



## **Staff Report for Council Meeting**

**Date of Meeting:** December 7, 2022

**Report Number:** SRPI.22.041

**Department:** Planning and Infrastructure  
**Division:** Infrastructure and Engineering Services

**Subject:** SRPI.22.041 - Authorization to Execute  
Servicing Agreement with Metroview  
Developments (Elmwood) Inc. (File: D06-18056)  
and Metroview Developments (Harding) Inc.  
(File: D06-20045)

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### **Purpose:**

To obtain authorization to execute a tri-party servicing agreement for the reconstruction of the Harding Boulevard municipal sanitary sewer system, from Yonge Street to German Mills Creek in support of site plan applications D06-18056 and D06-20045, and the terms for an associated City capital contribution.

### **Recommendation(s):**

- a) That the Mayor and Clerk be authorized to execute a tri-party servicing agreement with Metroview Developments (Elmwood) Inc. and Metroview Developments (Harding) Inc., upon the written recommendation of the Commissioner of Planning and Regulatory Services.

### **Contact Person:**

Rob Nicoll, Project Coordinator, 905-771-5457

Paul Guerreiro, Manager of Engineering Site Plans and Site Alterations, 905-747-6448

### **Report Approval:**

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

**Approved by:** Darlene Joslin, Interim 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:

Metroview Developments (Elmwood) Inc., the owner of the properties known municipally as 9929-9939 Yonge Street and 186-188 Church Street South, is proposing to construct a 21 storey high density mixed-use development located at the northeast corner of Yonge Street and Elmwood Avenue (File Number: D06-18056).

Metroview Developments (Harding) Inc., the owner of the properties known municipally as 9825-9839 Yonge Street, 254-264 Church Street South and 11-17 Harding Boulevard, is proposing to construct a 22 storey high density mixed-use development located at the northeast corner of Yonge Street and Harding Boulevard (File Number: D06-20045),

The location of both these developments is identified on Map 1.

For the purposes of this report, the properties will be collectively referred to as “Metroview Developments”.

Both of these developments are located within the Urban Master Environmental Servicing Plan (UMESP) study area. The UMESP was undertaken to support the City’s planned growth and intensification by providing direction on municipal servicing infrastructure requirements needed to support the planned growth in the City’s centers and corridors. The timing for the infrastructure improvements identified in the UMESP is driven by development applications. As such, development applications within the UMESP study area are required to demonstrate conformity to the UMESP and address adequacy of the external storm, sanitary and water systems to verify if and when a development triggers one of these system improvements.

Metroview Developments have submitted detailed engineering designs, including infrastructure capacity assessments, as part of their site plan applications for both developments. Review of the resulting sanitary sewer capacity assessment and flows confirms that the sanitary system upgrades for Harding Boulevard identified in the UMESP are needed to support the Metroview Development applications.

The scope of sanitary sewer pipe reconstruction along Harding Boulevard requires pipe size upgrades from Yonge Street to the Regional trunk sewer, east of Lennox Avenue, as identified on Map 2.

Metroview Developments has agreed to advance the external municipal sanitary works on Harding Boulevard to ensure the necessary infrastructure is in place to support their subject developments and facilitate future growth in this area as well as secure their approvals. Implementation of the works through the development process will ensure the construction of services in a coordinated and timely manner and accommodate critical development schedules.

Staff have been working closely with Metroview Developments and their consultant to submit and review all of the engineering plans and technical reports necessary to finalize

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engineering approvals. However, in order to be able to move forward with approvals as well as secure the obligations for the Harding Boulevard sanitary improvements and ensure that they are delivered in a fiscally responsible manner, the City will need to enter into a tri-party servicing agreement with Metroview Developments (Elmwood) Inc. and Metroview Developments (Harding) Inc.

The servicing agreement will outline the terms and obligations under which the owners will construct the improvements. The necessary securities and fees related to the municipal services will also be included as conditions and schedules within the servicing agreement. The servicing agreement will also ensure that the required municipal servicing will be constructed in accordance with approved engineering plans, and that the quality of works constructed meets City Standards through the deployment of City Inspection resources.

The City is also collecting Development Charges for the Harding Boulevard Sanitary Improvements, and as such, the City will be making a financial contribution toward the delivery of the project. The approval for funding of this contribution is being secured separately through the City's Annual Capital Budget process. The amount currently allocated for this project is \$2,788,386. Of this amount, \$1,532,400 have been approved as part of the 2022 Capital Budget, with a request coming forward for the approval of the remaining amount in the 2023 Capital Budget. The servicing agreement will also spell out the terms and obligations with respect to this City contribution, to ensure that this project is delivered in a fiscally responsible manner consistent with City policies.

Authorization is required from Council in order to execute this servicing agreement. As such, staff recommend that Council authorize the Mayor and Clerk to execute a tri-party servicing agreement Metroview Developments (Elmwood) Inc. and Metroview Developments (Harding) Inc. with respect to the delivery of services and City financial contributions outlined in this report.

### **Financial/Staffing/Other Implications:**

Development charges are the primary source of funding for growth-related infrastructure. The 2021 City-Wide Development Charges (CWDC) update study includes the infrastructure improvement projects identified in the 2014 UMESP, including the Harding Boulevard sanitary sewer upgrades, which is incorporated into the Development Charges By-law Amendment (34-21) approved by Council.

As such, the appropriate funding sources for the Harding Boulevard sanitary sewer upgrades identified in the CWDC update background study would be through the City-wide Engineering Development Charges Reserve Fund and the Water & Wastewater Rate reserves. Approval of the funding amounts for the Harding Boulevard wastewater project WW-14, including 2016 to Present DC Indexing, will be completed through the City's Annual Capital Budget process.

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Metroview Developments will be responsible for payment of all other fees associated with the preparation of necessary agreements, legal documents, plans, as well as the review of the engineering plans and municipal inspection. Metroview Developments will also provide the required financial securities specified in the servicing agreement.

### **Relationship to Council's Strategic Priorities 2020-2022:**

The recommendation in this report aligns with the City's Official Plan and the Urban Master Environmental Servicing Plan and supports the Council Strategic priorities of Balancing Growth and Green, and Fiscal Responsibility. The servicing agreement will fulfill the City's objective of serving as a role model for municipal management of services as it promotes the timely delivery of infrastructure to support growth and the future needs of the community and will ensure fiscal responsibility in the delivery of this infrastructure.

### **Climate Change Considerations:**

Evaluating pipe condition and strategically planning for rehabilitation/replacement contributes to climate change mitigation by minimizing the frequency of construction activity and the use of gas-powered equipment that results in GHG emissions.

### **Conclusion:**

Staff recommend that Council authorize the Mayor and Clerk to execute a tri-party servicing agreement with Metroview Developments (Elmwood) Inc. and Metroview Developments (Harding) Inc. to allow for the installation of municipal servicing on Harding Boulevard, from Yonge Street to the Regional trunk sewer, east of Lennox Avenue in support of development applications D06-20045 and D06-18056 as outlined in this report.

### **Attachments:**

The following attached documents may include scanned images of appendixes, maps and photographs. All attachments have been reviewed and made accessible. If you require an alternative format please call the contact person listed in this document.

- Map No. 1 - Location Map
- Map No. 2 - WW-14 UMESP Wastewater Project

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### Report Approval Details

Document Title:	SRPI.22.041 Authorization to Execute Servicing Agreement 1.docx
Attachments:	- Location Map 1.docx - WW-14 Upgrades Map 2.docx
Final Approval Date:	Nov 10, 2022

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

**Dan Terzievski - Nov 9, 2022 - 4:48 PM**

**Nick Kalyvas on behalf of Paolo Masaro - Nov 10, 2022 - 8:35 AM**

**Kelvin Kwan - Nov 10, 2022 - 8:58 AM**

**Darlene Joslin - Nov 10, 2022 - 10:20 AM**