



Staff Report for Committee of the Whole Meeting

Date of Meeting: October 2, 2019

Report Number: SRPRS.19.040

Department: Planning and Regulatory Services
Division: Development Engineering & Transportation

Subject: **SRPRS.19.040 - Authorization to Execute Servicing Agreement with Metropole Developments Inc., Maddalena Perone, Files D06-14105 and D06-17039**

Purpose:

To authorize the execution of a tri-party servicing agreement with Metropole Developments Inc. and Maddalena Perone to urbanize approximately 200 meters of Harris Avenue including the extension of the sanitary sewer and watermain along Harris Avenue, from the east limit of "Forest Hill Subdivision" (File 19T(R)-12008) to the north limit of 12050 Yonge Street.

Recommendation(s):

- a) That upon the written recommendation of the Commissioner of Planning and Regulatory Services, the Mayor and Clerk be authorized to execute a tri-party servicing agreement with Metropole Developments Inc. and Maddalena Perone, related to files D06-14105 and D06-17039, for the purpose of reconstructing approximately 200 meters of Harris Avenue (including the installation of all associated municipal services) from the east limit of Forest Hill Subdivision File 19T(R)-12008 to Yonge Street, and installing of sanitary sewers and watermain on Yonge Street from Harris Avenue to the north limit of 12050 Yonge Street; and
- b) That, upon receiving a decision from the Ontario Municipal Board for the 2016 Development Charges appeal (OMB Case No. DC160010) which confirms that the Harris Avenue Urbanization and the Urban Master Environmental Servicing Plan wastewater capital projects are included in the City-wide Engineering Development Charge, the Mayor and Council authorize a City contribution for these works from the City-wide Engineering Services Development Charges Reserve Fund.

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Contact Person:

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Paul Guerreiro, Manager of Development Engineering - Site Plans/Infill/High Rise
Construction, 905-747-6448

Report Approval:

Submitted by: Kelvin Kwan, Commissioner of Planning and Regulatory Services

Approved by: Neil Garbe, City Manager

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), City Solicitor (as required), Commissioner, and City Manager. Details of the reports approval are attached.

Background:

The two subject townhouse developments are located south of Jefferson Sideroad and west of Yonge Street on the north and south side of Harris Avenue, municipally known as 0, 25, 40, 45, 60 and 61 Harris Avenue, as shown on Map 1. These properties on Harris Avenue between Yonge Street and the existing “Forest Hill Subdivision” 19T(R)-12008 have frontages on a rural road without any municipal sewers, watermain, sidewalks and streetlighting.

The landowners, Metropole Developments Inc. and Maddalena Perone, have made a request to enter into a servicing agreement with the City to reconstruct Harris Avenue from the existing subdivision “Forest Hill Subdivision” east to Yonge Street. These works will also include the extension of the sanitary sewer system and watermain along Harris Avenue to the proposed development located at 12050 Yonge Street, for which the landowners, Golden Heights Real Estate Investment Corp. (File D06-12089), have agreed to enter into a private cost sharing agreement with Metropole Developments Inc. and Maddalena Perone to upfront the servicing costs. Staff have been working with these developers and their consultants with the comprehensive servicing review in finalizing the engineering approvals. The developer’s request to advance the external municipal works on Harris Avenue and on Yonge Street will ensure the necessary infrastructure is in place to support the subject developments and facilitate future growth in this area as shown on Map 2.

The reconstruction of Harris Avenue to urban specifications will provide the subject developments with the necessary municipal infrastructure to service the proposed townhouse complexes. Other components such as curbs, gutters and a 8.5 metre wide road pavement are presently lacking and would be constructed to meet City standards for a local road. The full reconstruction for this segment of Harris Avenue will match and connect to the existing road section west of the subject developments completed by the Forest Hill Subdivision, refer to Map 2.

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The landowners currently have active site plan applications, files D06-14105 for 25, 45 and 61 Harris Avenue and D06-17039 for 0, 40 and 60 Harris Avenue. Before any on-site works can commence, there is a need to accelerate the construction of the road improvements and municipal services in advance of the site plan agreements. This will ensure the construction of the road and services in a coordinated and timely manner to accommodate service connections and to provide construction accesses to both development sites. Advancing these works will also benefit the Golden Heights development at 12050 Yonge Street, whose owners depend on the sanitary sewer and watermain extension along Yonge Street. To facilitate the implementation of the municipal infrastructure works that will service multiple developments, staff recommends that both parties enter into a servicing agreement with the City. A tri-party agreement will establish the obligations for Metropole Developments Inc. and Maddalena Perone to construct the off-site municipal works in accordance with the approved plans and as per City standards. The servicing agreement will include all the necessary securities and fees related to the road and municipal services.

City staff support this approach but require authorization for the execution of a servicing agreement prior to the execution of Site Plan Agreements for 25, 45 and 61 Harris Avenue and 0, 40 and 60 Harris Avenue to enable these works to proceed.

Financial/Staffing/Other Implications:

Development charges are the primary source of funding for growth-related infrastructure. The 2016 City-wide Development Charges (CWDC) Update Study identifies the Harris Avenue Urbanization project which includes a new storm sewer, watermain, and public sidewalk. The CWDC Update Study also acknowledges the sanitary sewer project identified in the Urban Master Environmental Servicing Plan (UMESP) to service the Harris Avenue and Yonge Street growth area.

Following adoption of the 2016 By-law, the CWDC Update was appealed to the Ontario Municipal Board (OMB) in regards to the Harris Avenue urbanization. In November of 2017, the hearing was completed and with Council's approval, the City executed Minutes of Settlement with the OMB appellants, however, the decision from the OMB Appeal is still pending. Based on review with Finance, the appropriate method of CWDC funding for the Harris Avenue Urbanization and the UMESP wastewater projects would be a City contribution from the City-wide Engineering Development Charges Reserve Fund. Both the urbanization and wastewater sewer projects have been incorporated into the 2019 City-Wide Development Charges By-law (47-19) approved by Council.

The City contribution will be based on the cost estimate provided by the owners' engineer to a maximum amount already established in the CWDC Background Study identified for the wastewater and Harris Avenue urbanization projects, refer to Attachments A and B, and Map 3. Funding will only be provided to support the municipal works under this servicing agreement if the OMB decision is in place. The City will have the ability to adjust the CWDC funding to support these specific works depending on the OMB ruling.

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Staff recommend that Council authorize funding from the City-wide Engineering Development Charges Reserve Fund with the understanding that the exact amount would be pending the OMB decision and the actual cost of the works.

Metropole Developments Inc. and Maddalena Perone will be responsible for payment of all fees associated with preparation of all necessary agreements, legal documents, plans, review of the engineering plans, and municipal inspections. Metropole Developments Inc. and Maddalena Perone will also provide the required financial securities specified in the servicing agreement.

Relationship to the Strategic Plan:

The recommendation in this report aligns with the City's Official Plan and the Urban Master Environmental Servicing Plan. The servicing agreement will fulfill the City's objective of serving as a role model for municipal management as it promotes the timely delivery of infrastructure, manages resources wisely, and anticipates the future needs and impacts to the community.

Conclusion:

Based on the above, staff recommends the Mayor and Clerk authorize execution of a tri-party servicing agreement with Metropole Developments Inc. and Maddalena Perone to advance the reconstruction of Harris Avenue from the east limit of Forest Hill Subdivision File 19T(R)-12008 to Yonge Street including the extension of the sanitary sewer and watermain to the north limit of 12050 Yonge Street prior to the execution of the Site Plan Agreement for applications D06-14105 and D06-17039, as outlined in this report.

It is also recommended that Council authorize a City contribution from the City-wide Engineering Development Charges account as approved in the CWDC By-law 47-19 subject to refinements, if required, pending a favourable OMB decision for these works in the 2016 Development Charges appeal.

Attachments:

The following attached documents may include scanned images of appendixes, maps and photographs. If you require an alternative format, please call contact person listed in this document.

- Map 1 – Location Map
- Map 2 – Item 50 Harris Avenue Urbanization and Watermain Construction Map
- Map 3 – WW-16 MESP Wastewater Project Map
- Attachment A - 2016 Development Charges Update Study – Engineering Services, wastewater project WW-16
- Attachment B - Development Charges Background Study, Item 50 Harris Avenue Urbanization

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Report Approval Details

Document Title:	SRPRS.19.040 - Authorization to Execute Servicing Agreement with Metropole Developments Inc. and Maddalena Perone.docx
Attachments:	<ul style="list-style-type: none">- Map 1 - Location.pdf- Map 2 - Item 50.pdf- Map 3 - WW-16.pdf- Attachment A.pdf- Attachment B.pdf
Final Approval Date:	Sep 23, 2019

This report and all of its attachments were approved and signed as outlined below:

Dan Terziewski - Sep 23, 2019 - 3:32 PM

Kelvin Kwan - Sep 23, 2019 - 3:33 PM

David Dexter - Sep 23, 2019 - 4:05 PM

Neil Garbe - Sep 23, 2019 - 4:10 PM