

Ministry of Infrastructure

Transit Oriented Communities
Secrétariat

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Date: April 8, 2022

Paul Freeman
Chief Planner
The Regional Municipality of York

RE: Bridge and High Tech Transit-Oriented Communities Proposals

Dear Mr. Freeman:

Thank you for your letters of September 7th, 2021; November 23rd, 2021; February 18th, 2022; and March 9th, 2022 regarding the Transit-Oriented Communities (TOC) proposals at the Bridge and High Tech stations. I appreciate you sharing the key issues and concerns of York Region, the City of Markham and the City of Richmond Hill and I welcome the opportunity to respond.

The Province is committed to working collaboratively with York Region, the City of Markham and the City of Richmond Hill regarding the Bridge and High Tech TOC proposals. Since August 2021, the Province has been sharing plans and progressive details regarding the proposed TOCs. As a result of the regular meetings between the Province, York Region and the lower-tier municipalities, revisions to the TOC proposals were made to incorporate the feedback heard. These discussions have provided much appreciated critical guidance, and the Province looks forward to a continued, meaningful and, collaborative relationship as the TOC proposals progress.

The TOCs planned for Bridge and High Tech, along the Yonge North Subway Extension (YNSE) provide a significant and once in a generation opportunity to build vibrant, sustainable, mixed-use communities. These forward-thinking, walkable communities will be neighbourhoods that will benefit individuals and families for decades to come. The TOCs at Bridge and High Tech will bring more jobs, housing and community amenities closer to transit, making commuting easier, while increasing ridership and reducing congestion, as well as stimulating economic growth and lowering the cost of building infrastructure for taxpayers. These destinations will be a place for people to come and explore, as well as a place to serve the residents who live, work, and play there.

We, at the Province, know that York Region and the lower-tier municipalities understand local needs best, and to that end, the Province has been working with its municipal partners to appropriately plan and account for those community needs in the Bridge and High Tech

proposals. In the coming months and years, our intention is to work together to plan the Bridge and High Tech communities to offer an array of community benefits which could include schools, libraries, shopping centres, grocery stores, health clinics, community centre and childcare spaces, amongst other important amenities and social infrastructure. Appreciating that these Bridge and High Tech plans span many years, the Province will work with the municipalities to identify near term site amenities this year, where possible, as well as ensure flexibility through site-specific Memorandums of Understanding (MOUs) to revisit community needs in the out years as these plans and commensurate needs become clearer and further refined.

Planning Rationale

The Province began its planning for the Bridge and High Tech TOC sites by looking to the existing secondary plans that were available for the Langstaff Gateway/Richmond Hill Centre areas. Both plans identified these areas for significant growth, and the Province sought to reimagine these plans and build on the municipal visions to address the evolving context, which includes new Bridge and High Tech transit stations (and their revised locations), increased anticipated population growth and the current housing market. Both TOC sites have built on the foundation that the municipalities provided by incorporating many of the key features into the Province's proposals.

For example, Bridge Park arose from the Langstaff Gateway Secondary Plan, where the idea for the park was first introduced. Work is currently underway to realize the Bridge Park opportunity, however, it should be noted that phasing of the park will be impacted by transit infrastructure construction. If, for any reason, Bridge Park be deemed infeasible, the Province will work with the Region and municipalities to explore additional greenspace to support the community.

Phasing Plans

The Bridge and High Tech communities will be developed over a 20–30-year period and will be phased appropriately. The density that the TOC proposals envision at the sites will be appropriate for what is required in coming decades to sustain the expected growth. The TOC sites reflect the future needs of the Bridge and High Tech stations along the YNSE, and will ensure there is adequate housing to meet the demands of the region as a whole. By encouraging higher density, mixed-use sites around the transit stations, these proposals can be part of how the anticipated growing housing need in the coming years is addressed and will create the value required to fund and deliver Royal Orchard Station. As noted earlier, we are committed to working with the Region and municipalities to ensure the expected growth aligns with all necessary infrastructure designed to properly support the TOC developments.

Staff have provided a high-level phasing plan to York Region, Richmond Hill and Markham for the Bridge and High Tech TOC sites and is committed to ensuring identification and implementation of community amenities is incorporated into the future phasing of the sites. As the TOC developments progress, the Province will work together with the municipalities to create a detailed phasing plan for each site that is suitable for all parties.

Employment Use

Though COVID-19 has impacted the commercial real estate market, the Province has proposed a range of employment gross floor area (GFA) office space for the Bridge and High Tech developments to be able to reflect the evolving demands of the market when the development proposals are realized downstream. The Province will take the advice of the Region and lower-tier municipalities into consideration as the TOC site proposals are reviewed and will revise the mix of use for the sites, if required, as the site developments progress. Note that in response to input from the Region and lower-tier municipalities, the Province has provided no upper limit, within the bounds of global GFA limits, for employment uses on either site.

Consultations

The Province has also engaged with stakeholders and the public on the Bridge and High Tech TOC sites. We recognize that school boards are critical stakeholders with important perspectives to be incorporated into the TOC sites and they will continue to be engaged through the Ministry of Education to determine the school site(s) required to service the planned growth in the area. The Province will also continue to work with York Region and the lower-tier municipalities to consult with the appropriate external stakeholders and the public on the TOC sites as they develop. The Province hosted a virtual public engagement session for the High Tech TOC on December 9th and the Bridge TOC on December 14th. An engagement website with details about the projects and opportunities to provide feedback went live on December 2nd and closed on January 31st, 2022. The feedback received through the completed public consultations was generally supportive of the TOC sites and comments received were minor in nature. The Province has also provided briefings and outreach to elected officials throughout the advancement of the TOC sites and has been sharing materials and working with the municipalities since August 2021 to advance these proposals.

Transportation Studies

The Province worked with two consultants to complete initial transportation studies, based on the available data and plans for the Bridge and High Tech TOC sites. The consultants operated from a singular planning model that was developed in coordination with the Metrolinx project team and takes into account the traffic that is to be generated from both sites. As plans become more refined, and additional details are provided from the Metrolinx project team, the Province will undertake further analysis to ensure there is a comprehensive transportation plan for the areas. At this time the Province does not anticipate significant change to the conclusions of previously-completed transportation studies based on the outcomes arising from further refinement by Metrolinx.

Design Standards

The Province is committed to building the TOC sites to the prevailing standards at the time of construction, appropriate, feasible solution for the waste systems. We can confirm that the building partner is exploring district energy solutions.

Affordable Housing

The Province is committed to providing affordable housing and acknowledges the current housing crisis that is happening across Ontario. Affordable housing is a priority for the Province, York Region and the lower-tier municipalities and we will work with all parties on how affordable housing programs are designed and implemented for the Bridge and High Tech TOC sites. The Province is committed to looking for opportunities to include affordable housing into the TOC Program.

Forthcoming Agreements and Municipal Requirements

The Province has been working with York Region, Richmond Hill and Markham to draft a TOC Programmatic Agreement-in-Principle (AIP). The AIP will outline that developments charges, taxes and community benefit charges will be provided to the municipality. The Province and the lower-tier municipality, through the site-specific MOU, will specify a maximum parkland contribution and this will be provided by way of land conveyance and/or cash-in-lieu. Outside of what is agreed upon in the MOU, the municipalities will not levy further cash-in-lieu payments on the TOC developments as additional parkland cash-in-lieu payments, at the discretion of the municipalities, could render the TOC developments financially infeasible. This would thereby make the addition of the Royal Orchard Station into the scope of the YNSE project infeasible as well.

Zoning Approval

The Province is exploring various tools to obtain zoning certainty on the TOC sites in an expedited manner. The Minister of Municipal Affairs and Housing (MMAH) may consider a Minister's Zoning Order (MZO) and should an MZO be issued, the Province may retain provincial authorities under that instrument, including but not limited to inclusionary zoning. Note that, at this time, an MZO cannot deal with matters of subdivision control. As you are aware, draft MZOs have been provided to staff for an opportunity to review and the Province will consider their feedback in the finalization of the order.

With respect to the request to include the entirety of the Langstaff Gateway Secondary Plan area as part of the TOC planning for these sites, please note that the TOC Program mandate primarily focuses on the development of land required for transit purposes, and therefore, is outside the scope of the program. Upon request of Markham City Council, the Province could work with both the City of Markham and other landowners to assess how best to normalize planning between the TOC site boundaries – as defined by program mandate – and neighbouring lands. We appreciate municipal desire to address inter-dependencies and look at opportunities to extract value.

The Bridge and High Tech TOC sites represent a once-in-a-lifetime opportunity for the Province to build complete and integrated communities at and around the future Yonge North Subway Extension and to deliver critical transit infrastructure and housing along the alignment. Efficient delivery is key to transit construction and TOC Program success. We are pleased to hear that Council is supportive of the inclusion of Royal Orchard to the scope of the YNSE and seek their support to deliver this station through TOC proceeds to ensure that this critical infrastructure gets built and delivered to residents in the Royal Orchard neighbourhood.

The Province is hopeful that our governments can reach alignment in the coming days on the TOC Programmatic AIP to be brought forward to respective Council and/or Committee meetings for approval. The Province has also received correspondence from lower-tier municipalities and will be responsive to the feedback and concerns that have been raised. I want to thank you for the frank and productive discussions that we have had with you and your staff. These without prejudice conversations have imparted municipal knowledge that has been critically valuable to the TOC sites at Bridge and High Tech.

The Province has been working with York Region, the City of Markham and the City of Richmond Hill since August 2021 on the Bridge and High Tech TOC sites and is looking forward to continued collaboration and dialogue as the plans progress. The Province welcomes any additional feedback at any time on the TOC proposals.

Once again, I thank you sincerely for sharing your concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mirrun Zaveri', written in a cursive style.

Mirrun Zaveri
Assistant Deputy Minister
Transit Oriented Communities Secretariat

cc: Chris Giannikos, Deputy Minister, Ministry of Infrastructure
Michael Lindsay, President & CEO, Infrastructure Ontario
Heather Grey-Wolf, Chief Development Officer, Infrastructure Ontario
Michael Fedchyshyn Senior Vice President, Transit Oriented Communities Program,
Infrastructure Ontario
Bruce Macgregor, Chief Administrative Officer, York Region
Mary-Frances Turner, York Region Rapid Transit Corporation
Rose Suppa, York Region Rapid Transit Corporation
Karen Whitney, York Region
Darlene Joslin, Interim City Manager, City of Richmond Hill
Andy Taylor, Chief Administrative Officer, City of Markham



Memorandum

To: Mirrun Zaveri, Assistance Deputy Minister (Acting), Ministry of Infrastructure
 Dawn Palin Rokosh, Director, Transit Oriented Communities, Ministry of Infrastructure
 Bronwyn Cuthbertson, Manager, Priority Transit Projects Delivery Office, Ministry of Infrastructure

From: Paul Freeman, Chief Planner

Date: February 18, 2022

Re: **Provincial TOC Program/Royal Orchard Station Draft Term Sheet (“Heads of Terms”) Municipal Feedback**

York Region and YNSE local municipalities remain committed to implementing the Yonge North Subway Extension and working with the Province to more closely align the Bridge and High Tech TOC proposals to the areas’ municipal planned vision. Since August 2021, we have provided our verbal and written feedback to the Province through various channels, including:

- TOC Working Group and municipal engagement/touchpoint meetings
- Programmatic-Level TOC workshops
- Site-Specific TOC workshops
- Municipal comments matrix to Infrastructure Ontario and Ministry of Transportation
- Memo to the YNSE Executive Steering Committee
- Letters to the Ministers and Premier
- Regional and Local Municipal Council Resolutions

It is our understanding that the Draft Term Sheet shared with us on January 20th and a subsequent revised version on January 27th sets out the Province’s proposed terms for the Programmatic-Level Agreement between the Province, Region and local municipalities (Markham and Richmond Hill), and that the Province is looking to finalize and execute the Programmatic-Level Agreement as well as the site by site Memorandum of Understanding (MOU’s) by April 2022. We also understand that the Draft Term Sheet by the Province will form the basis of the Programmatic-Level Agreement (and site by site MOU’s to follow) and that these agreements are directly linked to the inclusion of Royal Orchard Station and the TOC assurances the Province is seeking.

Over the last three weeks, the Region and local municipalities including legal counsels, have participated in six TOC Programmatic-Level Agreement meetings and have provided you with our verbal feedback to the Draft Term Sheet and its Heads of Terms. This memorandum is a high-level summary of the Region's and local municipalities' feedback to further the conversations currently underway between the Province, Region and local municipalities.

General Feedback:

(Prepared by York Region, City of Markham and City of Richmond Hill)

1. York Region, City of Markham and City of Richmond continue to encourage alignment between the local municipal Secondary Plans and the Bridge and High Tech TOC proposals
2. As proposed, we remained concerned that the TOC proposals do not represent good planning, are an over development of the area and will not provide the right mix of uses to create a destination
3. Through on-going discussions with Provincial staff, York Region and local municipalities strive to achieve the following desired end state for the TOC proposals, TOC program agreements and site-specific MOUs to achieve good planning principles (consistent with Regional and local Council resolutions):
 - a. Significant reduction of the population and density on TOC sites to align closer with Secondary Plans – staff are concerned about the livability of the proposed densities and population;
 - b. Refined population and employment mix, towards a 2:1 ratio, and demonstrate a range of employment types to ensure and create a destination at Richmond Hill and Langstaff Gateway Centre;
 - c. Plan for provincial lands between the two TOC sites (Markham's requested "Blue Sky" exercise);
 - d. Clarity on affordable housing expectations to meet 35% Regional Centre affordable housing target;
 - e. Fine-grained street network within and between the High Tech and Bridge TOC sites;
 - f. TOC plans meet municipal parkland and community service requirements; and,
 - g. Clarity on the provision of adequate school site and facilities to meet anticipated growth.

The Heads of Terms should:

4. Not include language that commits municipalities to offset the financial risk associated with the provincial TOC proposals;
5. Confirm that existing and future municipal funding mechanisms are required to support the construction of complete communities;
 - a. The Provincial TOC program should not restrict the YNSE municipalities' ability to collect Development Charges, Community Benefit Charges, Cash-in-lieu of Parkland, Planning Fees, etc.
6. Confirm that existing planning approval processes, including standard Plan of Subdivision and Site Plan processes, will be utilized to advance development within the TOC areas;
7. State the Province's commitment to achieving affordable housing target, including purpose-built rentals established in the existing Regional and local municipal planning and policy framework;
8. Apply exclusively to lands within identified TOC proposal boundaries;
9. Not include terms that bind third-party partners such as school boards and conservation authorities, and parties not currently entering into any agreement with the Province; and,
10. Address matters outlined in correspondence and Council resolutions.

Attached with this memorandum are requests for clarifications and comments by section to the draft Heads of Terms (Attachment 1).

We would also appreciate a written Provincial response and request refinements to the Heads of Terms addressing the matters contained in our letter and Council resolutions, including:

- York Region Chief Planner's memo to the YNSE Executive Steering Committee (September 7, 2021)
- York Region Chief Planner's letter to the Ministers (dated November 23, 2021)
- York Region Council Resolution (January 13, 2022)
- City of Markham Council Resolution (January 25, 2022)
- City of Markham letter to the Premier (January 26, 2022)
- City of Richmond Hill Council Resolution (February 9, 2022)

We look forward to continuing our positive dialogue on all these matters.



Paul Freeman, Chief Planner

Attachments (6)

1. Draft Heads of Terms Comments Summary (draft for on-going discussions)
2. York Region Chief Planner's memo to the YNSE Executive Steering Committee – September 7, 2021
3. Bridge and High-Tech Transit-Oriented Communities Proposals letter to the Ministers of MTO and MOI – November 23, 2021
4. City of Markham Council Resolution – January 25, 2022
5. City of Markham letter to the Premier Re: City Comments on Provincial Bridge Station Transit Oriented Community Proposal – January 26, 2022
6. City of Richmond Hill Council Resolution – February 9, 2022

eDOCS 13686693

Memorandum

To: Mirrun Zaveri, Assistance Deputy Minister (Acting), Ministry of Infrastructure
Dawn Palin Rokosh, Director, Transit Oriented Communities, Ministry of Infrastructure
Bronwyn Cuthbertson, Manager, Priority Transit Projects Delivery Office, Ministry of Infrastructure

From: Paul Freeman, Chief Planner

Copy: Karen Whitney, Director, Community Planning & Development, York Region
Jessica Wu, Senior Planner, York Region
Anthony Ierullo, Director, Richmond Hill Centre and Economic Development
Darryl Lyons, Senior Manager, Policy and Research, City of Markham
Rose Suppa, VP (A), Project Implementation, YRRTC

Date: March 9, 2022

Re: **Provincial TOC Program/Royal Orchard Station Draft Term Sheet (“Heads of Terms”) - Additional Municipal Feedback (further to feedback provided on February 18, 2022)**

York Region and YNSE local municipalities remain committed to implementing the Yonge North Subway Extension and continue to request the Province more closely align the Bridge and High Tech TOC proposals with the municipal planned vision. Since August 2021, we have provided verbal and written feedback to the Province through various channels, including:

- TOC Working Group and municipal engagement/touchpoint meetings
- Programmatic-Level TOC workshops
- Site-Specific TOC workshops
- Municipal comments matrix to Infrastructure Ontario and Ministry of Transportation
- Memo to the YNSE Executive Steering Committee
- Letters to the Ministers and Premier
- Regional and Local Municipal Council Resolutions

It is our understanding that the latest Draft Term Sheet shared with us on March 2nd sets out the Province’s proposed terms for the Programmatic-Level Agreement between the Province, Region and local municipalities (Markham and Richmond Hill), and that the Province is looking to finalize and execute the Programmatic-Level Agreement as well as the site by site Memorandum of Understanding (MOU’s) by April 2022. We also understand that the Draft Term Sheet by the Province will form the basis of the Programmatic-Level Agreement (and site by site MOU’s to follow) and that these agreements are directly linked to the inclusion of Royal Orchard Station and the TOC assurances the Province is seeking.

To-date, the Region and local municipalities including legal counsels, have participated in ten TOC Programmatic-Level Agreement meetings and have provided you with verbal and formal feedback to the Draft Term Sheet and its Heads of Terms. This memorandum is a high-level summary of the Region’s and local municipalities’ additional feedback (to feedback provided via

memorandum dated February 18th) in an effort to further the conversations underway between the Province, Region and Markham and Richmond Hill.

YNSE Negotiation – TOC Program/Royal Orchard Station Draft Term Sheet	
Provincial Draft Terms Programmatic-Level Agreement	Additional Comments/Feedback York Region/Markham/Richmond Hill
<p>Overview: Below are draft terms for a TOC Program Agreement-in Principle (AIP) between the Province, York Region, City of Richmond Hill, City of Markham and City of Vaughan (the “Parties”) to confirm the approach for implement Transit Oriented Communities (TOCs) in York Region along the Yonge North Subway Extension (YNSE). Specifically, how the value created by the Province in TOC developments on the YNSE is allocated towards community benefits, enhancements to public infrastructure and the funding of Royal Orchard Station.</p> <p>These terms apply only to TOC sites that are identified by the Province.</p>	<ul style="list-style-type: none"> ➤ Region/locals request that this Term Sheet/agreement be scoped to the two TOCs that we have line of sight on (i.e. Bridge and High Tech). It is challenging to include feedback/comments to TOCs we have not seen or know the extent of (i.e. Clark and Royal Orchard). ➤ Why is Vaughan included here? Vaughan has not been at the table for Bridge/High Tech discussions – suggest removing “City of Vaughan” ➤ TOC sites should be defined as those sites subject to this Term Sheet/Agreement.
<p>1. Existing Capital Contributions</p> <ul style="list-style-type: none"> ➤ York Region to continue to provide its full capital contribution, estimated at \$1.12 billion, towards the project capital cost of the YNSE with four stations currently in scope. 	<ul style="list-style-type: none"> ➤ Please change “estimated at” to “capped at” \$1.12B ➤ Suggest replacing bullet with the following revised wording: “York Region will make a capital contribution, capped at \$1.12 billion, towards the capital cost of the YNSE project based on the four stations currently within scope. The Province will fund the capital and financing costs to build the Royal Orchard Station.”
<p>2. Upfront Funding of New Station</p> <ul style="list-style-type: none"> ➤ The Province to fund the capital and financing costs upfront to build Royal Orchard Station. 	<ul style="list-style-type: none"> ➤ Province to confirm and clarify how this is contingent on the assurances Province is seeking from Region/locals on TOC’s. ➤ Province to confirm if assurances are linked to execution of the Term Sheet/Programmatic-Level Agreement (by April 2022). ➤ Suggest replacing bullet with the following revised wording: “The Province to fund the full capital and financing costs to build Royal Orchard Station, irrespective of receiving federal funding for this station.”
<p>3. Funding Offset - TOC Sites in York Region</p> <ul style="list-style-type: none"> ➤ To provide the Province the fiscal capability to offset the upfront costs of Royal Orchard Station, the Province is to realize the future downstream TOC proceeds from the YNSE Station sites in York Region (Clark, Bridge, High Tech and Royal Orchard Stations). 	<ul style="list-style-type: none"> ➤ Province to confirm it will be building Royal Orchard Station irrespective of additional federal funding commitment. ➤ Province to confirm/define “future downstream TOC proceeds” why for all TOC’s and not just Bridge and High Tech (if to offset the upfront costs of Royal Orchard Station only). ➤ Comment: Region/locals emphasize and reiterate their concerns that should additional TOC sites be identified by the Province; the Province will follow the same process to propose development for future TOCs that will be inconsistent with municipal vision.
<p>4. Federal Funding Contribution</p> <ul style="list-style-type: none"> ➤ The Province to seek federal funding for 40% of the capital costs of Royal Orchard station. 	<ul style="list-style-type: none"> ➤ Province to confirm that they will be building Royal Orchard Station irrespective of additional federal funding commitment.
<p>5. Conditions for TOC Sites</p> <ul style="list-style-type: none"> ➤ The Parties will apply the following principles through formal site-specific Memorandum of Understandings (MOUs) between York Region, the lower-tier municipalities, and the Province to ensure that the TOC Program is implemented successfully along the YNSE. 	<ul style="list-style-type: none"> ➤ Suggest scoping this section to what is known – Bridge and High Tech Station TOCs. ➤ Comment: The programmatic-level agreement should include a mechanism that allows for the ongoing review and refinement of the TOC proposals over time. This mechanism should outline a process for the Province to consider core changes to the TOC proposals in areas such as mix of use in response to

	<p>market conditions. This is critical given the long term timelines associated with the buildout of the community and the current level of market uncertainty.</p>
<p>Community Benefit Charges (CBCs)</p> <ol style="list-style-type: none"> 1. Community Benefit Charges – benefits to be delivered at or in the vicinity of TOC sites to create a complete community as outlined in the future municipal Community Benefits Charge (CBC) By-Law. 2. Per the revised S.37 of the Planning Act, the municipality will receive up to 4% of land value for CBC. The CBC will be paid by the TOC developer to the municipality in accordance with the municipality's future CBC by-law. 3. The future CBC by-law will impose CBCs against land to pay for the capital costs of facilities, services and matters required because of development or redevelopment in the area to which the CBC by-law applies. "In-kind" contributions may be permitted by the municipality in accordance with the municipality's future CBC by-law. 4. The municipality retains sole and complete decision-making authority over how CBC funds are allocated (on a site by site basis). 5. In instances where the municipality makes a request for "in-kind" contributions (against future CBCs) from the TOC developer, the scope of the request must be provided by the municipality prior to the finalization of site-specific agreements. The specific timeline for when the request must be provided by the municipality will be agreed upon by parties on a site-by-site basis. The municipality will confirm the value of the in-kind contribution and provide analysis that it is sufficient to deliver the requested scope prior to execution of the site-specific agreements. Failing receiving a complete in-kind contribution request from the municipality by the agreed upon timeline, no municipal-specified "in-kind" obligations will be specified by the Province to the developer and the municipality will receive their future CBC amounts in cash. 6. When the municipality agrees for its CBCs to be provided through "in-kind" contributions as part of the Provincially-led commercial agreements for the TOC site, the Province will ensure these "in-kind" contributions are registered on title or otherwise described in a commercial agreement to which the municipality is a party, as appropriate. 7. The Province will also ensure in its commercial agreement with the developer to require ownership of the "in-kind" contribution to be conveyed to the municipality or a partner as determined solely by the municipality. The Province will ensure in its commercial arrangement on the TOC sites that the developer will not charge back the municipality for any difference in the value of the "in-kind" contribution provided at the specific TOC site compared to the cash value the developer otherwise would have had to provide the municipality under the municipality's future CBC by-law. 8. For cash payment of CBCs, these would be secured through the municipality's CBC by-law. 	<ul style="list-style-type: none"> ➤ Comment: The approach to Community Benefits needs to consider potential future changes to the Community Benefits Charge regime. Municipalities need to be certain that all future funding regimes will be applicable to TOC sites. ➤ Comment: Municipalities require flexibility to modify or add future in-kind contributions. This is critical given the long term nature of the development. ➤ Suggest replacing all of the CBC language with confirmation that CBCs will be collected as permitted under respective legislation, and future legislation and/or regulations should supersede the current CBC provisions (MOUs should only include what is being varied from regular process). ➤ Bullet #2: Regarding 4% - suggest simplifying to "defer to the maximum a municipality can obtain per the legislation" in the event legislation should change over the course of the implementation of the TOCs ➤ Province to confirm that municipal requests for "in-kind" contributions (against future CBCs) from TOC developers will be scoped and specified in site-specific MOUs. The Province will include these in-kind contributions requirements in their commercial agreements with the developer. ➤ Comment: Scoping in-kind CBC contributions in the TOC MOU and commercial agreements is not supported by Markham Council's resolution. It limits the flexibility for municipality to negotiate in-kind contributions as needs evolve over time.

<p>Development Charges (DCs) and Land Value Capture (LVC)</p> <ol style="list-style-type: none"> 1. DCs levied in the normal course will be collected by the respective lower-tier municipality to fund essential municipal-wide growth-related hard infrastructure and soft services, per the existing process under the <i>Development Charges Act</i>. 2. York Region and the lower-tier municipalities agree not to impose any new, TOC site-specific land value capture tool, tax or levy on the subject sites outside of those that may be applied region-wide through normal evolution and application of such charges. 	<ul style="list-style-type: none"> ➤ Comment: The approach to development charges needs to consider potential future changes to the development charge regime. Municipalities need to be certain that all future funding regimes will be applicable to TOC sites. ➤ Bullet #1: Please clarify what is meant by “essential municipal-wide growth-related hard infrastructure and soft services”. Locals would like to confirm that all DC eligible costs are captured. ➤ Please clarify the intent of this condition. Development charge recoverable projects are distinct and different from TOC site-specific land value capture tools and should not be restricted. The language needs to consider the potential for appeals to the OLT. What happens if the region-wide charge gets appealed and core infrastructure goes unfunded. ➤ Suggest simplifying this section to “DCs will be collected by the local municipality in accordance with the Development Charges Act.” TOC developers will pay Development Charges in accordance with applicable Regional and local municipal DC by-laws or; ➤ Removing bullet #2 - Regional and local municipal staff are concerned funds for infrastructure that can only be collected through area-specific DCs would be absent to support development and expose municipalities to financial risks. This also prohibits area-specific DCs that may be needed for area-specific infrastructure works that may not be determined at this time.
<p>Provision of Schools</p> <ol style="list-style-type: none"> 1. All school sites at Bridge TOC sites will adopt an urban design (e.g., vertical construction with support for overbuild) where applicable. 2. Any schools needed to support High Tech residents as a result of the TOC development will be provided outside of the TOC boundary. 3. Outside play areas will be shared with public amenity areas (e.g., hydro corridor, public parks) under agreement with the relevant municipality. 4. Development phasing to be structured to afford flexibility for delivery of buildings while assuring school requirements are satisfied once pupil generation is known within each phase. 5. School boards will request capital funding for schools through the Ministry of Education and this funding will be outside of TOC proceeds. 	<ul style="list-style-type: none"> ➤ All bullets: Local municipalities cannot make commitments on behalf of the School Boards. ➤ Bullet #2: The emerging Richmond Hill Centre Secondary Plan does include a school site within the TOC boundary. It is more appropriate to consider the location of schools after the school boards have provided the onsite school requirements. ➤ Bullet #3: It is difficult to understand the potential implications of the proposed approach without further details. ➤ Bullet #4: The phasing of school sites should be considered as part of a broader phasing plan. As a core principle, community services must be in place to support the planned population through the buildout of the community. ➤ Have the school boards confirmed how many schools and space is needed in Bridge Station TOC? ➤ How will any additional school sites that are required be addressed in the Bridge Station TOC? ➤ What happens if funding is not provided and requires more land for conventional schools?
<p>Parkland Dedication</p> <ol style="list-style-type: none"> 1. A maximum parkland contribution will be specified through the site-specific MOU and provided by way of land conveyance or cash in lieu. 2. The municipality would not seek to levy further cash in lieu payments for the TOC sites at Bridge and High Tech. 3. Encumbered parkland will be permitted as contributions (e.g., within the hydro corridor, stratified parks, within setbacks from Pomona Creek, etc.). 4. Any parkland provided within the hydro corridor will be subject to an easement. 5. Local municipality to enter into master parkland agreement with developer to address conveyance 	<ul style="list-style-type: none"> ➤ Parkland is significant issue. If the approach is to resolve this through political channels, elected officials would want staff’s input to inform their decisions. This may create circular dialogue without achieving results before targeted timelines. ➤ Setting a maximum contribution infringes upon the existing municipal framework, and is not supported by municipal staff and Markham Council. ➤ Suggest section be revised as parkland and CIL should be addressed in programmatic-level agreement and not deferred to site-specific MOU 6-9 months after support is being requested of Council for the TOC. ➤ Suggest removing bullet #3 altogether ➤ Encumbered parkland shall not be considered equivalent to standard parkland. The municipality should retain the ability to determine whether

<p>requirements and implementation arrangements consistent with the above conditions.</p>	<p>encumbered parkland should be accepted and if so, how it should be valued and what credits, if any, may be provided.</p> <ul style="list-style-type: none"> ➤ Bullet #2: Condition appears to be redundant (based on bullet #1) and may be more appropriately considered as part of the site specific MOUs. ➤ Bullet #3: Municipalities do not typically accept lands within the hydro corridor as public parkland and would need to better understand the potential utility of these lands. ➤ Bullet #4: What permissions would the easement enable on the proposed lands?
<p>Affordable Housing/ Inclusionary Zoning (IZ)</p> <ol style="list-style-type: none"> 1. The Province will define, in its sole Discretion, affordable housing requirements, program design, and value allocation thereto for all Yonge North Subways Extension TOC sites. 2. The Province will work with municipalities on how affordable housing programs are designed and implemented. 	<ul style="list-style-type: none"> ➤ Province has advised 35% Region/local target will not be met ➤ Province will define, <u>in its sole discretion</u>, affordable housing requirements, program design and value allocation for TOC sites. (Staff are concerned municipal affordable housing targets will not be met) ➤ Province will work with municipalities on how affordable housing programs are designed and implemented. ➤ Amount of affordable and purpose-built rental housing to support a complete community should be committed by the Province and included in the programmatic-level agreement and zoning provisions. This would support provincial land use policy direction in the Growth Plan, Provincial Policy Statement and Housing Supply Action Plan. ➤ Municipal Official Plans include a 35% target for affordable housing. ➤ The proposed language should better articulate the Province’s stated objective to work collaboratively with the municipalities to deliver affordable housing within the TOC sites.
<p>Subdivision Approval</p> <ol style="list-style-type: none"> 1. York Region and the lower-tier municipalities agree to prioritize and expedite plan of subdivision approval in accordance with the designs advanced by the Province in the TOC core submission package. 2. TOC sites would follow the standard subdivision approval process, with the developer paying all associated fees that would be reasonably applied in normal course. 3. The municipalities shall identify conditions with monetary implications within the site-specific MOU, outside of DCs and CBCs, that the developer will be expected to provide. 	<ul style="list-style-type: none"> ➤ Suggest revising bullet #1 to: “York Region and the lower-tier municipalities agree to prioritize and expedite draft plan of subdivision.” ➤ Bullet #3, “..conditions with monetary implications...” This requires complete submissions and review. The timeline may not align with the expectation of the timing of the site-specific MOU. In the absence of detailed planning applications, it is challenging to determine all conditions at this stage. Recommend deletion of this clause as this request is not practical with a 30 year development proposal and also deferred to a site specific MOU that is anticipated within next 6-9 months. ➤ Bullet #3: Municipalities prefer an approach that relies on a standard municipal approvals process. The Province can identify specific requests for exceptions to the standard processes as part of the site specific MOU process to secure TOC commitments. Council will consider potential exceptions as part of the approval of the site specific MOU.
<p>Site Plan Approval (SPA)</p> <ol style="list-style-type: none"> 1. The lower-tier municipality will retain full control over site plan matters, unless an enhanced Minister’s Zoning Order (eMZO) is issued for the site. 2. If an eMZO is issued, an agreement will be required to determine if the SPA process will remain with the LTM, and if so, what conditions would be associated with the retention of this authority. 	<ul style="list-style-type: none"> ➤ Bullet #1: Local municipalities prefer an approach that relies on a standard site plan process. The locals are prepared to consider prioritizing and expediting the review of development applications in Richmond Hill Centre where possible. ➤ Need proper site planning for the TOC so that the community is built to the highest standard. Recommend deleting: “...unless an enhanced Minister’s Zoning Order (eMZO) is issued for the site.” ➤ Bullet #3: Suggest “subject developments” be replaced with “Bridge and High Tech TOC developments” and add to end of sentence, “subject to timely submission

<ol style="list-style-type: none"> 3. York Region and the lower-tier municipalities agree to prioritize and expedite SPA for the subject developments. 4. TOC sites would follow the standard SPA process, with the developer paying all associated fees that would be reasonably applied in normal course. 5. Phasing process to be agreed upon through the site-specific MOUs for processing of applications within individual development blocks. 	<p>of all required information, to the satisfaction of the municipalities.”</p> <ul style="list-style-type: none"> ➤ Bullet #5: Suggest that phasing be addressed in programmatic-level agreement and MZO (using coming into effect dates so that certain development cannot proceed until subway operational such as post 2031) and not all deferred to site-specific MOU. Expectations for employment development should also be included in phasing plans. ➤ Bullet #5: Clarification on the intent of this clause is required. We continue to highlight the need for a comprehensive phasing plan at High Tech and Bridge and would welcome a commitment in this area. ➤ For discussion, suggest adding 7th bullet: <ul style="list-style-type: none"> ○ Appeals - In exchange for the benefits obtained by the Province and the developers in this agreement, and related agreements, including the changes in the development approval process, the Province and the developers agree to refrain from filing any appeals to the Ontario Land Tribunal (or successor) or courts arising from the development approval process. This obligation shall also be included in the commercial agreement with the developer(s).
<p>6. Provincial TOC Value Contribution Additional Community Benefits</p> <ol style="list-style-type: none"> 1. A portion of the TOC value (up to the lesser of 4% TOC value or 4% land value as calculated at building permit stage), over and above the standard CBCs provided to municipalities under the <i>Planning Act</i>, may be invested into the site by the Province, provided that the priorities identified by York Region and the relevant Lower-Tier Municipality for CBCs are also a provincially-shared priority. Provincial priorities include but are not limited to: <ol style="list-style-type: none"> a. Housing outcomes (e.g., affordable housing) b. Family and community services (e.g., recreation centres, childcare) c. Institutional space (e.g., libraries) 2. The Province retains sole and complete decision-making authority over how Additional Community Benefits funds are allocated (on a site by site basis). 	<ul style="list-style-type: none"> ➤ Bullet #1: Suggest evolving language into a commitment to reinvest TOC revenues into the community. ➤ Bullet #2: Municipalities should be permitted to direct additional community funds to priority areas.

Included with this memorandum is our memorandum (and attachments) provided to the Province dated February 18, 2022 (Attachment 1).

We would appreciate a written Provincial response and request refinements to the Heads of Terms addressing the matters contained in our previous correspondence and Council resolutions, including:

1. York Region Chief Planner’s memo to the YNSE Executive Steering Committee (September 7, 2021)
2. York Region Chief Planner’s letter to the Ministers (dated November 23, 2021)
3. York Region Council Resolution (January 13, 2022)
4. City of Markham Council Resolution (January 25, 2022)
5. City of Markham letter to the Premier (January 26, 2022)
6. City of Richmond Hill Council Resolution (February 9, 2022)

We look forward to your response on these matters.

A handwritten signature in black ink, appearing to read 'Paul Freeman', followed by a period.

Paul Freeman, Chief Planner

Attachments (1)

1. Regional/Local Municipalities Memorandum/Feedback to Draft Terms Sheet:
Programmatic-Level Agreement (including Attachments 1-6)