



Staff Report for Council Meeting

Date of Meeting: April 28, 2021

Report Number: SRPI.21.038

Department: Planning and Infrastructure
Division: Infrastructure and Engineering Services

Subject: **SRPI.21.038 - Delegated Authority for Assumption of Municipal Services and related By-law**

Purpose:

To modernize the assumption process of municipal infrastructure related to development agreements in order to reduce the time and effort required to establish related bylaws and process security reductions for the development community through delegated authority.

Recommendation(s):

- a) That delegated authority be granted to the Executive Director, Infrastructure and Engineering Services within the Planning and Infrastructure Department to approve the assumption of municipal services related to development applications including assuming road allowances within registered plans as public highway, establishing lands within registered plans as public highway and establishing assumption by-laws.

Contact Person:

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Report Approval:

Submitted by: Kelvin Kwan, Commissioner of Planning and Infrastructure Department

Approved by: Mary-Anne Dempster, 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.

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Background:

As stated in York Region's Growth and Development Review, 2019, the City of Richmond Hill is within the top three municipalities in York Region with the greatest population growth by percent change between 2018 and 2019. On average, municipal servicing for about 8 to 10 subdivision developments are assumed by the City on an annual basis. Pursuant to the Municipal Act and the standard provisions of our development agreements, municipal services must be assumed by the City once construction is completed and all agreement requirements have been satisfied.

Reviewing the Assumption Process as key project through City Transformation Office was identified as a priority

The City Transformation projects are citywide initiatives that apply Lean philosophies to analyze current city processes. Lean tools help staff qualify and quantify process improvements that result in evolutionary improvements in process performed by professional staff. The assumption process was selected as a project for review using Lean principles. An inter-departmental working group was established which included technical staff involved in the current assumption process with support from management staff. The potential outcomes of the Lean review in streamlining the assumption process directly influence City and developer relations. The scope of the Lean review identified a high probability that process improvements would be identified with successful implementation.

Current Assumption Process

The current process requires a staff report and by-law detailing the specifics of the assumption of municipal services, which requires Council approval. It should be noted that these reports are considered transactional in nature and almost always approved by Council on consent. Upon approval by Council, the developer is then released a portion of the development securities and a 2 year maintenance period begins. There are many steps to prepare a Council report, the current process involves 34 steps, takes an average of 22.6 hours of staff time per report extending 9 to 10 weeks from start to finish.

The Lean Review of the Assumption Process identified a significant reduction for processing time and approvals

The inter-departmental working group met several times between October to December 2020 to conduct workshops to review the current assumption staff report process using lean principals. Through several months of diligent and engaging communication with the working group, the team focused on identifying and eliminating redundant tasks to increase efficiencies. The team was able to recommend a revised assumption approval process to remove up to 12 steps in the current process, which will be replaced with 3 new steps. The result is a net reduction of approximately 11 hours of staff time in processing assumption approvals and the time required to process an assumption may be reduced by 3 weeks. On an annual basis, this reflects a saving in staff time of about

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241.5 hours, which can be directed at the review and approval of development applications and other initiatives within the organization.

Assumption of Infrastructure through Delegated Authority is a key component in achieving efficiencies and time savings

The proposed revision to the current process mainly involves using staff delegated authority for assumption approvals in place of the current process of Council approval of related staff reports. More specifically, it is being recommended that the Executive Director, Infrastructure and Engineering Services be granted delegated authority by Council to approve assumption of municipal services related to development applications. This delegated authority would need to include assuming road allowances within registered plans as public highway, establishing lands within registered plans as public highway and establishing assumption by-laws. The revised process also includes providing a memorandum to Council twice a year to summarize municipal servicing assumptions approved under delegated authority.

Benefit to Development Community

In accordance with provisions in our development agreements, the passing of an assumption by-law is required to allow a reduction in municipal servicing securities posted by the developer. Another provision in our agreements is that the assumption by-law date is that start date for the 2-year developer warranty or maintenance period. The reduction in assumption processing time under the proposed delegated authority will benefit the development community by allowing their financial securities to be released sooner, and allow warranty periods to commence faster. This also provides benefit to new residents as municipal maintenance and services will start sooner.

Financial/Staffing/Other Implications

There are no financial implications associated with this report.

However, the savings in staff time because of this process update is valued at approximately \$12,500, which can be reinvested into the delivery of development review and approvals.

Relationship to Council's Strategic Priorities 2020-2022:

Establishing a delegated authority process for the assumption of municipal services supports the Council's strategic priority of balancing growth and financial responsibility.

Climate Change Considerations:

Climate change considerations are not applicable to this staff report.

Conclusion:

Based on the Lean Principles review of the assumption staff report process as outlined in this report, staff recommend that the Executive Director, Infrastructure and

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Engineering Services be granted delegated authority by Council to approve assumption of municipal services related to development applications.

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Report Approval Details

Document Title:	SRPI.21.038 Delegated Authority for Assumption Approval and Bylaw.docx
Attachments:	
Final Approval Date:	Apr 7, 2021

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

Dan Terziewski - Apr 6, 2021 - 1:52 PM

Paolo Masaro - Apr 6, 2021 - 2:51 PM

Kelvin Kwan - Apr 6, 2021 - 3:49 PM

MaryAnne Dempster - Apr 7, 2021 - 4:49 PM