Collections per Unit	\$1,583	\$1,211	\$823
Elimination of Section 37 per Unit	(\$1,400)	(\$1,100)	(\$2,600)
Change in Parkland/Cash-in-lieu Per Unit	\$0	(13,333)	(\$80,857)
Total Change in Revenue/Unit	\$183	(\$13,223)	(\$82,635)
Total Annual Impact per building type	\$156,495	(\$9,493,803)	(\$88,914,754)
Total Annual Impact			(\$98,252,062)

This represents an approx. 65% decrease in forecasted revenue for parkland acquisition

## 2.3. % of Land Value for Determining a Maximum CBC

The preferred approach is that the Province revert to the existing provisions in the *Planning Act*, but this is highly unlikely.

CBC methodology should allow for residents in high density areas to have a reasonable amount of parkland within walking distance, at a similar level to low density developments under the CBC regime (approx. 0.8 hectares per 1,000 residents).

A CBC cap of 50% would improve the City's ability to provide parkland at a rate of 0.8ha per 1000 residents, as well as provide cost certainty to developers.

### Recommendation

**That the Province implement an escalating CBC collection limit tied to density to allow municipalities to be able to provide 0.8 hectares of parkland per 1,000 residents, and that the maximum limit of the Community Benefits Charge eligible to be collected be set at 50% of land value.**



## 2.3. % of Land Value for Determining a Maximum CBC

Examples:

	14-story Condo	40-story Condo
Units per Ha	350	1,000
Land Value/Ha	\$25,000,000	\$60,000,000
1) Current CiL (@ 1 Ha per 500 units)	<b>\$17,500,000</b>	<b>\$120,000,000</b>
2) CBC (10% cap)	\$2,500,000	\$6,000,000
3) CBC ( to achieve 0.8 Ha of parkland per 1,000 people)	\$14,000,000 (CBC @ 56%)	\$96,000,000 (CBC @ 160%)
4) CBC ( to achieve 0.8 Ha of parkland per 1,000 people) – capped at 50%	<b>\$12,500,000</b>	<b>\$30,000,000</b>

*This would reduce the estimated negative annual impact to Markham from \$98 million to \$72 million.*



## 2.4. Timeline to Transition to the New CBC Regime

It is proposed that the specified date for municipalities to transition to the CBC regime would be one year after the date the proposed CBC regulation comes into effect.

Constraints:

- 1) few number of consultants that can assist in this type of work; and
- 2) COVID-19 emergency (suspension of various commercial, legal and government services).

### Recommendation

**That given the ongoing emergency situation and scale of work required to implement a CBC regime, the timeline for implementation of a CBC by-law be the later of**

- (1) two (2) years from the date the community benefits comes into effect or,**
- (2) the expiration of the current development charges by-laws.**

## 2.5. CBC By-Law Notice

A municipality would be required to provide notice to the public when it passes a community benefits charge by-law. To implement the by-law appeal mechanism, requirements associated with how to provide public notice would be prescribed in regulation.

Proposed consultation process is similar to DC Background Study process.

### **Recommendation**

**That the proposal for a public notice to be provided prior to the enactment of a community benefits by-law be supported.**

## 2.6. Minimum Interest Rate for CBC Refunds

It is proposed that the minimum interest rate a municipality would be required to pay on amounts refunded after successful appeals would be the Bank of Canada interest rate on the date the by-law comes into force.

This proposal aligns with the prescribed minimum interest rate for refunds of development charges after successful appeals under the *Development Charges Act, 1997*.

### **Recommendation**

**That the City supports the application of interest on refunds in the event of a successful appeal to a community benefits by-law.**

## 2.7. Building Code Applicable Law

It is proposed that the Building Code be amended to add the community benefits charge authority to the list of items under Division A - Article 1.4.1.3 Definition of Applicable Law.

This ensures that construction cannot proceed until the CBC payment is made, and that the funds may be utilized as the need for those community services arises.

### **Recommendation**

**That the City supports the proposal to add the community benefits charge authority to the applicable law list under the Building Code.**

### 3. Recommendations

- 1) That the report entitled, “*City of Markham Comments on Bill 108 Proposed Regulatory Matters – Community Benefits Authority, Development Charges Act and Building Code Act*”, dated April 20, 2020, be received;
- 2) That this report, including the recommendations from the City of Markham on Bill 108 Proposed Regulatory Matters, be forwarded to the Minister of Municipal Affairs and Housing and to the Regional Municipality of York;

## 3. Recommendations

3) That the City of Markham supports the following:

- a) The proposal for the regulation under the *Development Charges Act, 1997*;
- b) The community benefits proposed to be included within the community benefits charge regulation;
- c) The proposal for a public notice to be provided prior to the enactment of a community benefits by-law;
- d) The proposed application of an interest rate on refunds in the event of a successful appeal to a community benefits by-law; and,
- e) The proposal to add the community benefits charge authority to the applicable law list under the Building Code.

### 3. Recommendations

- 4) That the City of Markham request that the Province:
- a) Provide municipalities with wide latitude to determine what community facilities can be supported through community benefits charges;
  - b) Amend the Community Benefits Charge legislation to allow a municipality to require the conveyance of parkland in lieu of payment of a community benefits charge;
  - c) Implement an escalating Community Benefits Charge collection limit tied to density to allow municipalities to be able to provide a minimum of 0.8 hectares of parkland per 1,000 residents, and that the maximum limit of the Community Benefits Charge eligible to be collected be set at 50% of land the value of the fully developed land; and

### 3. Recommendations

- 4) That the City of Markham request that the Province:
  - d) Given the ongoing emergency situation and scale of work required to implement a Community Benefits Charge regime, increase the timeline for implementation of a Community Benefits Charge by-law be the later of, (1) two years from the date the community benefits regulation comes into effect or, (2) the expiration of the current Development Charge by-laws;
  - e) Allow municipalities to fully recover the capital cost of Development Charges without the requirement of preparing a background study until the development charge by-law is next updated; and further
  - f) Allow municipalities to utilize the community benefits charge by-law and the parkland dedication provisions of the Planning Act for specific types of developments, i.e. allow the municipality to specify the types of development that would be subject to a CBC vs. parkland dedication provisions.
- 5) That Staff be authorized and directed to do all things necessary to give effect to this resolution.





Presentation to: General Committee

Meeting Date: April 20, 2020

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**SUBJECT:** COVID-19 - Financial Impact Update  
**PREPARED BY:** Joel Lustig, Treasurer

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**RECOMMENDATION:**

1. That the presentation entitled COVID-19 – Financial Impact Update be received; and,
2. That the by-law amendments on the April 20<sup>th</sup> General Committee agenda be considered at the April 28<sup>th</sup> Council meeting; and,
3. That the City Treasurer report back to General Committee in May providing a financial forecast based on various scenarios; and further,
4. That Staff be authorized and directed to do all things necessary to give effect to this resolution.



# COVID-19 – Financial Impact Update

**General Committee**  
**April 20, 2020**



## Agenda

1. Province of Ontario & York Region Relief Measures
2. Pre-Authorized Tax Payments (PTPs) Status – April & May
3. Financial Pressures
4. Capital Budget Review
5. By-law Amendments
6. Recommendations & Next Steps



# 1. Province of Ontario Relief Measures

- The Province of Ontario economic statement identified the deferral of the June and September 2020 remittances from municipalities by 90 days

	June 30	September 30	December 15	December 30
Original remittance dates	A	B	C	
Revised remittance dates		A	C	B



# 1. York Region Relief Measures

- At the April 2<sup>nd</sup> York Region Council meeting, the Region approved recommendation #1 below and requested more information and options on recommendation #2:
  - 1) Retaining the 2020 water and wastewater rates at their 2019 levels and that staff report back on the financial implications of this
  - 2) The waiving of interest on any portion of tax levy instalments not remitted to the Region as a result of a local municipality's Coronavirus (COVID-19) tax relief program for a period up to 90 days
- There are 2 options on the Region's April 16<sup>th</sup> Committee of the Whole meeting was the first being recommended:
  - a) Council approve waiving interest on any portion of property tax instalments, for the 2020 taxation year, not remitted to the Region as a direct result of a local municipality's Coronavirus (COVID-19) tax relief program, for a period of 90 days
  - b) Waiving of interest on any portion of tax levy instalments not remitted to the Region as a direct result of a local municipality's COVID-19 tax relief program until December 31, 2020.



## 2. Pre-Authorized Tax Payments (PTPs)

### April PTP instalment (to be updated at April 20<sup>th</sup> GC meeting)

- April was the 3<sup>rd</sup> instalment for those on the 6 and 11 month instalment plans
- 96.8% has been collected

### May PTP instalment (to be updated at April 20<sup>th</sup> GC meeting)

- May will be the 4<sup>th</sup> instalment only for those on the 11 month instalment plan
- Expected tax revenue \$13.21M, revised to \$12.96M or 98.9% based on cancellations from the PTP program



## 3. Financial Pressures

### Cash Flow and Operating Budget

- **Cash flow** is the total amount of money being transferred into (eg. property taxes, user fees, parking fines) and out (eg. Salaries, winter maintenance, waste collection, utilities, insurance) of a business
- **Budget** is an estimate of income and expenditure for a set period of time

### Revenue sources

- Property Taxes: significant impact on cash flows, not significant impact on the budget as the revenue is still recognized
- Major revenues such as user fees and service charges, parking fines: more of a budget impact as the revenue is permanently lost, less impact on cash flows as the primary source of cash inflows are property taxes



## 3. Financial Pressures

### Cash Flow

- Cash flow model has been developed to run different scenarios, including length of quarantine period, and residents and businesses' willingness to pay taxes
- Assuming an 80% tax collection rate, City would be in a \$100M negative cash position at year end. For every further 10% reduction in taxes collected in 2020, year end cash balances would be decreased by a further \$40-45M
- This will provide direction as to when the City will need to sell investments or borrow. Currently staff are working on facilitating temporary borrowing with our financial institution to protect Markham against cash flow issues





## 3. Financial Pressures

### Operating Budget

- Lost net revenues will result in budget shortfalls in 2020 and potentially 2021
- Estimated at approximately \$4M deficit per month during quarantine period
- Once quarantine ends, there will be continued impact on revenues from protective behavior
  - Recreation 2020 budgets may not be achieved (eg. 10% reduction, approximately \$250k/month)
- Looking at strategies to minimize budget impacts:
  - a) Further assistance from other levels of government
  - b) Potential staggered facility opening strategies (Recreation, Libraries, Culture)
  - c) Focus on core services
  - d) Reduce non-essential capital programs
  - e) Utilizing reserves
- The eventual solution will be a combination of items
- Staff will need to develop a multi-year strategy to recover from the impacts of COVID (non-tax revenues will require time to get back to 2020 budget levels; strategy required to replenish reserves)



## 4. Capital Budget Review

- “Following advice from Ontario’s Chief Medical Officer of Health, on April 3, 2020, Ontario updated the list of essential businesses that can remain open. The restrictions are aimed at further reducing contact between people and stopping the spread of COVID-19.” – Province of Ontario
- Based on the Premier’s recommendation, staff have begun a review of capital projects following the below order or review:
  - 1) Essential vs. non-essential
  - 2) For non-essential:
    - a) Determine if project is on target or delayed
    - b) Can you project be closed, budget reduced, or deferred?
    - c) Where the project may be in the Procurement process (to market, closed not awarded, bid in development, bid not in development, awarded contract)
- Any project adjustments from the analysis will be brought forward in the status of capital update to General Committee in June



## 5. By-law Amendments

As a result of the financial relief measures approved by Council on March 27<sup>th</sup>, staff will be bringing forward the following 4 by-law amendments to Council on April 28<sup>th</sup>:

- Water Rate By-law Amendment
- Municipal Accommodation Tax By-law Amendment
- Stormwater By-law Amendment
- User Fee By-law Amendment



## 4. Recommendations & Next Steps

1. That the presentation entitled COVID-19 – Financial Impact Update be received; and,
2. That the by-law amendments on the April 20<sup>th</sup> General Committee agenda be considered at the April 28<sup>th</sup> Council meeting; and,
3. That the City Treasurer report back to General Committee in May providing a financial forecast based on various scenarios; and,
4. That Staff be authorized and directed to do all things necessary to give effect to this resolution.



Report to: General Committee

Meeting Date: April 20, 2020

**SUBJECT:** Destination Markham Corporation Update / Annual General Meeting (AGM) Matters

**PREPARED BY:** Christina Kakaflikas, Director, Economic Growth,  
Culture & Entrepreneurship  
Shane Manson, Senior Manager, Revenue & Property Tax  
Lisa Riegel, Assistant City Solicitor

**RECOMMENDATION:**

1. That the report “Destination Markham Corporation Update / Annual General Meeting Matters” be received; and,
2. That the Mayor and City Clerk be authorized to execute an Agreement between the City of Markham and Destination Markham Corporation, substantially in the form attached to the report as “Attachment 1”, subject to the form and content of the agreement being satisfactory to the Chief Administrative Officer and the City Solicitor; and,
3. That Destination Markham Corporation By-Law No. 1, substantially in the form attached to the report as “Attachment 2”, be approved; and,
4. That the following eight (8) individuals be appointed to the Board of Directors of Destination Markham Corporation, to serve as independent Directors for a term of four (4) years: Ms. Aarti Patel, Mr. Chuck Thibeault, Mr. David Miller, Mr. Herman Grad, Mr. Hiren Prabhakar, Ms. Kate Seaver, Mr. Shafik Jiwani, and Ms. Susan Mandryk; and,
5. That the following four (4) members of Council be appointed to the Board of Directors of Destination Markham Corporation, to serve as non-independent Directors for the term of Council: Mayor Frank Scarpitti, Councillor Andrew Keyes, Councillor Amanda Collucci, and Councillor Khalid Usman; and,
6. That KPMG be approved as the auditor for Destination Markham Corporation; and,
7. That the Mayor and City Clerk be authorized to execute operational agreements of mutual interest, as required, between the City of Markham and Destination Markham Corporation, subject to the form and content of such agreements being satisfactory to the Chief Administrative Officer and the City Solicitor; and further,
8. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**PURPOSE:**

The purpose of this report is to provide information and recommendations related to the next phase of the implementation of the new “Destination Markham Corporation”

(DMC), and to obtain Council approval of the following: the Agreement between the City of Markham and DMC; DMC corporate By-Law No. 1; the appointment of Directors to the DMC Board of Directors; and the approval of the auditor for DMC. Approval of the foregoing will provide the governance, strategic and operational foundation necessary to allow DMC to conduct the activities and affairs of the corporation in accordance with its mandate and objectives, and applicable laws and regulations.

### **BACKGROUND:**

In April, 2017 the Province of Ontario passed legislation that provided lower or single tier municipalities in Ontario with the authority to levy a transient accommodations tax (referred to in this report as a Municipal Accommodation Tax “MAT”). The legislation prescribed that at least fifty per cent (50%) of the MAT revenue be allocated to a non-profit entity whose mandate includes the promotion of tourism in Ontario or in a municipality.

In April, 2018, Council approved the implementation of a 4% Municipal Accommodation Tax on all Markham hotels effective January 1, 2019, and requested that Staff report back with a business case for the purpose of creating a non-profit, Municipal Services Corporation (MSC) to operate as the City of Markham’s tourism and destination management organization. In September, 2018, Council approved the business case and authorized Staff to complete the incorporation (with the City Solicitor, Treasurer, and the Director of Economic Growth, Culture & Entrepreneurship being appointed as the initial Directors of the corporation). The incorporation was completed in December 2018. On June 12, 2019, Council approved “Destination Markham Corporation” (“DMC”) as the legal name of the corporation.

Following a recruitment process conducted by Staff and a Nominating Committee of Council, on December 10, 2019, Council:

- approved a DMC Board of Director composition of twelve (12) Directors, comprised of eight (8) individuals to serve as independent Directors, and four (4) members of Council to serve as non-independent Directors;
- endorsed the appointment of the following eight (8) individuals to serve as independent Directors; Ms. Aarti Patel, Mr. Chuck Thibeault, Mr. David Miller, Mr. Herman Grad, Mr. Hiren Prabhakar, Ms. Kate Seaver, Mr. Shafik Jiwani, and Ms. Susan Mandryk; and
- endorsed the appointment of the following four (4) members of Council to serve as the non-independent Directors; Mayor Scarpitti, Councillor Keyes, Councillor Collucci, and Councillor Usman (which appointments were also confirmed by Council on Feb. 25, 2020).

### **OPTIONS/ DISCUSSION:**

The next phase in the establishment of the City’s DMO is to establish the governance, strategic and operations foundation necessary to allow DMC to conduct the activities and

affairs of the corporation in accordance with its mandate and objectives, and applicable laws and regulations.

### Legislative Framework

As a non-profit corporation, DMC is subject to the legislative requirements of the *Corporations Act* (Ontario) and the [\*Not-for-Profit Corporations Act, 2010 \(Ontario\)\* upon its provisions coming into force. As a Municipal Services Corporation](#), DMC is also subject to the legislative requirements of the *Municipal Act, 2001* (Ontario) and *Ontario Regulation 599/06* (Municipal Services Corporations).

### Governance Framework

In addition the legislative framework applicable to DMC, Staff recommend that the following be established to govern the relationship between the City of Markham and DMC, and to govern the activities and affairs of DMC (in accordance with the legislative framework).

#### *Agreement between the City of Markham and DMC*

Attached to this report as “Attachment 1” is the proposed Agreement between the City of Markham and DMC, which sets out the framework governing the relationship between the City of Markham and DMC including: the objectives and guiding principles of DMC, the City’s assistance to DMC, financial matters, and requirements for public accountability and reporting.

The Agreement has been approved by the initial Directors of DMC (the City Solicitor, Treasurer, and the Director of Economic Growth, Culture & Entrepreneurship), and requires Council approval on behalf of the City of Markham.

#### *DMC By-Law No.1*

Attached to this report as “Attachment 2” is the proposed corporate by-law (By-law No. 1) of DMC, a by-law relating generally to the conduct of the activities and affairs of DMC, which sets out the following:

- role of the City of Markham as the sole Voting Member of DMC
- roles and responsibilities of Directors and Officers of the Corporation
- Committees and Advisors
- procedural matters related to Member and Director meetings
- accounting, audit and record-keeping
- other matters

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By-Law No.1 has been approved by the initial Directors of DMC (the City Solicitor, Treasurer, and the Director of Economic Growth, Culture & Entrepreneurship), and requires Council approval on behalf of the City (as the sole Voting Member of DMC).

The City is the sole Voting Member of DMC (similar to the relationship between a sole voting shareholder of a “for-profit” corporation). As the sole Voting Member of DMC, the City (through Council) is required to provide approval of certain Annual General Meeting (AGM) matters relating to DMC, including the approval of by-laws passed by the Directors, the appointment of Directors, and the appointment of an auditor.

#### Board of Director Appointments

As previously stated, as the sole Voting Member of DMC, the City (through Council) is required to provide approval of certain Annual General Meeting (AGM) matters relating to DMC, including the appointment of Directors.

Once the governance framework is approved, Staff recommend that Council acting on behalf of the City (as the sole Voting Member of DMC) formally appoint the Directors endorsed by Council on December 10, 2019 and Feb. 25, 2020 to the DMC Board of Directors.

#### Auditor Appointment

As previously stated, as the sole Voting Member of DMC, the City (through Council) is required to provide approval of certain Annual General Meeting (AGM) matters relating to DMC, including the appointment of an auditor. Staff recommend that Council acting on behalf of the City (as the sole Voting Member of DMC) formally appoint the City’s auditor (KPMG) as the auditor of DMC.

#### **FINANCIAL CONSIDERATIONS**

None.

#### **HUMAN RESOURCES CONSIDERATIONS**

None

#### **ALIGNMENT WITH STRATEGIC PRIORITIES:**

Engaged, Diverse, and Thriving City  
Stewardship of Money and Resources

#### **BUSINESS UNITS CONSULTED AND AFFECTED:**

Economic Growth, Culture & Entrepreneurship



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Finance Department  
Legal Services Department

**RECOMMENDED BY:**

Claudia Storto  
City Solicitor

Christina Kakaflikas  
Director of Economic Growth,  
Culture & Entrepreneurship

Joel Lustig  
Treasurer

Trinela Cane  
Commissioner, Corporate Services

Arvin Prasad  
Commissioner, Development Services

**ATTACHMENTS:**

Attachment 1 – Agreement between the City of Markham and Destination Markham Corporation  
Attachment 2 – Destination Markham Corporation By-Law No. 1

**THIS AGREEMENT** made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2020  
(the "Effective Date")

B E T W E E N:

**THE CORPORATION OF THE CITY OF MARKHAM**  
(the "City")

- and -

**DESTINATION MARKHAM CORPORATION**  
("DMC")

**WHEREAS** the City has implemented a 4% municipal accommodation tax ("MAT") in accordance with the *Municipal Act, 2001* and *Ontario Regulation 435/17 (Transient Accommodation Tax)*;

**AND WHEREAS** DMC is a municipal services corporation incorporated pursuant to the *Municipal Act, 2001* and *Ontario Regulation 599/06 (Municipal Services Corporations)* to be the Destination Management entity in Markham responsible and accountable for managing 50% of the revenue generated from the MAT;

**AND WHEREAS** the City and DMC seek to work towards developing and promoting Markham as a leading destination for tourism, leisure, sport and business travel;

**AND WHEREAS** the City and DMC seek to establish a framework governing certain aspects of their relationship in addition to the legal framework mandated by the *Municipal Act, 2001* and *Ontario Regulation 599/06 (Municipal Services Corporations)*;

**NOW THEREFORE**, in consideration of the mutual covenants and agreements herein and subject to the terms and conditions hereinafter set out, the parties hereto hereby agree as follows:

## **1.0 DEFINITIONS**

### **1.1** In this Agreement,

- (a) **"Agreement"** means this Agreement and all schedules attached hereto;
- (b) **"By-law No. 1"** means the corporate by-law of DMC attached hereto as SCHEDULE "A";
- (c) **"City"** means The Corporation of the City of Markham;
- (d) **"Council"** means the Mayor and members of Council of the City;
- (e) **"Council Resolution"** means a resolution of Council reached pursuant to the City's Procedural By-law;
- (f) **"Destination Management"** means the coordination of elements involved in the development and promotion of a tourism destination, including but not limited to marketing, promotion, strategic planning, experience and product development, tourism investment attraction, and workforce capacity initiatives;

- (g) “**DMC**” means Destination Markham Corporation;
- (h) “**DMC Board**” means the Board of Directors of DMC elected by the City as the sole Voting Member of DMC (as that term is defined in By-Law No.1);
- (i) “**MAT**” means the Municipal Accommodation Tax implemented by the City pursuant to *Ontario Regulation 435/17 (Transient Accommodation Tax)*.

## 2.0 **OBJECTIVES AND PRINCIPLES**

### ***Key Tourism Objectives***

- 2.1 The key tourism objectives of DMC will be to develop, market and promote Markham as a remarkable destination for visitors, including tourists, sport and festival attendees, meeting and conference delegates, and business travelers. In collaboration with the hotel industry, festival-event-conference-travel planners, attraction operators, cultural institutions, sports tourism promoters, entertainment and recreation providers, restaurants and related service businesses, and the City, DMC will research, develop and implement a targeted Destination Management strategy to grow and enhance Markham’s tourism economy.

### ***Guiding Principles***

- 2.2 DMC shall be guided by the following guiding principles:
- (a) DMC will take a leadership role in promoting and marketing Markham as a leading destination for tourism, leisure and business travel with an emphasis on promoting overnight stays.
  - (b) DMC will take a leadership role in promoting developments and investments that increase and enhance Markham’s attractiveness as a tourism destination and as an economic sector generating employment and taxable assessment.
  - (c) DMC will be a supportive partner to the Markham Board of Trade, the Region of York tourism organizations, and other business, government and not for profit organizations in delivering programming that attracts greater spending and investments in Markham. In so doing, DMC will ensure that its work is complementary to work done by others.
  - (d) DMC will develop relationships with tourism stakeholders and other levels of government.
  - (e) DMC will develop and implement Destination Management strategies and activities that reflect Markham’s unique character, its cultural and built heritage, natural features, diverse ethnic communities, social and cultural traditions, recreational and sports assets, and business development opportunities.
  - (f) DMC will seek to leverage the transit and infrastructure investments made by the City, York Region and the Province of Ontario to build exciting tourism offerings and a sense of place in key areas such as Downtown Markham, local village cores, and other strategic areas.
  - (g) DMC will undertake its work based on an informed and objective decision-making process that is accountable and transparent, resulting in city-wide

benefits.

### **3.0 DESTINATION MARKHAM CORPORATION (DMC)**

#### ***DMC Compliance with Applicable Law***

- 3.1 DMC acknowledges that as a legal entity it is subject to the laws of Ontario and Canada.
- 3.2 DMC shall comply with all applicable law, including but not limited to:
- (a) the *Corporations Act* and regulations thereunder;
  - (b) the *Not-for-Profit Corporations Act, 2010* and regulations thereunder, upon its provisions coming into force;
  - (c) the *Municipal Act, 2001* and regulations thereunder; and
  - (d) employment legislation and regulations thereunder.

#### ***DMC Corporate Governance Framework; DMC Organization and Operations***

- 3.3 The City may establish a corporate governance framework for decision-making, strategic planning, budget and business plans, and corporate policies for DMC.
- 3.4 DMC shall operate and govern itself in accordance with By-Law No. 1 (attached hereto as Schedule “A”). By-Law No. 1 may only be amended or revoked in whole or in part with the approval of the City as the sole Voting Member of DMC (as that term is defined in By-Law No.1).
- 3.5 DMC shall develop corporate policies and procedures for approval by the City, or shall adopt the City’s corporate policies and procedures, within twelve (12) months of the Effective Date.
- 3.6 Section 21(2) of *Ontario Regulation 599/06 (Municipal Services Corporations)* provides that DMC shall be deemed to be a local board for the purposes of subsection 270(2) of the *Municipal Act, 2001*, which requires DMC to adopt and maintain policies with respect to the following matters:
- (a) sale and other disposition of land;
  - (b) hiring of employees; and
  - (c) procurement of goods and services.
- 3.7 Any reference in this by-law to a decision, determination or election made or vote exercised or action taken by the City shall reflect the consensus of Council as memorialized in a Council Resolution.

### **4.0 DESTINATION MANAGEMENT STRATEGY AND BUSINESS PLAN**

- 4.1 The DMC Board shall develop a business and strategic plan and annual operating budget, within twelve (12) months of the Effective Date, for approval by the City.

### **5.0 CITY ASSISTANCE TO DMC**

#### ***Financial Assistance***

- 5.1 Subject to Council approval, the City may provide financial assistance to DMC as permitted by the *Municipal Act, 2001* and the regulations thereunder.

#### ***Headquarters and Other Resources***

- 5.2 The initial headquarters of DMC shall be at the City of Markham Civic Centre located at 101 Town Centre Blvd, Markham, Ontario, with respect to which the City may assist DMC with

office space, information technology, utilities, meeting rooms, and use of equipment such as photo-copiers at or below fair market value to minimize administration expenses, and to maximize strategy and program expenditures of DMC.

### ***Human Resources***

- 5.3** Pursuant to *Ontario Regulation 599/06 (Municipal Services Corporations)*, the City may provide DMC with the services of employees of or persons under contract with the City at or below fair market value.

### ***Financial and Procurement Services***

- 5.4** The City may provide financial and procurement services to DMC at or below fair market value.

### ***Statement of Value***

- 5.5** The City Treasurer shall prepare a statement of the value of any grant to DMC, or an estimate of the fair market value of any assistance provided at less than fair market value to DMC.

## **6.0 FINANCIAL MATTERS**

### ***DMC Bank Account***

- 6.1** The City Treasurer shall open a corporate bank account(s) for DMC and facilitate all payment transactions and deposits. The DMC Treasurer shall sign-off on invoices to be paid and/or request the City Treasurer to produce cheques, payments or deposits, and such other financial transactions as required and as directed by the DMC Board.
- 6.2** The DMC Treasurer and Secretary, and/or such other persons identified by the DMC Board from time to time, shall be signing officers of DMC with respect to banking or financial matters.

### ***DMC Budget***

- 6.3** The creation and management of an annual operating budget will be the responsibility of the DMC Board for provision to the City, and will be subject to the City's approval.
- 6.4** As part of the City's annual budget approval process, DMC shall prepare and submit an annual budget for the next fiscal year to the City Treasurer by no later than March 31<sup>st</sup> of the budget year, for consideration and approval by the City (with or without modifications).
- 6.5** Once approved by Council, the annual budget of DMC may only be revised with the approval of the City.

### ***Audits***

- 6.6** The external auditor for the City shall be the external auditor for DMC (at DMC's sole cost and expense), and shall have all of the rights and powers of an auditor provided under the *Municipal Act, 2001*.
- 6.7** DMC shall be subject to audit by the City (or its authorized representatives / consultants) as required by the City for any purpose including to ensure that amounts paid to DMC by the City are used for the exclusive purpose of Destination Management.

***DMC Business Plans***

- 6.8** The creation and management of business plans will be the responsibility of the DMC Board.
- 6.9** As part of the City's annual budget approval process, the DMC Board will provide the City, by no later than March 31<sup>st</sup> of each year, with a multi-year businessplan (3-5 year time frame).
- 6.10** Each business plan will include thefollowing:
- (a) the strategic objectives, priorities and business objectives;
  - (b) revenue and expenditures anticipated in the coming year;
  - (c) performance metrics for monitoring progress and accomplishments;
  - (d) an operating budget for DMC for the next financial year.

***DMC Revenue***

- 6.11** DMC will be funded from the proceeds of the MAT approved by Council commencing on January 1, 2019. The amount of revenues to be shared shall be determined in accordance with *Ontario Regulation 435/17 (Transient Accommodation Tax)* and shall be authorized by the City Treasurer (and remitted to DMC on a quarterly basis).
- 6.12** Subject to Council approval and compliance with all applicable law, DMC may also generate revenue from the following sources:
- (a) corporate sponsorship;
  - (b) donations;
  - (c) project-based or general marketing relationships with other organizations;
  - (d) government grants and loans;
  - (e) revenue generating projects;
  - (f) investment income;
  - (g) joint ventures or partnerships; and
  - (h) other means or sources.

***DMC Debt***

- 6.13** DMC shall not incur indebtedness without the City's approval.
- 6.14** DMC shall not spend funds unless said expenditures are included in the annual operating budget approved by the City.

***Fiscal Year of DMC***

- 6.15** The fiscal year of DMC shall terminate on the 31<sup>st</sup> day of December in each year.

***Dissolution of DMC***

- 6.16** In the event of the dissolution of DMC:
- (a) the City shall manage the wind-down process pursuant to applicable laws, regulations, and contracts, and the City shall assume the outstanding debt/liabilities and assets of DMC; and
  - (b) after payment of all debts and liabilities, its remaining property shall be distributed and disposed of to the City, as a municipal government and DMC's sole Voting Member (as that term is defined in By-law No. 1).

### ***Certain Assistance Prohibited***

- 6.17** Without exception, DMC shall not have the power to assist directly or indirectly any manufacturing business or other industrial or commercial enterprise through the granting of bonuses for that purpose, as per Section 106 of the *Municipal Act, 2001*.

### ***General Power to Make Grants***

- 6.18** DMC shall have the general power to make grants to any person, group or body, including a fund, subject to any limitations imposed by the City from time to time and subject to Section 107 of the *Municipal Act, 2001*.

### ***Financial Authority of DMC Board***

- 6.19** The DMC Board shall not make any grants, purchase any goods, expend any funds or enter into any agreement or contract on behalf of DMC which is of a value of \$50,000.00 or greater without the prior written approval of the City. No grant, contract, expenditure of funds or purchase of goods shall be divided into one or more grants, contracts or purchases so as to avoid the requirements of this Section 6.19. Where a series of grants, contracts or purchases which pertain to the same subject matter with the same person in any twelve (12) month period combine to equal the limits set out herein, the series of grants, contracts or purchases shall be deemed to be a single grant, contract or purchase for the purposes of this Agreement.

### ***Signing Authority***

- 6.20** The DMC Chair, Treasurer and the Secretary, and/or such other persons approved by the DMC Board from time to time, shall be signing officers of DMC. All invoices, payments or related matters must be approved and authorized as follows;
- a) All invoices less than \$5,000 must be authorized by the DMC Treasurer;
  - b) All invoices greater than \$5,000 must be authorized by both the DMC Treasurer and any Director with signing authority.

### **7.0 INTELLECTUAL PROPERTY (IP) ASSETS**

- 7.1** Subject to Section 7.2, trademarks, copyrights and other IP rights related to DMC shall be registered with the Canadian Intellectual Property Office (CIPO) pursuant to the *Trade- marks Act, 1985, Copyright Act, 1985* and other applicable legislation.
- 7.2** The City may register and own official marks related to DMC and consent to the use of these marks by DMC through a licensing agreement or other similar document.

### **8.0 PUBLIC ACCOUNTABILITY AND REPORTING**

#### ***DMC Reporting to City***

- 8.1** DMC shall submit to the City an annual report including:
- (a) results of operations including information regarding major business development activities and accomplishments; and
  - (b) audited financial statements prepared in a form acceptable to the City Treasurer.
- 8.2** DMC shall report to Council through the General Committee, or such other committee as directed by Council.
- 8.3** DMC shall make available all corporate finance related documents, information, and electronic

files to the City Treasurer or his other designate.

### ***Third Parties***

- 8.4 DMC shall not indicate to third parties that it represents the interest, positions, resolutions or perspectives of Council or the City, unless expressly authorized in writing by the City to do so.
- 8.5 This Agreement does not create a partnership or joint venture between the City and DMC.
- 8.6 In the event DMC seeks to formally communicate with any level of government or regulatory body with respect to a matter that may impact the City, DMC shall provide the City with advance notice of such communication.
- 8.7 DMC shall identify proposed financial partners in its annual report and budget proposal to the City.

### **9.0 TERM AND TERMINATION**

- 9.1 This Agreement is effective as of the Effective Date.
- 9.2 This Agreement shall be in effect until such time as:
  - (a) DMC has been dissolved; or
  - (b) the City terminates this Agreement; or
  - (c) the parties mutually agree in writing to terminate this Agreement.
- 9.3 The City, at its discretion and acting reasonably, may upon one-hundred and eighty (180) days' notice terminate this Agreement by Council Resolution and written notice to the Chair of the DMC Board. Where the City terminates the Agreement under this clause, the City shall work with DMC to ensure that financial commitments made by DMC pursuant to the annual budget approved by the City are properly addressed.
- 9.4 The City may terminate this Agreement by Council Resolution, upon providing notice to DMC of a material breach by DMC of the obligations, terms or conditions of this Agreement, and upon allowing DMC 30 days (or such reasonable time in relation to the type of breach) to remedy the breach.
- 9.5 If DMC breaches the terms of this Agreement, or if it is otherwise terminated, upon written request from the City Treasurer, any unspent monies (including without limitation, any monies in DMC's bank account) from the City shall be immediately due and payable in full to the City, and other City assets shall be returned to the City.

### **10.0 GENERAL PROVISIONS**

- 10.1 The laws of the Province of Ontario shall govern the validity and interpretation of this Agreement.
- 10.2 In the event any provision of this Agreement is held invalid, illegal or unenforceable, the remaining provisions of the Agreement will not be affected and shall continue in full force and effect.
- 10.3 DMC shall not assign this Agreement in whole or in part without the express written consent of the City.
- 10.4 Any schedules to this Agreement shall have the same force and effect as if the information



contained therein was in the body of the Agreement.

### ***Amendments***

- 10.5** This Agreement shall not be varied, altered, amended or supplemented except as agreed upon by the parties in writing.
- 10.6** No waiver of a breach by a party under this Agreement shall constitute an amendment or consent to or waiver of any other different or subsequent breach.

### ***Notice***

- 10.7** Any notice, invoice or other communication required or permitted to be given by this Agreement shall be in writing and shall be effectively given if (i) delivered personally; or (ii) sent by prepaid courier services; or (iii) sent by facsimile or other similar means of electronic communication to the Chair of the DMC Board in the case of notice to DMC, or to the City Clerk in the case of notice to the City.
- 10.8** For the purpose of notification, contact particulars are:

The Corporation of the City of Markham  
101 Town Centre Blvd.  
Markham, ON  
L3R 9W3  
Attention: City Clerk

Destination Markham Corporation  
The Corporation of the City of Markham  
101 Town Centre Blvd.  
Markham, ON  
L3R 9W3  
Attention: Chair of DMC Board

### ***Insurance and Indemnification***

- 10.9** DMC shall purchase and maintain in force, at its own expense (including the payment of all deductibles) and for the Term of this Agreement, the following policies of insurance underwritten by insurers licensed to conduct business in the Province of Ontario:
- (a) Commercial General Liability Insurance (satisfactory to the City). The policy shall include coverage for Bodily Injury, Property Damage with a minimum amount of \$5,000,000.00 for each occurrence, and include:
    - (i) an endorsement certifying that the City is included as an additional insured;
    - (ii) a cross liability clause endorsement; and
    - (iii) Non-owned automobile coverage including contractual non-owned coverage.
  - (b) DMC shall obtain directors and officers liability insurance for all Directors and officers, including City Council Directors, with a minimum amount of \$5,000,000.00 for each occurrence.
  - (c) DMC shall obtain a comprehensive Crime Insurance for all staff, Directors and officers of DMC, including employee dishonesty/fidelity coverage, broad form loss of money (inside and outside premises), money order & counterfeit paper currency, depositors forgery, professional fees and audit expenses, and computer fraud or funds transfer fraud coverages, with limits of no less than \$2,000,000.00 per occurrence.

**10.10** DMC shall indemnify any person on the DMC Board or who is an officer of DMC, from and against:

- (a) all costs, charges and expenses whatsoever which such person may sustain or incur in or about any action, suit or proceeding which is brought, commenced or prosecuted against such person, for or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by such person, in or about the good faith execution of the duties of office;
- (b) all other costs, charges and expenses which such person may sustain or incur in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by such person's own willful neglect or default or conduct outside the course and scope of his or her duties as a Director or officer of DMC.

**10.11** DMC hereby further indemnifies the City and Council against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the City in respect of any civil, criminal or administrative action or proceeding to which the City is made a party by reason of this Agreement.

#### ***Dispute Resolution***

**10.12** If there is any difference of opinion with respect to the interpretation, application, administration, alleged breach, requirements, procedures, rights or responsibilities with respect to this Agreement, the parties shall use their best efforts to resolve, mediate and settle the same through consultation and negotiation in good faith prior to commencing legal action. Where the parties consent to do so, they may elect to engage in formal arbitration.

#### ***Municipal Conflict of Interest Act***

**10.13** Directors and officers of DMC are deemed to be members for the purposes of the *Municipal Conflict of Interest Act*. DMC is deemed to be a local board for certain limited purposes, including the purposes of the *Municipal Conflict of Interest Act*.

#### ***Municipal Freedom of Information and Protection of Privacy Act***

**10.14** Furthermore, DMC is deemed to be an institution for the purposes of the *Municipal Freedom of Information and Protection of Privacy Act*.

#### **Territorial Operation of DMC**

**10.15** Pursuant to Section 16 of *Ontario Regulation 599/06 (Municipal Services Corporations)*, the City agrees that DMC may operate within the boundaries of the City of Markham.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement.

**DESTINATION MARKHAM CORPORATION**

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Name: Joel Lustig  
Position: President / Director

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Name: Claudia Storto  
Position: Secretary / Director

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Name: Christina Kakaflikas  
Position: Director

**THE CORPORATION OF THE CITY OF MARKHAM**

---

Frank Scarpitti, Mayor

---

Kimberley Kitteringham, City Clerk

SCHEDULE "A"  
BY-LAW NO.1

## **BY-LAW NO. 1**

being a by-law relating generally to the conduct of the  
activities and affairs of **Destination Markham Corporation**

**BE IT ENACTED AND IT IS HEREBY ENACTED** as a by-law of **Destination Markham Corporation** (hereinafter called "DMC") that:

### **APPLICABLE LAW**

1. The activities and affairs of DMC shall conform with all applicable law, including but not limited to the *Corporations Act* (Ontario), the *Not-for-Profit Corporations Act* (Ontario) upon its provisions coming into force, the *Municipal Act* (Ontario) and *Ontario Regulation 599/06* (Municipal Services Corporations).

### **INTERPRETATION**

2. **Defined Terms.** The following terms shall have the meanings set out after them:

- (a) **"Board of Directors"** or **"Board"** means the Board of Directors of DMC;
- (b) **"City"** means The Corporation of the City of Markham;
- (c) **"Council"** means the Mayor and members of Council of the City;
- (d) **"Council Resolution"** means a resolution of Council reached pursuant to the City's Procedural By-law;
- (e) **"Director"** means an individual occupying the position of Director on the Board of Directors of DMC;
- (f) **"Members"** means the Voting Members and Non-Voting Members of DMC, as described in Section 5; and
- (g) **"Voting Member"** means the City, as the sole Voting Member of DMC.

### **OFFICE**

3. The head / registered office of DMC shall be in Markham, Ontario, and at such place therein as the Board of Directors may from time to time determine.

### **SEAL**

4. DMC may have a corporate seal in the form approved from time to time by the Board of Directors. If a corporate seal is approved by the Board of Directors, the Secretary of DMC shall be the custodian of the corporate seal.

### **MEMBERS OF DMC**

5. **Members.** There shall be the following classes of Members of DMC:
- (a) **Voting Member.** The City shall be the sole Voting Member of DMC. The Voting Member shall be entitled to notice of, to attend, and to vote at the annual or any special general Members' meeting.
  - (b) **Non-Voting Members:** The Non-Voting Members of DMC shall be the applicants for the incorporation of DMC. The membership of each Non-Voting Member shall terminate upon passage of this by-law by the initial Board of Directors and its confirmation and approval by the Voting Member.
6. **Voting Member's Decisions and Actions.** Any reference in this by-law to a decision, determination or election made or vote exercised or action taken by the Voting Member shall reflect the decision of Council as memorialized in a Council Resolution.

### **MEMBERS' MEETINGS**

7. **Meetings.** The annual or any special general Members' meeting shall be held on a day and at a place within Ontario fixed by the Board of Directors.
8. **Signed Resolutions and By-Laws in Lieu of Members' Meetings.** Any resolution signed by the Voting Member is as valid and effective as if passed at a Members' meeting duly called, constituted and held for that purpose. Any by-law passed at any time may, in lieu of confirmation at a general meeting, be confirmed in writing by the Voting Member.
9. **Agenda.** At every annual Members' meeting, in addition to any other business that may be transacted, the report of the Board of Directors, the financial statements and the report of the auditor shall be presented. The Voting Member may consider and transact any business either special or general without any notice thereof at any Members' meeting. The Voting Member shall have the power to call at any time a special general Members' meeting.
10. **Notice.** Notice of any annual or special Members' meeting shall be given to the Voting Member and to the auditor of DMC in the manner specified in the corporate statute governing DMC. Notice of any meeting where special business will be transacted must contain sufficient information to permit the Voting Member to form a reasoned judgment on the decision to be taken.
11. **Error or Omission in Notice.** No error or omission in giving notice of any annual or general Members' meeting, or any adjourned meeting, shall invalidate such meeting or make void

any proceedings taken thereat, and the Voting Member may at any time waive notice of such meeting and may ratify, approve and confirm any or all proceedings taken or had thereat.

12. **Adjournment.** Any Members' meetings may be adjourned to any time and from time to time, and such business may be transacted at such adjourned meeting as might have been transacted at the original meeting from which such adjournment took place. No notice shall be required of any such adjournment. Such adjournment may be made notwithstanding that no quorum is present.

13. **Quorum and Voting.** A quorum for the transaction of business at any Members' meeting shall consist of the Voting Member. At all Members' meetings, every question shall be decided by the vote of the Voting Member.

### **DIRECTORS**

14. **Duties.** The activities and affairs of DMC shall be managed by the Board of Directors. The Board of Directors may exercise all such powers and do all such acts and things as may be exercised or done by DMC that are not by this by-law or by statute expressly directed or required to be done in some other manner.

15. **Number.** The Board of Directors shall consist of twelve (12) Directors, comprised of eight (8) individuals to serve as independent Directors, and four (4) members of Council to serve as non-independent Directors.

16. **Election.** The Directors shall be elected by the Voting Member.

17. **Term of Office.** The Mayor and members of Council shall be elected for the term of Council. Directors (other than the Mayor and members of Council) shall be elected for a term of office of four (4) years, provided that such Directors shall continue in office until their successors are elected. Directors shall be eligible for re-election.

Directors (other than the Mayor and members of Council) may be elected (and retire) in rotation, but in that case no Director shall be elected for a term of more than five (5) years and at least three (3) Directors shall retire from office in each year.

18. **Quorum.** A majority of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. Notwithstanding vacancies in the Board of Directors, the remaining Directors may exercise all the powers of the Board of Directors so long as a quorum of the Board of Directors remains in office.

19. **Qualification.** A person may, with his or her consent in writing, be a Director of DMC even though the person is not a member of DMC. The office of a Director shall be vacated immediately:

- (a) if the Director resigns office by written notice to DMC, which resignation shall be effective at the time it is received by DMC or at the time specified in the resignation, whichever is later;

- (b) if the Director dies or becomes bankrupt;
  - (c) if the Director is found to be incapable of managing property by a court or under Ontario law; or
  - (d) if the Voting Member removes the Director before the expiration of the Director's term of office.
20. **Resignation.** A Director may resign the office of Director by notice in writing to DMC.
21. **Vacancies.** Any vacancy occurring on the Board of Directors may be filled for the remainder of the term of office of such Director by the Voting Member.
22. **Removal of Directors.** The Voting Member may remove any Director before the expiration of the term of office, and may fill the vacancy of a position of Director caused by any reason for the remainder of such term.
23. **Meetings of Directors.** The Board of Directors may appoint a day or days in any month or months for regular meetings of the Board of Directors, at a place or hour to be named by the Board of Directors. There shall be at least four (4) Board of Directors meetings annually. In addition to scheduled meetings of the Board of Directors, the Chair of the Board or any two (2) Directors may at any time call a special meeting of the Board of Directors in order to address a matter of an urgent nature. Notice of such meeting shall be delivered, conveyed by telephone or transmitted by e-mail to each Director not less than twenty-four (24) hours before the meeting is to take place, or shall be mailed to each Director not less than forty-eight (48) hours before the meeting is to take place. No error or omission in giving such notice for a meeting of Directors shall invalidate such meeting or invalidate or make void any proceedings taken or had at such meeting and any Director may at any time waive notice of any such meeting and any Director may ratify and approve of any or all proceedings taken or had thereat.
- The City's Chief Administrative Officer, Commissioner, Development Services, and Director, Economic Growth, Culture & Entrepreneurship (and/or their designates) shall be entitled to receive all notices of meetings of the Board of Directors, and shall be entitled to attend (all or a portion of) a meeting of the Board of Directors at the invitation of the Chair of the Board, but shall not be entitled to vote thereat.
24. **Signed By-Laws and Resolutions in Lieu of Meeting of the Board of Directors.** Any by-law or resolution signed by all the Directors is as valid and effective as if passed at a meeting of the Board of Directors duly called, constituted and held for that purpose.
25. **Voting.** Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes. In case of any equality of votes, the Chair of the meeting shall not have a second or casting vote. All votes at any such meeting shall be taken by ballot if so demanded by any Director present, but, if no demand be made, the vote shall be taken in the usual way, by assent or dissent. A declaration by the Chair of the meeting that a resolution has been carried and an entry to that effect in the minutes shall be proof of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.



26. **Remuneration of Directors.** The Directors of DMC shall serve without remuneration, and no Director shall directly or indirectly receive any profit from the position as such; provided that a Director may be paid reasonable expenses incurred in the performance of the duties as a Director.

27. **Indemnity of Directors and Officers.** Subject to the provisions of the corporate statute governing DMC, every Director or officer of DMC and the heirs, executors and administrators and, estate and effects, respectively of such Director or officer shall from time to time and at all times, be indemnified and saved harmless out of the funds of DMC from and against:

- (a) all costs, charges and expenses whatsoever which such Director or officer may sustain or incur in or about any action, suit or proceeding which is brought, commenced or prosecuted against such person, for or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by such person, in or about the execution of the duties of office;
- (b) all other costs, charges and expenses which such person may sustain or incur in or about or in relation to the affairs thereof, except such costs, charges or expenses as are occasioned by such person's own wilful neglect or default.

28. **Protection of Directors and Officers.**

- (a) No Director or officer of DMC shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to DMC through the insufficiency or deficiency of title to any property acquired by order of the Board of Directors for or on behalf of DMC or for the insufficiency or deficiency of any security in or upon which any of the moneys of DMC shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or DMC with whom any moneys, securities or effects of DMC shall be deposited, or for any loss, conversion, misapplication or misappropriation of or damage resulting from any dealings with any moneys, securities or other assets belonging to DMC or for any loss occasioned by any error of judgment or oversight on such person's part or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of the office or in relation thereto unless the same shall happen by or through such person's own wilful neglect or default or conduct outside the course and scope of his or her duties as a Director or officer of DMC.
- (b) The Directors may rely upon the accuracy of any statement or report prepared by DMC's auditor, and shall not be responsible or held liable for any loss or damage resulting from any actions based upon such statement or report.

29. **Business Plans and Budgets.** Subject to Section 46 (Governance Framework) and any agreement with the Voting Member, the creation and management of business plans and an annual operating budget will be the responsibility of the Board of Directors for provision to and approval by the Voting Member.

30. **Policies and Procedures.** Subject to Section 46 (Governance Framework) and any agreement with the Voting Member, the Board of Directors shall prepare corporate policies and procedures or adopt the Voting Member's policies and procedures.

### **COMMITTEES AND ADVISORS**

31. **Committees.** The Board of Directors may appoint such committees as it, from time to time, considers advisable.

32. No committee shall have the power to act for or on behalf of DMC or otherwise commit or bind DMC to any course of action. Committees shall only have the power to make recommendations to the Board of Directors, or to the Voting Member, as the Board may, from time to time, direct. Members of committees need not be members of the Board of Directors. The chair of each committee shall submit to the Board of Directors such reports as the Board may, from time to time, request, but, in any event, each chair shall submit an annual report to the Board of Directors. at such time as the Board may, from time to time, determine.

33. **Advisors.** The Board of Directors may from time to time retain advisors to serve DMC, with such duties and for such terms, as the Board deems advisable.

### **OFFICERS**

34. **Appointment.** The Board of Directors shall annually, or more often as may be required, elect from among themselves a Chair of the Board (who shall be the President for the purposes of the *Corporations Act*), a Secretary, and a Treasurer. The Board of Directors may appoint such other officers as the Board may from time to time determine.

35. **Vacancy.** A vacancy occurring from time to time in these offices may be filled by the Board of Directors. One person may hold more than one office except that of the Chair of the Board and Secretary, and any person who holds both the office of Secretary and Treasurer, may be known as the Secretary-Treasurer.

36. **Chair of the Board.** The Chair of the Board shall, when present, preside at all meetings of the Board of Directors. The Chair of the Board and the Secretary (or other officer appointed by the Board of Directors for the purpose), shall sign all by-laws. The Chair of the Board shall perform such other duties as may from time to time be determined by the Board. During the absence or inability of the Chair of the Board, the Chair of the Board's powers and duties may be exercised by the Vice-Chair of the Board (if applicable), or such other Director as the Board may from time to time appoint for the purpose.

37. **Secretary.** The Secretary shall give or cause to be given all meeting notices required to be given to Members, Directors and the auditor, shall attend all meetings of the Board of Directors and all Members' meetings, and shall enter or cause to be entered in books kept for that purpose minutes of all proceedings at such meetings, shall be the custodian of all books, papers, records, documents and other instruments belonging to DMC, and shall perform such other duties as may from time to time be prescribed by the Board of Directors.

38. **Treasurer.** Subject to any agreement with the Voting Member, the Treasurer shall keep full and accurate accounts of all receipts and disbursements of DMC in proper books of account and shall deposit all moneys or other valuable effects in the name and to the credit of DMC in such bank or banks as may from time to time be designated by the Board of Directors, shall disburse the funds of DMC under the direction of the Board of Directors, and shall render to the Board of Directors at the regular meetings thereof whenever required an account of all of transactions as Treasurer, and of the financial position of DMC and shall also perform such other duties as may from time to time be determine by the Board.

39. **Other Officers.** The duties of all other officers shall be such as the terms of their appointment call for, or the Board requires of them. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the Board otherwise directs.

40. **Variation of Duties.** The Board, may from time to time, vary, add to or limit the powers and duties of any officer or officers.

41. **Term of Office.** The term of office of each officer shall be such as the terms of their appointment provide, provided that the Board may remove any officer and elect or appoint a successor to serve for the remainder of the term.

42. **Remuneration.** Officers shall serve without remuneration and officers shall not directly or indirectly receive any profit from their positions as such; provided that officers may be reimbursed for reasonable expenses incurred by them in the performance of their duties.

### **CONFLICTS OF INTEREST – DIRECTORS, OFFICERS AND ADVISORS**

43. **Municipal Conflict of Interest Act.** The Directors and officers of DMC shall be deemed to be “members” for the purposes of the *Municipal Conflict of Interest Act* (Ontario), or any successor or replacement legislation.

44. **Conflicts of Interest.**

- (a) A Director, officer or advisor who has a real or perceived direct or indirect interest in a contract, act, transaction, or proposal with DMC, whether direct or indirect, shall disclose their interest to the Board of Directors in accordance with the provisions of the corporate statute governing DMC.
- (b) Where a Director has disclosed a conflict of interest with DMC the Director shall not debate or vote on the matter that is the subject of the conflict.
- (c) Where an officer or advisor has disclosed a conflict of interest with DMC the officer or advisor shall not advise on the matter that is the subject of the conflict.
- (d) Subject to compliance with the law, and subject to compliance with the conflict of interest provisions in this by-law, no contract or arrangement entered into by or on behalf of DMC in which a Director is directly or indirectly interested shall be

voided or voidable, and no Director shall be liable to account to DMC or its Members or creditors for any profit realized from any contract or arrangement by reason of any fiduciary relationship.

- (e) Where a Director has failed to comply with the conflict of interest provisions of this by-law and where a contract or arrangement has been entered into with DMC, the contract may be deemed to be voided or voidable and the Director may be liable to account to DMC or its Members or creditors for any profit realized from the contract or arrangement by reason of a fiduciary relationship.
- (f) The Board of Directors in its discretion may submit any contract, act, transaction, or proposal with DMC for approval or ratification by the Voting Member and, subject to the provisions of the corporate statute governing DMC, any such contract, act, transaction, or proposal that shall be approved or ratified or confirmed by the Voting Member shall be valid and binding upon DMC.
- (g) A Director, officer or advisor of DMC who has a real or perceived direct or indirect interest in a contract, act, transaction or proposal with the City shall disclose this to the Board of Directors. When any City employee or any individual appointed by the City who is carrying out his or her duties with respect to City business or with respect to DMC in the capacity as a Director or officer of DMC, such City employee or individual appointed by the City shall not be deemed to have a conflict of interest.
- (h) Where a Director, officer or advisor has disclosed a conflict of interest with the City the person shall not debate, vote or advise DMC on the matter, nor shall the Director, officer or advisor lobby, advise or make recommendations to Council on the matter that is the subject of the conflict.

### **AUDITOR AND AUDITS**

45. **Auditor.** The Auditor for the City (or designate) shall be the auditor for DMC, and shall have all of the rights and powers of an auditor provided under the *Municipal Act* (Ontario).

### **GOVERNANCE FRAMEWORK**

46. **Governance Framework.** The Voting Member may establish a corporate governance framework for decision-making, strategic planning, budget and business plans, and corporate policies for DMC.

### **EXECUTION OF DOCUMENTS**

47. **Execution.** Subject to Section 46 (Governance Framework) or any agreement with the Voting Member, the Board of Directors shall establish a policy regarding authority to sign, in the name and on behalf of DMC, all instruments in writing, and any instruments in writing so signed shall be binding upon DMC without any further authorization or formality.

### **BORROWING**

48. **Borrowing.** Subject to the limitations (if any) set out in the corporate statute governing DMC, this by-law, or any agreement with the Voting Member, and only with the approval of the Voting Member, the Board of Directors may:

- (a) borrow money on the credit of DMC;
- (b) issue, sell or pledge securities of DMC; or
- (c) charge, mortgage, hypothecate or pledge all or any of the real or personal property of DMC including book debts, rights, powers, franchises and undertakings, to secure any securities or any money borrowed or other debt or any other obligation or liability of DMC.

### **BANKING**

49. **Accounts.** Subject to any agreement with the Voting Member, the City Treasurer shall open a corporate bank account(s) for DMC and facilitate all payment transactions and deposits. The Treasurer of DMC shall sign-off on invoices to be paid and/or request the City Treasurer to produce cheques, payments or deposits, and such other financial transactions as required and as directed by the DMC Board of Directors.

50. **Signing Authority.** The Chair, the Treasurer and the Secretary, and/or such other persons approved by the Board of Directors from time to time, shall be signing officers of DMC with respect to banking matters.

### **BOOKS AND RECORDS**

51. **Books and Records.** The Directors shall see that all necessary books and records of DMC, required by this by-law any applicable law, are regularly and properly kept.

### **FISCAL YEAR**

52. **Fiscal Year.** The fiscal year of DMC shall terminate on the 31<sup>st</sup> day of December in each year.

### **DISSOLUTION**

53. **Dissolution.** Upon the dissolution of DMC, after the payment of all the debts and liabilities of DMC, its remaining property shall be distributed and disposed of to the City, as a municipal government and the Voting Member.

**ENACTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

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Chair of the Board of Directors

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Secretary



## MEMORANDUM

To: Mayor and Members of Council

From: Andy Taylor, Chief Administrative Officer  
Brenda Librecz, Commissioner, Community & Fire Services

Prepared by: Andy Taylor, Chief Administrative Officer  
Brenda Librecz, Commissioner, Community & Fire Services

Date: April 20, 2020

Re: Response to York Region – Fire Regionalization

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## RECOMMENDATION:

The York Region Council met on February 27, 2020, and approved the attached motion (Attachment 1). The motion asks local municipal Councils to provide a resolution by May 29, 2020, indicating whether they support proceeding with a study on the potential creation of a Regional Fire Service.

A Briefing Note on this subject (see Attachment 2) was prepared for the March 13<sup>th</sup> meeting of the Fire Response Task Force, which was cancelled due to COVID-19. Some of the key considerations highlighted in the Briefing Note include:

- **Markham's 2020 Estimated Operating Budget Cost per Capita for Fire Services is 40% Lower than Central York Fire Services** - Using current budget data, we note that Aurora and Newmarket residents pay a higher operating budget per capita cost for fire protection services than the City of Markham. MFES is currently delivering its suppression services with less staff than Central York Fire Services (CYFS).
- **Past amalgamations have not demonstrated savings** – It tends to create larger unionized bargaining units. Regionalization will create winners and losers. Winners will be those municipalities that gain access to a larger tax base and higher service standards in order to pay for enhancements in their local community. It is unlikely Markham will be a winner in the regionalization of fire services.

- **Increased Efficiencies and Effectiveness can be achieved through Partnerships -**  
Staff have located no empirical data to indicate the regionalization of fire services will increase efficiencies and effectiveness for the City of Markham. The cities of Markham, Richmond Hill, and Vaughan have created a Shared Service Committee to maximize the benefits provided by Automatic Aid, Joint Training Initiatives, Joint Technical Rescue Response, Communications, and Procurement, all without relinquishing decision-making control from the local municipal Councils.

It is the opinion of senior staff that without measurable benefits and cost savings demonstrated over the many years that this topic has been discussed and pursued, we recommend against proceeding with a study to pursue the consolidation of services through the creation of a Regional Fire Service. Staff believe that time spent on studying Regional Fire Service may inadvertently distract and slow down the advancement of the current partnerships among Markham, Richmond Hill, and Vaughan for the shared communications centre. The centre will be a critical stepping-stone for the three cities to realize greater efficiencies through other partnership opportunities. We believe this partnership will yield greater return on investment (ROI).

**In light of COVID-19 pandemic, this study is not a priority for staff. Our attention needs to be focused on keeping our essential services running and then putting our energies into a solid recovery plan for our corporation and our community.**

#### **RECOMMENDATIONS:**

1. That Council not support proceeding with a Regional Fire Service study; and,
2. That Staff recommend that we continue current efforts with Richmond Hill and Vaughan, in particular the creation of a shared communications centre that will enable further joint/shared opportunities to achieve efficiencies and to improve services to our residents and businesses.

Andy Taylor  
Chief Administrative Officer

Brenda Librecz  
Commissioner, Community & Fire Services

Attachment 1 – York Region Council Motion

Attachment 2 – Briefing Note: 2020 York Region Committee of the Whole Item - Regional Fire Service



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**From:** Van Dusen, Regina on behalf of Regional Clerk  
Monday, March 2, 2020 4:06 PM

**Subject:** Regional Council Decision - Regional Fire Service

**CAUTION: This email originated from a source outside the City of Markham. DO NOT CLICK on any links or attachments, or reply unless you recognize the sender and know the content is safe.**

On February 27, 2020, Regional Council made the following decision:

1. WHEREAS the consolidation of Aurora and Newmarket fire services into Central York Fire Service has resulted in efficiencies through enhanced levels of fire service and cost efficiencies;
2. WHEREAS a Regional Fire Service may achieve further operating efficiencies, improved department structure, increased service level(s), and cost avoidance opportunities;
3. BE IT RESOLVED THAT the Regional Clerk share this motion with local municipal Councils requesting a resolution by May 29, 2020 indicating whether they support proceeding with a study on the potential creation of a Regional Fire Service.

Please contact me at 1-877-464-9675 ext. 71300 if you have any questions with respect to this matter.

Regards,

**Christopher Raynor** | Regional Clerk, Office of the Regional Clerk, Corporate Services

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The Regional Municipality of York | 17250 Yonge Street | Newmarket, ON L3Y 6Z1  
1-877-464-9675 ext. 71300 | [christopher.raynor@york.ca](mailto:christopher.raynor@york.ca) | [york.ca](http://york.ca)

Our Mission: **Working together to serve our thriving communities – today and tomorrow**



## Briefing Note

Community & Fire Services Commission

**Subject:** 2020 York Region Committee of the Whole Item - Regional Fire Service

### Purpose and Background

The purpose of this Briefing Note is to provide information in light of the February 6, 2020, York Region Committee of the Whole motion on Regional Fire Service. The motion will be tabled at the February 27, 2020, York Region Council meeting.

### Overview

Over the past 20 years, there have been various attempts to pursue regionalization of Fire Services. Markham staff researched the subject most recently in 2012, resulting in a presentation to Council members in 2013, *"Regionalization of Municipal Fire Services – Maximizing Markham's Investments and Advocating for its Constituents"* (Attachment 2). As a result, Markham Council directed staff in 2013 to pursue shared services to achieve efficiencies among the southern three urban centres.

Staff would like to reiterate the following:

- Regionalization will likely result in the **leveling up of services** for rural communities in the pursuit of standardization and equity and urban communities, such as the City of Markham, will provide the increased tax base to pay for the enhancements of services in rural local municipalities with no significant benefits provided to the larger existing urban communities. When Aurora and Newmarket consolidated their Fire Services, this was the outcome. Both departments eliminated their volunteer firefighters, which resulted in a fully career fire department and increased labour costs.
- Important decisions should be supported by **facts and fact-based decision-making**. Staff have not been able to locate any empirical data to verify Mayor Mrakas' assertion, a conclusion shared by consultants hired by the Town of Richmond Hill in 2016. They hired four consulting firms to evaluate the business case for joining Central York Fire Services (CYFS) or to demonstrate benefits of regionalizing fire services. Their key conclusion was that the costs would have been higher if they joined Central York Fire Services, hence their Council opted not to proceed.
- There are untapped opportunities in the urban areas, namely **Markham, Richmond Hill and Vaughan, to be achieved through partnerships** without regionalizing fire services or relinquishing local Council's authority on this important public service. Senior staff from each municipality, through their Fire Chief, are already reviewing opportunities to provide shared training, undertaking a feasibility study for the creation of a shared Communications Centre, joint training opportunities, automatic aid and joint procurement. First priority is the Shared Communications Centre which will enable further evaluation of shared services, such as training and automatic aid. Automatic Aid currently does not provide significant improvements to



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response time for these three municipalities but there is great potential to do so in the future, e.g., Langstaff intensification area.

- **City resources better spend on pursuing higher value opportunities** to achieve better outcomes for Markham residents through continued collaborations with Richmond Hill and Vaughan, as endorsed by Council in 2013, versus expending limited staff resources and time on the regionalization agenda and the uncertainties such discussion will create. History of amalgamations is a good teacher.
- The **Provincial Review completed in 2019 encouraged cities to focus on partnerships** on their own to realize savings and customer service improvements. One size does not fit all. That is exactly the direction being pursued by Markham Council and staff. During the Provincial regionalization discussion, none of proponents involved in the current Regional Fire Service motion in York Region expressed interest in making any changes to services, including fire services.

### Discussion

In reference to York Region's 2020 discussion about a Regional Fire Service, staff highlight the following findings:

#### **1. Markham Council Last Considered Regionalization of Fire Service in 2013 and Opted to Explore Shared Services with Richmond Hill and Vaughan instead of pursuing Regionalization**

Regionalization of fire services has been discussed in the City of Markham over the last two decades. Notably,

- **June 24, 1997** – York Region Fire Services Review Committee was initiated in February 1995 and ARA Consulting Group, in association with Tri Data Corporation, were retained to provide a report. It made a number of recommendations, including a move towards an Urban-Rural Organizational Model, centralized communication/dispatch and automatic aid, etc. Town of Markham Council decided to support fire dispatch system in York Region, Automatic Aid, and a joint training facility.
- **April 15, 2003** – York Region Centralized Fire Dispatch was reviewed by the Town of Markham and concluded it did not support the single Regional Dispatch Model (Model 2) and endorsed the Regional Dispatch Centre and the Town of Markham maintaining its existing Dispatch Centre.
- **June 26, 2013** – Town of Markham approved the Fire Services Automatic Aid Pilot Project with the City of Vaughan and the Town of Richmond Hill. At that time, staff reported that "based on the track record for collaboration among the fire services in York Region the Automatic Aid Agreements have a higher probability of success than regionalization and could be achieved significantly faster with the benefits accruing to our residents." A confidential presentation,



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"Regionalization of Municipal Fire Services – Maximizing Markham's Investments and Advocating for its Constituents", was completed in March 2013.

- **February 14, 2017** – Staff created a briefing note to provide a status update on Automatic Aid, Mutual Aid, and a brief history on Regional Fire Service.

### **2. February 6, 2020, York Region Committee of the Whole did not Disclose Facts on the "Efficiencies and Cost Efficiencies" cited in the Notice of Motion**

At the Notice of Motion discussion on January 16, 2020 ([link](#)), Mayor Scarpitti specifically requested for details on the efficiencies achieved by the Central York Fire Services (CYFS) to be provided at the February 6, 2020, York Region of the Whole Committee meeting. A review of the online minutes and video of the February 6<sup>th</sup> meeting ([link](#)) did not reveal any documented CYFS efficiencies. When Mayor Mrakas refuted Mayor Jackson's comment that there was little savings achieved when CYFS was created, he did so without providing any details.

Regionalization is appealing as a concept and perhaps, it is pragmatic option in a 'blank slate' scenario. In practice, regionalization and amalgamation in Ottawa, Toronto, and Hamilton have not resulted in the reduction of costs. Even though duplicate senior positions were eliminated, they were offset by middle management positions, need for more layers of work, and overall labour costs have increased.

Amalgamations required the consolidation of physical and financial assets, creation of uniform decision-making / governance processes and systems, including technology architecture and programs, and review of service standards and levels. These non-personnel activities associated with amalgamations have been quite expensive and time consuming to undertake.

The City of Markham Council has been able to achieve an efficient fire service, without having to venture into regionalization.

### **3. Markham's 2020 Estimated Operating Budget Cost per Capita for Fire Services is 40% Lower than Central York Fire Services**

Markham Fire & Emergency Services (MFES) staff have requested but have not received access to Central York Fire Services data to confirm the levels of service and cost efficiencies referenced in the Notice of Motion. It is a common practice to compare high-level operating budgets even though it may not provide an 'apples to apples' comparison. Using current budget data, we note that Aurora and Newmarket residents pay a higher operating budget per capita cost for fire protection services than the City of Markham, as outlined below:



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Operating Budget Year	Fire Service <sup>1</sup>	Estimated Budgeted Cost per Capita <sup>2</sup>
2020	Central York Fire Services (CYFS)	\$ 186
2020	Markham Fire & Emergency Services (MFES)	\$ 112

#### 4. # of Residents per Firefighter: Markham Fire & Emergency Services is more Efficient

Without a detailed comparison of service programs and levels, Markham staff used a common indicator used in the industry, namely the # of Residents per Firefighter. MFES is currently delivering its suppression services with less staff than Central York Fire Services (CYFS), although staff acknowledge there is a current Council Task Force to review the proposed activation of a Second Crew at Cornell Fire Station to address fire response deficiencies against Council-approved response times.

Fire Service	Service Coverage Area	Population <sup>1</sup>	# of Staff <sup>3</sup>	# of Residents per Firefighter
Central York Fire Services	Aurora / Newmarket	153,091	136	1,126
Markham Fire Services	City of Markham	349,007	240	1,454

As a progressive and mature fire service in an urban setting, staff have identified that MFES has programs and services not currently offered by CYFS. For instance, Markham operates a Fire Communications Centre and a Mechanical Division while CYFS does not.

#### 5. Legal Ability to Set Fire Service Levels Rests with Local Municipal Councils

The Fire Protection and Prevention Act 1997 (FPPA), as amended, provides the authority to local municipal Councils to set service levels. Legal interpretation is likely required but staff suspect the Region of York will need unanimous agreement from all nine lower-tier municipalities. Governance of a regional fire service may be challenging in that local Council will need to give up decision-making authority to the Region of York or approval will need to be sought from each municipality on all fire service decisions. Furthermore, the recent Regional Government Review completed by the Province has shown the Province of Ontario has no appetite in amalgamating services and it will be unlikely the FPPA will be revised to address the amalgamation of fire services.

#### 6. Implications for Markham Taxpayers

The growth realized by the southern three municipalities (Markham, Richmond Hill, and Vaughan) in York Region has necessitated substantive investments in facilities (fire stations, training centre, etc.), fire apparatus, equipment, staff training (including specializations), and policy decisions (24-hour shift). Regional Fire Service will likely result in the redistribution of these investments, made by

<sup>1</sup> York Region Population Estimate December 31, 2019: Aurora and Newmarket 153,091; and Markham 349,007

<sup>2</sup> 2020 Operating Budgets: Central York Fire \$28,493,657; and Markham \$39,207,513

<sup>3</sup> Only suppression staff, commonly referred to as firefighters, are included in the calculation



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Markham taxpayers, to the northern six municipalities, thus raising their service levels and increasing the overall tax base to fund those services.

Additionally, Markham staff have taken great pride and responsibility in developing localized programs and services to reflect the community's unique needs and built form. A Regional Fire Service may be less attune to local needs and current MFES programs, such as school program, cadet program for special needs students, and translation of public education materials, may disappear in a service that covers the whole of York Region.

### **7. City of Richmond Hill Concluded in 2016 Not to Pursue Consolidation of Richmond Hill Fire and Emergency Services with Central York Fire Services**

Richmond Hill had contemplated joining Central York Fire Services when it was created in 2002. It withdrew from the arrangement because of an anticipated decrease in service levels and the potential increase in compensation and benefits through consolidation.

Richmond Hill Council formed a Committee to review joining Central York Fire Services in 2015 and Richmond Hill staff entered into discussions with the Towns of Newmarket and Aurora to investigate the benefits of consolidating the Richmond Hill Fire Service with CYFS. Richmond Hill commissioned McCauley Nichols Consulting, Dillon Consulting, Western Management Consulting, and Hicks Morley Hamilton Stewart Storie LLP to determine whether there was a business case for joining CYFS. Based on the reports of the four consultants and the recommendation of their staff, Richmond Hill decided not to join CYFS and cited the following findings:

- Circumstances that have led to the consolidation of the 2002 Central York Fire Services were not present in 2016;
- 2002 Central York Fire Services consolidation was considered a success by those involved, though there are "no empirical measurables to speak of,";
- Consolidation may generate limited cost avoidance (such as having one chief and training efficiencies) without an anticipated improvement in system wide service levels;
- Standardization of fire suppression service levels, in their opinion, would require additional firefighters not currently identified in either Fire Master Plan, resulting in a significant staffing increase for Richmond Hill in the short term, with ongoing cost implications;
- There were challenges with the governance model, citing duplication of effort and lack of clear decision making mechanisms (who would be deemed the "employer"?); and
- Consultants did not believe any further in-depth analysis will result in major changes to the key findings provided in their preliminary reports.

Markham staff look forward to receiving the considerable data from CYFS or its proponent to factually demonstrate the success of the merger of Aurora and Newmarket Fire Services and how such merger may be applicable or beneficial to the City of Markham residents and businesses.



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Historically, the creation of CYFS eliminated their volunteer firefighters and added career firefighters, thus increasing its operating costs. Using the CYFS model in the current Regional Fire Service discussion will likely eliminate all volunteer firefighters in the northern municipalities and result in considerable operating costs now and into the future.

- **Increased Efficiencies and Effectiveness can be achieved through Partnerships**

Staff have located no empirical data to indicate the regionalization of fire services will increase efficiencies and effectiveness for the City of Markham. The cities of Markham, Richmond Hill, and Vaughan have created a Shared Service Committee to maximize the benefits provided by Automatic Aid, Joint Training Initiatives, Joint Technical Rescue Response, Communications, and Procurement, all without relinquishing decision-making control from the local municipal Councils.

This spring, the Committee will provide recommendations on the merger of three existing communications centres, with consideration for Next Generation 911, a legislated change.

### Key Messages

- City of Markham has an efficient, effective and progressive fire service with a 2020 operating budget cost per capita that is lower than that of the Central York Fire Services and all other fire services in York Region.
- Legislatively, fire services is the responsibility of local municipal Councils. Regionalization will remove local control of Fire Services from the City of Markham Council, which has a solid track record of efficient service delivery while regularly providing the 'lowest property tax hike' in the GTA.
- Consultant studies completed by the City of Richmond Hill in 2016 concluded there were major costs involved in joining the Central York Fire Services and it is unlikely circumstances have changed substantially since then.
- Time spent on studying Regional Fire Service may inadvertently distract and slow down the advancement of the current partnerships among Markham, Richmond Hill, and Vaughan for the shared communications centre, which is the critical first stepping stone to other opportunities among the three cities in order to realize greater efficiencies.
- Past amalgamations do not have good track records for savings and tend to create a larger unionized bargaining unit. Regionalization will create winners and losers. Winners will be those municipalities that gain access to a larger tax base and higher service standards in order to pay for enhancements in their local community. It is unlikely Markham will be a winner in the regionalization of fire services.
- Markham is working collaboratively with other southern York Region municipalities, as directed by Council, namely Vaughan and Richmond Hill, to improve service effectiveness and efficiency.
- If Central York Fire Services is as efficient and effective as purported by Mayor Mrakas, other nearby municipalities would have merged their fire service with CYFS already. Why move Fire to





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the Region if a municipally consolidated Fire Service is working so well? In this case, bigger is not necessarily better.

### Considerations for Markham Council

1. Based on the information provided in this Briefing Note, staff recommend our Mayor and Regional Councillors do not support the motion at the February 27<sup>th</sup> Region of York Council meeting to avoid wasting time that can be more effectively spent on more productive partnerships with Richmond Hill and Vaughan.
2. If the York Region Council motion is carried, which would request local councils to express their interest in pursuing Regional Fire Service the Fire Response Task Force should be called upon to provide a recommendation to Council for their consideration.
3. Staff recommend that we continue our efforts with Richmond Hill and Vaughan versus pursuing a Regional Fire Service since there is little proof of cost savings or a strong business case.

### Attachments

1. 2020 York Region Council's Motion Relating to Regional Fire Service
2. Presentation: Regionalization of Municipal Fire Services – Maximizing Markham's Investments and Advocating for its Constituents
3. Past Briefing Notes: Automatic Aid / Mutual Aid / Regional Fire Information (2017) and Regionalizing Fire Services in York Region (2013)
4. York Region Committee of the Whole - [video stream of February 6, 2020 discussion](#) about Regional Fire Service

<b>Contact Person:</b>	Brenda Librecz, Commissioner of Community & Fire Services		
<b>Prepared By:</b>	Sara Tam, Brenda Librecz, input from Fire & Emergency Services	<b>Department:</b>	C&FS Commissioner's Office
<b>Date Finalized:</b>	February 21, 2020		
<b>Approved By:</b>	Commissioner Librecz		
<b>Distributed To:</b>	Council Task Force to Review Master Fire Plan Priorities, Andy Taylor		

*Template last revised: 2018-Oct-10 (ST)*



# Attachment 1

## 2020 York Region Council's Motion Relating to Regional Fire Service

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- February 6, 2020 York Region Committee of the Whole resolution:

### **J.1 Regional Fire Service**

Committee of the Whole recommends adoption of the following motion:

WHEREAS the consolidation of Aurora and Newmarket fire services into Central York Fire Service has resulted in efficiencies through enhanced levels of fire service and cost efficiencies;

WHEREAS a Regional Fire Service may achieve further operating efficiencies, improved department structure, increased service level(s), and cost avoidance opportunities;

BE IT RESOLVED THAT the Regional Clerk share this motion with local municipal Councils requesting a resolution by May 29, 2020 indicating whether they support proceeding with a study on the potential creation of a Regional Fire Service.

- For context, below is the Notice of Motion, made by Aurora Mayor Tom Mrakas on January 16, 2020:

### **Regional Fire Service**

Mayor Mrakas presented the following Notice of Motion for consideration at the Committee of the Whole meeting on February 6, 2020:

WHEREAS the consolidation of Aurora and Newmarket fire services into Central York Fire Service has resulted in efficiencies through enhanced levels of fire service and cost efficiencies;

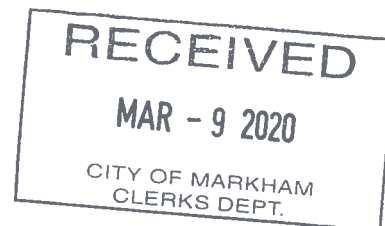
AND WHEREAS a Regional Fire Service may achieve further operating efficiencies, improved department structure, increased service level(s), and cost avoidance opportunities;

BE IT RESOLVED THAT staff work with the nine York Region municipalities, and report back on the potential creation of a Regional Fire Service for Council's consideration.



Regional Clerk's Office  
Corporate Services

February 28, 2020



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

Dear Ms. Kitteringham:

**Re: Mandated Review of Regional Council Composition**

On February 27, 2020 Regional Council made the following decision:

1. That Council add one member representing the City of Vaughan, with no further adjustments to be made to the composition of Council at this time.
2. That Council start the triple majority process as quickly as possible.
3. That the Regional Clerk circulate this report to the Clerks of the nine local municipalities.

In accordance with section 219(2) of the *Municipal Act, 2001*, the bylaw required to change Regional Council's composition is only valid if a majority of local Councils, representing a majority of all electors in the Region, consent to its passage.

Therefore, the Region requests that your Council provides its consent by May 15, 2020 to a bylaw changing the size of Regional Council by increasing the number of members from the City of Vaughan from four to five.

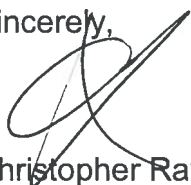
Pending the responses received from the local municipalities, Regional Council will hold a public meeting to consider the bylaw.

If the bylaw is approved, the change would be in effect for the 2022 Municipal Election.

The original staff report is enclosed for your information.

Please contact me at 1-877-464-9675 ext. 71300 if you have any questions with respect to this matter.

Sincerely,

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

Christopher Raynor  
Regional Clerk

Attachments

# The Regional Municipality of York

Committee of the Whole  
Finance and Administration  
February 6, 2020

Report of the Chief Administrative Officer

## Mandated Review of Regional Council Composition

### 1. Recommendations

1. Council approve the timelines to complete the legislated review of Council composition as detailed in Attachment 1.
2. Council provide direction regarding its intent to change or maintain the number of its members representing each local municipality.
3. The Regional Clerk circulate this report to the local municipalities.

### 2. Summary

This report seeks Council approval of the timelines to complete the review of Council composition, as required by section 218(6) of the *Municipal Act, 2001*. It also seeks Council direction on its intent to change or maintain its composition.

Key Points:

- The review is legislatively required and must be completed by December 7, 2020
- Council has the discretion to reduce, increase, reallocate its members or maintain the status quo
- A triple majority approval is required in all cases
- If Council fails to meet the deadline, the Minister may change the composition of Regional Council by regulation

### 3. Background

**The *Municipal Act* requires all regional municipalities to review the composition of their council, unless they enacted a change to their composition during the previous term**

In 2018, the *Municipal Act* was amended to require regional municipalities to review the number of members of its council that represent the lower-tier municipalities. Council can

either adopt a bylaw to change the number of members representing each local municipality, or a resolution affirming the current number of members.

During the 2014-2018 Council term, Durham, Halton and Niagara Regions all enacted changes to their councils' composition. Niagara added an extra representative for the Township of West Lincoln. Halton added two members for the Town of Milton and one for the Town of Oakville. Durham reallocated two members from the City of Oshawa, with one going to the Town of Ajax and the other to the Town of Whitby. Consequently, only the Regional Municipalities of Peel, Waterloo and York are required to review their compositions this term.

### **Regional Council's composition has changed since its first meeting in 1971**

Originally, York Region's Council comprised 17 members including the Regional Chair. Table 1 details the changes that have occurred over the past 49 years.

**Table 1**  
**Historical Changes to Council Composition**

Year	Population	No. of Councillors (excl. Chair)	Average / Member
1970	151,000	16	9,438
1978	232,838	17	13,696
1988	434,757	19	22,882
2003	855,000	20	42,750
2018	1,191,356	20	59,568

### **Council has recently considered further changes to its composition**

In 2013, Council considered motions to add an extra member from Vaughan and an additional member from each of Aurora, East Gwillimbury, King and Whitchurch-Stouffville. The motion relating to Vaughan's additional member carried while the motions relating to the other four municipalities lost.

At Council's request, the Minister of Municipal Affairs enacted Regulation 279/13 permitting York Region to add an additional member from Vaughan. However, the proposal subsequently failed to meet the 'triple majority' requirements.

In 2016, the Region undertook a detailed review of its governance, including an education session. This resulted in the reintroduction of the proposal for an additional member for Vaughan. The proposal also failed to meet the 'triple majority' requirements.

An amendment to the *Municipal Act* means that the Region no longer requires a regulation to permit changes to its composition.

### **The Province recently considered municipal governance, including council size**

In July 2018, the provincial government announced a reduction in the number of councillors and wards in the City of Toronto from 47 down to 25. At the same time the Province announced its intention to undertake a review of regional government.

On January 15, 2019, the Province appointed Ken Seiling and Michael Fenn as special advisors to review regional governments. The review spanned over eight months and focused on governance, decision-making and service delivery in the 82 municipalities in the regions of Durham, Halton, Niagara, Peel, Waterloo and York as well as Muskoka District, Oxford County and the County of Simcoe.

On October 25, 2019, the Province announced that it had decided against pursuing a top-down approach to changing the structure of regional governments.

## **4. Analysis**

### **Council must achieve a ‘triple majority’ and hold at least one public meeting before it can either enact a bylaw to change its composition or pass a resolution to maintain the status quo**

A ‘triple majority’ is attained when all of the following factors are met:

- A majority of all votes on Regional Council must be cast in its favour
- A majority of the nine local municipal councils must pass resolutions consenting to the bylaw or resolution
- The total number of electors (i.e. eligible voters from the last municipal election), in the local municipalities that have passed resolutions consenting to the bylaw or resolution must form a majority of all electors in York Region

### **The proposed schedule allows sufficient time to complete the review in advance of the legislated deadline**

Attachment 1 details a proposed schedule for undertaking the composition review. It is designed to allow sufficient time for regional and local councils to debate potential changes and respond as required. It also schedules the legislated public meeting.

In the proposed schedule, a final decision needs to be made by November 2020 which is ahead of the required provincial deadline.

## **Failure to render a decision by December 7, 2020 could lead to Ministerial intervention**

This review must be done by December 7, 2020 and then after every second regular municipal election (i.e., by December 2028, December 2036, etc.). If Council fails to meet the deadline and/or any decision fails to achieve the ‘triple majority’, the Minister may change the composition of Regional Council by regulation.

Section 218(10) of the *Municipal Act* indicates that when considering whether to make a regulation the Minister shall, in addition to anything else they may wish to consider, have regard to the principle of representation by population.

## **Representation by population is one consideration of effective representation and it varies widely across regional and local municipalities**

Representation by population is a factor that can be used to determine the appropriate number of members of Council. However, there is no consistent formula to determine the optimal number of members.

The [Supreme Court of Canada](#) considers representation by population as a prime, but not an exclusive, condition of effective representation. Other factors such as geography, community history, community interests and minority representation can be considered.

## **Representation by population varies widely across regional and local municipalities**

Attachment 2 shows, based on 2018 population statistics for each local municipality, the population per elected member, the percentage of the Region’s population and the percentage of the representation on Regional Council.

The Region’s 2018 population was 1,191,356, which equates to each member, on average, representing a population of 59,568. The local population represented by each member ranges from 24,200 in Georgina to 82,258 in Vaughan.

As outlined in Table 2, similar ranges exist in the other Regions. Generally, the rural local municipalities in the Regions have a lower population per member and the urban municipalities have a higher ratio.

**Table 2**  
**Range of local municipal representation per Council member in regional municipalities**

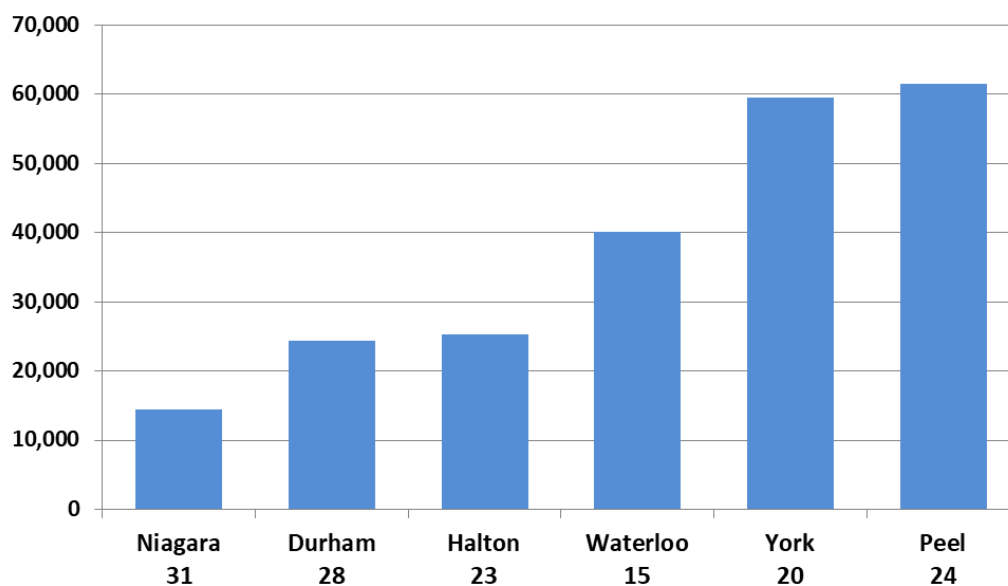
Municipality	Range of local municipal representation
Durham	6,000 to 29,000
Halton	20,000 to 26,000
Niagara	6,000 to 22,000
Peel	14,000 to 91,000
Waterloo	10,000 to 51,000
York	24,000 to 82,000

### **York Region Council is lean compared to other regional municipalities**

York Region has 20 elected members plus the Regional Chair. As outlined in Figure 1, York Region has fewer members than all but one other regional municipality.

**Figure 1**

#### **Population per Member, excluding Chair**





## 5. Financial

There are no financial implications associated with this report. Pending the direction received from Regional Council, potential financial implications will be brought forward as part of any future analysis.

## 6. Local Impact

### **Local municipalities play a decision-making role and will also be affected by any change in composition**

A majority of local municipalities, representing a majority of the electors in York Region, must support any proposed decision of Regional Council.

Additionally, should Regional Council's composition change it will directly impact the composition of the affected local council.

The local municipalities can anticipate Council's notice of its intention to pass a bylaw to change its composition or a resolution to maintain the status quo by April 24, 2020. Local municipalities will be requested to provide an indication of whether they support the proposed bylaw or resolution by no later than June 25, 2020.

## 7. Conclusion

Section 218(6) of the *Municipal Act* requires all regional municipalities to review, for each of its local municipalities, the number of members of its council representing each local municipality within the first two years of the 2018-22 term. The Regions of Durham, Halton and Niagara made changes during the last council term and are therefore exempted from further consideration this term. The Regions of Peel, Waterloo and York are required to conduct composition reviews.

Although representation by population is a prime consideration for effective representation there is no optimal number and it varies widely across municipalities. Regional Council has only grown by four members since its inception and is a relatively small council compared to other regional municipalities.

Regional Council must either pass a bylaw to change the composition of Council, or a resolution to maintain the status quo before December 7, 2020. Either option requires 'triple majority' support and at least one public meeting before it can be adopted.

Failure to comply with the legislated process by the set deadline may result in the Minister enacting a regulation to unilaterally change the composition of Council.

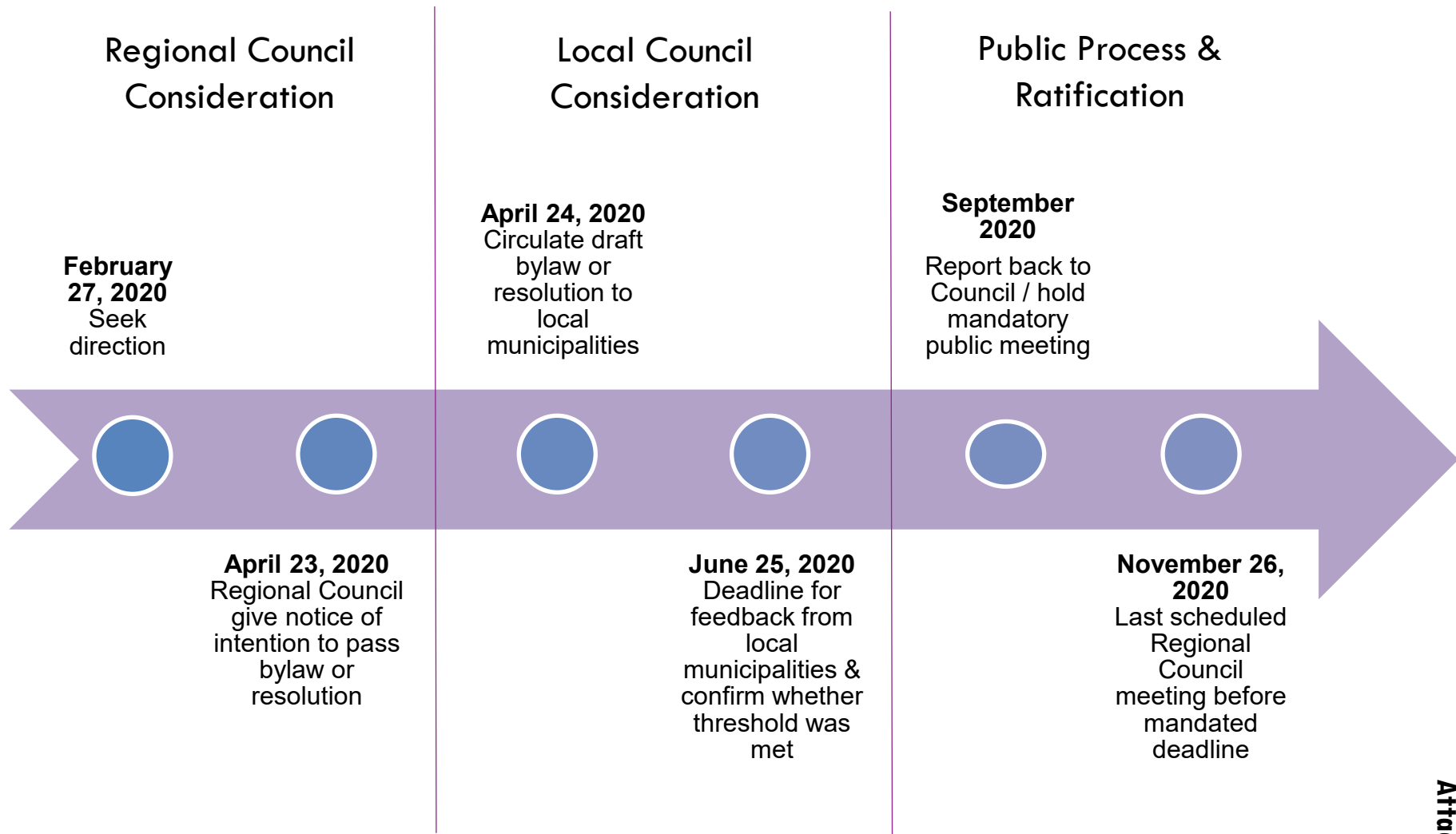
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For more information on this report, please contact Christopher Raynor, Regional Clerk at 1-877-464-9675 ext. 71300. Accessible formats or communication supports are available upon request.

Approved for Submission: **Bruce Macgregor**  
Chief Administrative Officer

January 27, 2020  
Attachments (2)  
#10492009

# PROPOSED TIMELINES



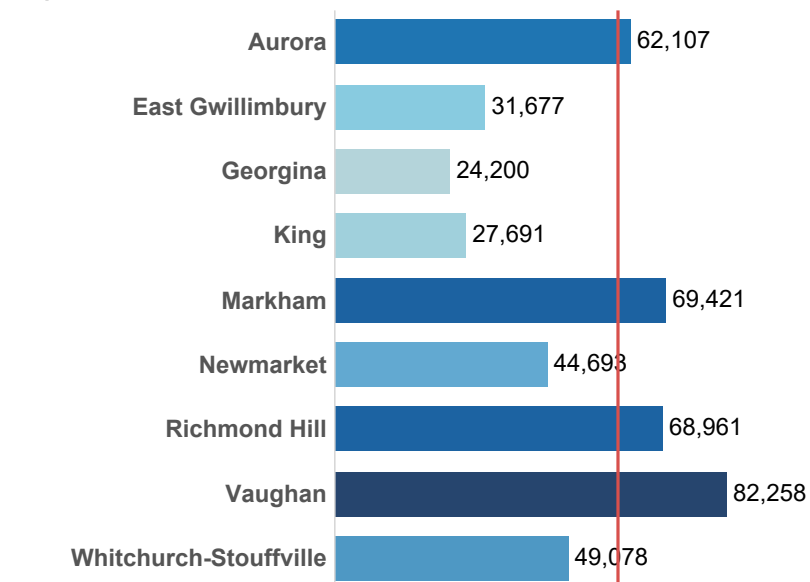
*\*December 7, 2020 - Provincially mandated deadline for passage of bylaw or resolution*

# Structure of Regional Council - Representation by Population - Population Year 2018

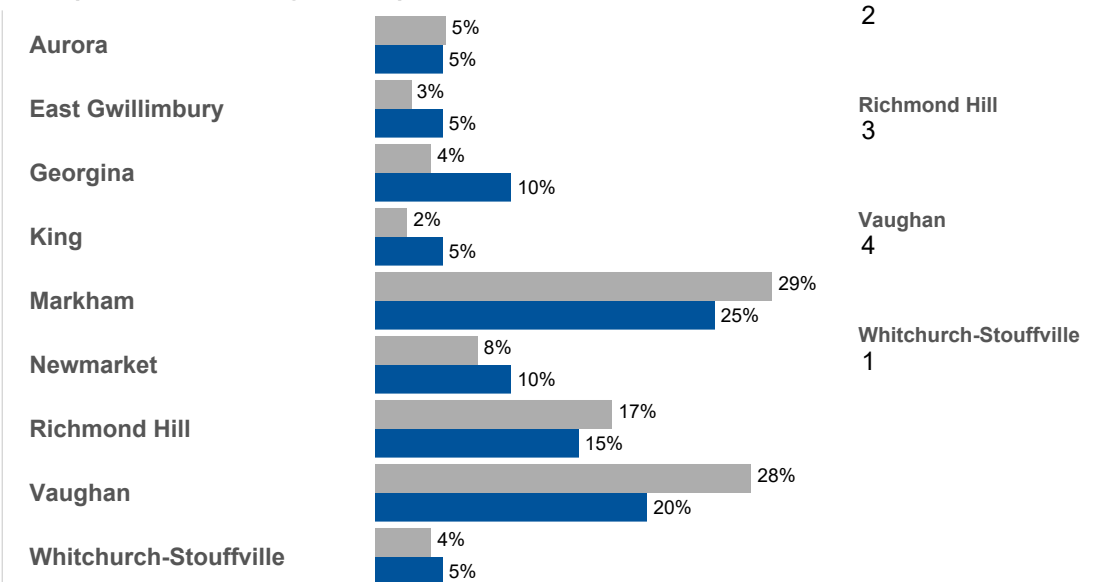
Year  
2018

Municipality	# of Elected Members	Population	Population per Elected Member	% Population	% Representation	
Aurora	1	62,107	62,107	5%	5%	Aurora 1
East Gwillimbury	1	31,677	31,677	3%	5%	East Gwillimbury 1
Georgina	2	48,399	24,200	4%	10%	
King	1	27,691	27,691	2%	5%	
Markham	5	347,103	69,421	29%	25%	Georgina 2
Newmarket	2	89,386	44,693	8%	10%	
Richmond Hill	3	206,883	68,961	17%	15%	King 1
Vaughan	4	329,032	82,258	28%	20%	
Whitchurch-Stouffville	1	49,078	49,078	4%	5%	Markham 5
<b>Total</b>	<b>20</b>	<b>1,191,358</b>	<b>59,568</b>	<b>100%</b>	<b>100%</b>	

Population Per Elected Member



% Population and % Regional Representation



Legend    % Population

% Regional Representation

Average Population per Elected Member    **59,568**