



**SECOND MEETING OF THE
2012 BUDGET SUB-COMMITTEE
CANADA ROOM, MARKHAM CIVIC CENTRE
October 11, 2011**

MINUTES

Attendance:

Members Present:

Mayor Frank Scarpitti (ex-officio)
Deputy Mayor Heath (ex-officio)
Regional Councillor Jim Jones
Regional Councillor Joe Li
Councillor Valerie Burke
Councillor Colin Campbell
Councillor Alex Chiu
Councillor Don Hamilton
Councillor Alan Ho
Councillor Logan Kanapathi, Vice Chair
Councillor Howard Shore

Regrets:

Regional Councillor Gord Landon, Chair

Staff Present:

Gary Adamkowski, Director of Asset Management
Jim Baird, Commissioner of Development Services
Alan Brown, Director of Engineering
Stephen Chait, Director of Economics
Noeline Chipun, Senior Financial Analyst
Mary Creighton, Director of Recreation Services
Linda Irvine, Manager of Parks & Open Space Development
Kimberley Kitteringham, Town Clerk
Nasir Kenea, Chief Information Officer
Peter Loukes, Director of Operations
Rino Mostacci, Director, Planning & Urban Design
Victoria McGrath, Director of Sustainability
Raj Raman, Senior Manager of Purchasing & Financial Reporting
Andrea Tang, Manager of Financial Planning
Laura Gold, Council/Committee Coordinator

The Budget Sub-Committee convened at 1:04 p.m. with Councillor Logan Kanapathi presiding as Chair.

1. APPROVAL OF THE MINUTES

Moved by Councillor Valerie Burke
Second by Councillor Alan Ho

That the Minutes from the October 3, 2011 Budget Sub-Committee meeting be approved.

CARRIED.

2. DISCUSSION ON TARGETED TAX INCREASE

There was a discussion regarding the 2012 targeted tax rate increase. It was requested that this matter be discussed at the next meeting, noting the Committee should have a discussion on a targeted tax rate increase. Consideration should be given to comments made at the Budget Consultation Meetings regarding the projected tax increase. It was requested that the Committee also discuss a tax rate increase on service delivery at a future meeting.

The Committee requested that the capital budget binders be distributed earlier next year and that the budget review process should not be rushed. It was clarified that the Capital Budget will be reviewed in the same chronological order as the outlined on the Capital Budget and Other Programs summary report.

3. REVIEW OF 2012 PROPOSED CAPITAL BUDGET

Economic Development Capital Budget Items

Mr. Stephen Chait, Director of Economic Development, presented the 2012 Economic Development Capital Budget items to the Committee.

It was clarified that Economic Development capital requests, which are operating in nature, will be transferred to the operating budget. These items are included in the capital budget for discussion purposes only. Once the Budget Sub-Committee approves the capital requests, they will be transferred to the operating budget.

Item No.	Description and Discussion	Total Funds Requested
12015	<p>Centre for Financial Services – The Town is a founding and continuing sponsor of the Town’s Seneca College-led industry programs.</p> <p>It was clarified that the funds will be used towards the sponsorship of a certificate program for insurance underwriters. Having the program offered in Markham helps build the banking and insurance cluster in Markham.</p>	25,400
12016	<p>Markham Convergence Centre – The Markham Convergence Centre (7271 Warden Avenue) was approved by Council for a 5 year period.</p> <p>It was clarified that the reduced rental income is due to the failure to secure senior government funding to furnish the lab space. Staff advised that the \$20,000 promotional cost helps create awareness of the Convergence Centre, which is important to keeping it in existence.</p> <p>A review of the lease rates was provided. It was noted that all traditional office space at the Convergence Centre is occupied and that the open space</p>	218,800

Item No.	Description and Discussion	Total Funds Requested
	<p>has yet to be leased due to consideration being given to the use of the space. Staff confirmed that they have looked into the possibility of offering short-term leases to fill vacancies.</p> <p>It was noted that the longest lease is for 4 years, as the Town's lease for the property expires at this time. It was noted that a report on the financial results of the Markham Convergence Centre will be brought forward to the Development Services Committee/General Committee in November as well as options on the use of the vacant space.</p>	
12017	<p>International Investment Attraction Program – This is a reoccurring program to attract new business investment and opportunities for Markham-based companies from India, South Asia, China, and the Middle East. This program funds out-bound business missions and in-bound delegations.</p> <p>It was clarified that a report will be brought forward to Council to review the deliverables of the mission. It was noted that the funding request is for the Mayor and Chair of the Economic Development Committee and 2 staff.</p>	
12018	<p>Economic Alliance Program – an on-going program to grow economic activity/investment from key alliance partners.</p> <p>Staff reviewed the process of selecting the international delegates.</p>	35,600

Moved by Deputy Mayor Heath

Seconded by Councillor Valerie Burke

That Capital Budget Item No.12017 be deferred until the report on the International Investment Attraction Program is brought forward to the Development Services Committee for Council's consideration.

CARRIED.

Moved by Mayor Frank Scarpitti

Seconded by Councillor Don Hamilton

That the Budget Sub-Committee approve the Economic Development 2012 Capital Budget Item Nos. 12015, 12016 & 12018.

CARRIED.

Planning Capital Budget Items

Mr. Rino Mostacci, Director, Planning & Urban Design, presented the 2012 Planning Capital Budget Items.

Item No.	Description and Discussion	Total Funds Requested
12001	Consultant Studies	101,800
12002	<p>OMB Development Application Hearings – To retain expert witnesses to represent the Town’s interest at OMB hearings.</p> <p>It was noted that it is important to know the costs associated with retaining expert witnesses and when they are needed. The funds requested are to cover the anticipated cost of obtaining expert witnesses in 2012. It was requested to provide information on the previously approved budgets and the actual expenditures for the OMB hearings.</p>	203,500
12004	<p>New Official Plan-Public – The project and related budget encompasses public consultation and communication requirements in regard to the new Town Official Plan.</p> <p>It was felt that this was a significant amount of funds being spent on consultation/communication. Staff advised that there are plans to hold a number of open houses, which are included as part of the capital requests.</p>	101,800
12005	Buttonville Airport Redevelopment Program	101,800
12007	New Official Plan - Project Management	580,000
12008	Growth Monitoring Program	20,400
12009	<p>Official Plan – OMB– The Region is currently engaged in addressing appeals to the Regional Official Plan.</p> <p>It was clarified that this budget item ensures that funds are available when needed to retain legal or other expert advice to assist/represent the Town through the OMB appeals process.</p>	101,800
12010	New Official Plan 2012 – This budget item supports retaining expert consultants to assist in the preparation of select components of the new Official Plan.	203,500

Item No.	Description and Discussion	Total Funds Requested
	It was questioned if the Official Plan needs to be completed in 2012. Staff advised that the current Official Plan is out-of-date and that it is necessary that the approval process commence in 2012. Staff was advised that there is currently an appeal process undertaken for the Region's Official Plan that may have implications to the Town.	
12011	Parkland Dedication Policy Review	101,800
12012	Designated Property Grant Program Year 3 of 4	30,000
12014	<p>Heritage Commemorative Signage for Markham Village – to develop, manufacture and implement interpretive panels celebrating the theme areas of Markham Village.</p> <p>It was clarified that this budget request is to establish the funding source for the project, noting the signs will not be installed until construction in the area is complete. The design of the signs will be coordinated at this time.</p> <p>It was reported that there is a need to establish another Heritage Estates, noting that the existing Heritage Estates is almost full. Currently, staff are being very selective as to what houses can be re-located to Heritage Estates due to lack of space. It was recommended that establishing another Heritage Estates be placed as a high priority. Staff were requested to provide a status update report, which should include the process for establishing another Heritage Estates.</p>	20,400

Moved by Councillor Valerie Burke

Seconded by Councillor Alan Ho

That the Planning Capital Budget Items listed above be approved.

CARRIED.

Design Capital Budget Item

Mr. Rino Mostacci, Director, Planning & Urban Design, presented the 2012 Design Capital Budget Items.

Item No.	Description and Discussion	Total Funds Requested
12026	<p>Angus Glen West Village Parks Development - Reimbursement - the funds are for the reimbursement to Angus Glen Development Limited for cost of design and construction plus HST and internal consulting fees as per Council Report approved on June 23, 2009.</p> <p>It was requested that staff report back on the non-growth portion of the reimbursement projects and the potential for developer funding.</p>	747,800
12027	Majestic Court Park Developer Reimbursement – amendment to site plan agreement.	250,000
12028	Victoria Square Playground & Waterplay Construction	1,419,200
12029	South Unionville Ray St. Parkette (Construction)	1,496,400
12030	Boxgrove S. E. Heritage House Parkette – Design	54,500
12031	Kylemore Communities, Yorkton, Dev. Reimbursement	52,400
12032	Grand Cornell Park, New Union – Construction	482,900
12033	Cornell Rouge (Madison) East Woodlot Park - Const.	784,200
12034	Civic Mall - Permanent Landscaping Improvements	443,000
12035	<p>Sports Park - Environmental / Feasibility Studies – the funds requested will be used to hire specialty consultants to undertake servicing, environmental and engineering feasibility studies. The site is currently in rural /agricultural state with no water, sanitary sewer or storm sewer servicing.</p> <p>This item was deferred until staff prepare a memorandum on what the cost to service the area will be once the urban boundary is complete and outline any issues.</p>	332,300
12036	<p>Morgan Park Master Plan – The funds will be used to hire a consultant to prepare an updated master plan for Morgan Park on Parkway Avenue and to work with the community, stakeholders and the “Morgan Park Revitalization Working Group”.</p> <p>A question was asked who are the members of the Committee and the composition of the Committee was provided. It was reported that there have been a couple of meetings.</p>	55,400

Item No.	Description and Discussion	Total Funds Requested
12037	<p>Markham Village 'Library Square' Master Plan – To hire a consultant to prepare a master plan for Library Square at the south-east corner of Highway 48 and Highway 7 in consultation with the community, stakeholders and the 'Markham Village Library Square Revitalization Group'.</p> <p>The composition of the Committee was reviewed. It was reported that there have been a couple of meetings.</p>	55,400
12371	<p>Milne Dam Conservation Area Master Plan – This project is to hire a consultant to engage the community consultation, as well as to prepare a “needs and site” analysis, and to identify the strategic and programmatic direction for the park.</p> <p>It was clarified that these funds are to start the project. The plan is anticipated to be established over a three (3) year period.</p>	25,000

Moved by Mayor Frank Scarpitti

Seconded by Deputy Mayor Jack Heath

That the Budget Sub-Committee approve Capital Budget Item Nos. 12026, 12027, 12028, 12029, 12030, 12031, 12032, 12033, 12034, 12036, 12037 and 12371; and,

That Capital Budget Item No. 12035 be deferred.

CARRIED.

Engineering Capital Budget Items

Mr. Alan Brown, Director of Engineering, presented the 2012 Engineering Capital Budget Items. Maps were displayed to help explain the projects.

Item No.	Description and Discussion	Total Funds
12046	<p>Hwy 404 Mid-Block Crossing, North of Hwy 7 – construction of mid-block crossing Hwy 404, North of Hwy 7.</p> <p>It was noted that Region's proposed crossing of the 404 is currently under review and that it would be a second crossing. A Member questioned if this project could be funded by the Buttonville Developer and staff identified that this can be an alternate funding source. It was noted that the project will not proceed with the tender until there is a tri-party agreement in place with the Region and the Town of Richmond Hill. This</p>	15,669,600

Item No.	Description and Discussion	Total Funds
	is the same for projects 12047 and 12049.	
12047	Hwy 404 Ramp Extension - Hwy 7 (CA & Construction) – Ramp extension from Hwy 7 to Hwy 404.	8,132,900
12048	<p>Main Street Markham -Hwy 7 to Bullock Drive (Const) – Road reconstruction of Main Street from Hwy 7 to Bullock Drive.</p> <p>The total projected cost of this project is \$3.7M. The project is projected to commence in 2012 and be completed by 2015. It was noted that the Town will work with the community to minimize the disruption to local businesses in the area.</p>	899,200
12049	Centurian Drive -Allstate to Woodbine (PA & Const) - these funds will be used for property acquisition and road construction on Centurian Drive from Allstate Parkway to Woodbine Avenue.	2,093,400
12050	Church Street - 9th Line to Bur Oak (EA)	111,800
12051	Sidewalk Program	2,032,600
12052	<p>Illumination Program – these funds are used to provide street light infrastructure to areas that do not have street lighting.</p> <p>It was noted that the west side of Don Cousens Parkway is very dark and has little illumination. It was suggested that street lights be added to this area.</p> <p>Concern was expressed that the street lights at 14th Avenue from McNabb to Birchmount Road are always going off. The Operations Department was requested to investigate on this matter.</p>	1,524,400
12053	<p>Transportation Demand Management - funds are used towards the implementation of programs to promote the reduction in automobile use.</p> <p>It was recommended that some of these funds be used to reach out to the residents to encourage carpooling.</p>	283,300
12054	Downstream Improvement Work Program	1,219,400
12055	Birchmount Rd Crossing at Rouge River-(Construction)	14,996,400
12056	<p>Helen Avenue Reconstruction (Design) – detailed design for the urbanization of the remaining section of Helen Avenue, including sidewalk and landscaping.</p> <p>A map showing the completion of the project to date was displayed to the</p>	111,800

Item No.	Description and Discussion	Total Funds
	Committee. It was clarified that these funds are just for the design of the project.	
12059	<p>Development Charges Background Study Update - these funds will be used to engage a consultant to complete an assessment of existing infrastructure and make a determination on the need for future growth-related infrastructure, as well as to provide cost estimates for such infrastructures. The study is to determine what additional infrastructure the Town needs to service new growth (i.e. Engineering related). For example, as a result of intensification and growth, what additional infrastructure will be required.</p> <p>It was clarified that this capital budget item is to cover the cost of hiring an engineering consultant. The engineering consultant will validate costs.</p> <p>The Finance capital budget request for the Development Charges Background Study is to prepare a study for both the hard and soft services by-laws prior to their expiration. Development charge by-laws expire after 5 years and development charges cannot be collected without them. This project is to update the DC By-laws in order for the Town to continue recovering its growth-related costs associated with infrastructure development.</p>	199,100
12061	<p>Official Plan - OMB Development Application Hearings – these funds will be used for pending OMB hearing for the new Official Plan.</p> <p>Members inquired how much funds are being spent on OMB development application hearings. It was noted that the amount spent goes up and down. Estimating that approximately \$40,000 was spent on the Shops on Steeles development application for OMB hearings last year alone.</p>	81,400

Moved by Regional Councillor Jim Jones

Seconded by Regional Councillor Joe Li

That the Budget Sub-Committee approve the Capital Budget Engineering Items listed above.

CARRIED.

Budget Community Consultation Meeting

There was a discussion regarding the first Budget Community Consultation meeting. Staff were thanked for their efforts. It was noted that there was a low turn-out and that numerous Town resources were utilized. Staff advised that the presentation will be shortened and that questions should be focused on the budget. The Committee suggested that only critical staff attend future Budget Community Consultation meetings. It was also requested that the Chair should direct/assign staff to respond to questions.

4. NEXT MEETING DATE

The next meeting of the Budget Sub-Committee will be held on October 21, 2011 at 9:00 a.m. and will reconvene at 2:00 p.m. There will be a strict end time to each meeting.

5. ADJOURNMENT

Moved by Councillor Colin Campbell

Seconded by Deputy Mayor Jack Heath

That the Budget Sub-Committee adjourn at 4:06 p.m.

CARRIED.