

**Subject: Front-Ending Report – Design and Construction of the Innes Road
and Lamarche Avenue Traffic Control Signals**

File Number: ACS2023-PRE-PS-0080

Report to Planning and Housing Committee on 5 July 2023

and Council 12 July 2023

**Submitted on June 21, 2023 by Derrick Moodie, Director, Planning Services,
Planning, Real Estate and Economic Development**

**Contact Person: Wendy Tse, Coordinator, Front Ending Agreement and
Brownfields Program (A)**

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Ward: Orléans South-Navan (19)

**Objet : Rapport d'entente préalable – Conception et construction de feux de
circulation à l'angle du chemin Innes et de l'avenue Lamarche**

Dossier : ACS2023-PRE-PS-0080

Rapport au Comité de la planification et du logement

le 5 juillet 2023

et au Conseil le 12 juillet 2023

**Soumis le 21 juin 2023 par Derrick Moodie, Directeur, Services de la planification,
Direction générale de la planification, des biens immobiliers et du développement
économique**

**Personne-ressource : Wendy Tse, Coordinatrice, Ententes préalables et
Programme de friches industrielles (i)**

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Quartier : Orléans-Sud-Navan (19)

REPORT RECOMMENDATIONS

- 1. That Planning and Housing Committee recommend Council authorize the City and delegate authority to the General Manager, Planning, Real Estate and Economic Development Department, to enter into a Front-Ending Agreement with Francoise Holding Orleans Inc. (Lépine Corporation) for the design and construction of the traffic control signals at Innes Road and Lamarche Avenue to an upset limit of \$308,000 plus applicable taxes and indexing, in accordance with the Front-Ending Agreement Principles and Policy set forth in Documents 1 and 2 and with the final form and content being to the satisfaction of the City Solicitor; and**
- 2. Authorize the financial disbursement to reimburse the design and construction costs incurred by Francoise Holding Orleans Inc. (Lépine Corporation) pursuant to the Front-Ending Agreement, to a maximum amount of \$308,000 plus applicable taxes and indexing for the traffic control signals at Innes Road and Lamarche Avenue, and in accordance with the reimbursement schedule set out in the Front-Ending Agreement.**

RECOMMANDATIONS DU RAPPORT

- 1. Que le Comité de la planification et du logement recommande au Conseil d'autoriser la Ville à conclure une entente préalable avec Francoise Holding Orleans Inc. (Lépine Corporation), et délègue le pouvoir à cette fin au directeur général de Planification, Immobilier et Développement économique, en vue de procéder à la conception et à la construction de feux de circulation à l'angle du chemin Innes et de l'avenue Lamarche, jusqu'à concurrence de 308 000 \$, taxes et indexation applicables en sus, conformément aux principes et à la politique de l'entente préalable énoncés dans les documents 1 et 2, et dont la forme et le contenu définitifs seront à la satisfaction de l'avocat général; et**
- 2. Autoriser la sortie des fonds nécessaires au remboursement des coûts de conception et de construction engagés par Francoise Holding Orleans Inc. (Lépine Corporation) dans le cadre de l'exécution de l'entente préalable, jusqu'à concurrence de 308 000 \$, taxes applicables et indexation en sus, pour la conception et la construction des feux de circulation à l'angle du chemin Innes et de l'avenue Lamarche, et conformément au calendrier de remboursement fixé dans l'entente préalable.**

BACKGROUND

The proposed traffic control signals are to be located at the existing intersection of Innes Road and Lamarche Avenue in the Orléans South community of the City of Ottawa. The proposed traffic control measure was reviewed as part of the subdivision application (File No. D07-16-16-0022 PH 1, draft approved in 2017 and subsequently registered on May 6, 2019, as OC2097229), and road modification approval for 3484 Innes Road and 240 and 270 Lamarche Avenue. The registered subdivision agreement includes clauses requiring the developer, Francoise Holding Orleans Inc. (Lépine Corporation), to file a Front Ending Agreement application (submitted February 1, 2023, D07-20-23-0001) to front end the signals. If approved by Council, the developer would be responsible for the operation and maintenance of the signals until 2031 and the signals are approved for assumption by the General Manager, Planning, Real Estate and Economic Development Department. The road modification approval (RMA) is currently waiting on this approval for the front-ending agreement before being finalized.

Currently, the intersection of Innes Road and Lamarche Avenue is controlled by a stop sign on Lamarche Avenue. A number of planned and ongoing developments in this area are expected to increase the use of this intersection, including the future East Urban Community Mixed Use Centre CDP which is expected to provide 2,040 dwelling units and an employment area for 830 new jobs. This front-ending report only relates to the above ground traffic control signals. The associated turn lanes and other underground structures are not part of this report.

The proposed intersection control measure is listed within the 2019 City-Wide Development Charges Background Study as Item 1.11.12, Intersection Control Measures (Traffic Signals, Roundabouts & Turning Lanes), with a timing of 2031 and a gross project cost of \$10,725,000. The proposed upset limit of \$308,000 plus applicable taxes has been reviewed and supported by staff and is within the upset limit outlined in the background study.

DISCUSSION

Lépine Corporation has submitted a front-ending application (D07-20-23-0001) in order to enter into a front-ending agreement with the City to allow for the design and construction of the Innes Road and Lamarche Avenue intersection traffic control signals in advance of the development charges by-law schedule for these works. The cost has been identified as \$308,000 plus applicable taxes and indexing (budget authority of \$313,421).

The Innes Road and Lamarche Avenue signals are an important intersection control measure to support Lépine Corporation's proposed resubdivision (D07-16-21-0033) and development of the vacant mixed-use block located at 3484 Innes Road and 240 and 270 Lamarche Avenue as well as the existing and future development in this area. The traffic signal will allow for safe and efficient vehicle access and egress to Innes Road. The work is anticipated to occur in 2023/2024 to support the overall development. The front-ended work relates to the above ground traffic control signals. The associated turn lanes and other underground infrastructure required are not a part of this report. These components are subject to a road modification approval resulting in a separate RMA agreement and funds are available, therefore payback of these components will be in 2024.

Upon completion of the proposed works and fulfillment of the front-ending agreement conditions, the full repayment of the cost of the works, subject to approval, is to occur in 2031. The applicant is responsible for any operating cost relating to the signals prior to 2031.

RURAL IMPLICATIONS

There are no rural implications associated with the proposed Front-Ending Agreement.

COMMENTS BY THE WARD COUNCILLOR(S)

Councillor Catherine Kitts, Ward 19, provided the following comment: I am in full support of this intersection being signalized, and hope to see it completed as quickly as possible. This growing community needs a safe entry/exit, and I know residents will welcome this long-awaited improvement.

Abutting Councillor Laura Dudas, Ward 2, is aware of the application related to this report.

LEGAL IMPLICATIONS

There are no legal impediments to implementing the recommendations of this report

RISK MANAGEMENT IMPLICATIONS

There are no risk implications associated with this front-ending project.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications associated with the recommendations in this report.

FINANCIAL IMPLICATIONS

All front-ending agreements are subject to the front-ending principles noted in Document 1 and the Council approved front-ending policy noted in Document 2.

The front-ending report and subsequent agreement are in accordance with the 2019 Development Charges By-law, the 2019 Development Charges Background Study and the Development Charges Amended Background Study: Transit and Roads Related Services.

The upset limit and cost breakdowns are below. Repayments are subject to fulfilment of the Front-Ending Agreement conditions and will be based on the actual values of the costs incurred, to the upset limit. Should the actual costs exceed the upset limit, the additional costs shall be borne by the developer and the City shall not be obligated to compensate for additional costs.

Pending Council approval for the City to enter into the Front-Ending Agreement, capital accounts will be established with budget authorities of the upset limit, 100 per cent funded by development charges.

Cost breakdown of Traffic Control Signals at Innes Road and Lamarche Avenue:

Development Charge Item 1.11.12, Intersection Control Measures (Traffic Signals, Roundabouts & Turning Lanes)	Cost Breakdown
A. Construction	\$220,000
B. 15% Engineering	\$33,000
C. 10% Project Management	\$22,000
D. 15% Contingency	\$33,000
Sub-Total	\$308,000
E. City Sunk HST (1.76% of Sub-Total)	\$5,421
Total	\$313,421

Pending Council approval for the City to enter into the Front-Ending Agreement, a capital account will be established with budget authority of \$313,421, 100 percent funded by development charges.

Upon completion of work and fulfillment of Front-Ending Agreement conditions, repayment will occur in 2031.

The annual operating cost for the front-ended signals shall be born by the applicant prior to 2031. The estimated annual operating cost is \$11,500.00.

ACCESSIBILITY IMPACTS

There are no accessibility implications associated with this report.

SUPPORTING DOCUMENTATION

Document 1 Front-Ending Agreement Principles

Document 2 Council Approved Front-Ending Policy

Document 3 Location Map

DISPOSITION

Legal Services to prepare the final form of the agreements in consultation with the Planning, Real Estate and Economic Development Department.

The Treasurer to earmark funds for repayment as noted in this report.

Document 1 – Front-Ending Agreement Principles

1. Francoise Holding Orleans Inc. (Lépine Corporation) is required to post 100 per cent securities for the full cost of the Traffic Control Signals at Innes Road and Lamarche Avenue, estimated at \$308,000 including engineering cost plus applicable taxes.
2. The cost of the Traffic Control Signals at Innes Road and Lamarche Avenue to be funded, including all associated works, is estimated at \$308,000 including engineering cost plus applicable taxes. All costs incurred shall be justified and include supporting invoices and payment certificates.
3. The City will reimburse Francoise Holding Orleans Inc. (Lépine Corporation) for the cost of the traffic signal in 2031 once work has been completed and accepted by the City, provided the applicant satisfies all requirements in accordance with the Council approved Front-Ending Policies in Document 2.
4. The repayment of construction costs for the Traffic Control Signals at Innes Road and Lamarche Avenue shall be pursuant to Council-approved Front-Ending Agreement Policy as referenced under Document 2.

Document 2 – June 25, 2009 Council-Approved Front-Ending Policy

Front-Ending Agreements are requested by developers who wish to have specific growth-related capital works in place in advance of the City's capital project plans for emplacement of these same works: developers agree to finance the works at the "front-end" and recover their costs from the City at a later date. The following conditions must be met in order for the City to enter into a Front-Ending Agreement:

1. All Front-Ending Agreements with the City will be for growth-related capital works that have been included in a development charge study.
2. The contract for front-ended works shall be awarded by the front-ender in accordance with the City's Purchasing Policy of a competitive procurement process and subject to the review and satisfaction of the General Manager, Planning, Infrastructure and Economic Development Department. Where the front-ender does not award the work in accordance with the City's purchasing policy, they must demonstrate that competitive pricing has been obtained, through independent analysis of their engineer, to the satisfaction of the General Manager, Planning, Infrastructure and Economic Development Department. The contract for the work must be made available to the City to provide to the public.
3. Stormwater ponds and related sewer works that are 100 per cent development charge funded in the recommended by-laws will be paid back to the developer based on revenues as they are collected from the designated area. This means that at no time are the repayments to exceed the revenues received. Each Front-Ending Agreement will define the geographic area involved and a separate and specific deferred revenue account may be set up to keep track of the revenues collected and payments made. Crediting will also be allowed for the Front-Ending Agreements related to storm water ponds. Indexing shall apply to the outstanding balance in accordance with the rate of indexation pursuant to the Development Charge By-laws.
4. For all other capital projects, a lump sum payment, both the development charge portion and the City portion, will be made to the developer in the year the project is identified in the City's 10-year capital plan at the time the Front-Ending Agreement is approved. Should growth occur earlier than forecasted, then repayment would be accelerated to reflect the revised timing the City would have budgeted for the project. If growth occurs more slowly than forecasted, then the City will have an additional one to three years (one to three years from the year the project was identified in the 10-year plan) to make repayments. Only in this

latter case will the City's portion of the payment be indexed beginning with the year the project was identified in the ten-year plan.

5. Given that the City will be assuming operating costs earlier than anticipated through the Front-Ending Agreement process; the City is not to pay any carrying costs to the developer.
6. All development charges payable by developers must be paid up front in accordance with the City's by-law. With the exception of the stormwater ponds and related sewer works, there will not be any crediting allowed as a result of entering into a Front-Ending Agreement. On December 8, 2004, City Council approved, "That staff be directed to work with the industry to develop the details of a credit policy to be incorporated into the Front-Ending Policy".
7. In the case where multiple Front-Ending Agreements are in force in the same area-specific Development Charge By-law, and the City has approved the front-ended works for development charge reimbursements, the front-enders will share in the distribution of development charge revenues on a pro-rata basis with other storm water drainage projects. The pro-rated works shall be based on the balance of the outstanding amount owing on the date the repayment is due. Existing front-enders will be advised of new Front-Ending Agreements for stormwater works within the same benefiting area and area-specific Development Charge By-law.
8. The capital project upset limits for engineering, project management, and contingency shall be the established rates set in accordance with the City's Development Charge By-laws and accompanying background studies, as amended.
9. Land remuneration shall be subject to an appraisal by a professional land appraiser and the appraisal shall be conducted in accordance with the terms of reference as established in the City's Development Charge By-laws and accompanying background studies, as amended. The upset limit for land remuneration shall be the lesser of the appraised value and the upset limit in accordance with the City's Development Charge By-laws and accompanying background studies.
10. Indexing shall apply to the total project costs if the front-ended works have been delayed over a period of time; the front-ender provides justification for the delay, and with the written concurrence of the City.




11. Where a front-ender is eligible for development charge reimbursement, documentation is required to support the reimbursement in accordance with the City's Purchasing Policy. The Front-Ending Agreement shall identify at which stage the documentation shall be required. The following documentation shall be forwarded to the City before payment is issued:
 - An invoice summarizing the front-ended works, and separate cost items, if applicable, for land, construction costs, engineering fees, project management fees, contingency fees, and applicable taxes.
 - Payment Certificates, including the final certificate, signed by the developer's civil engineer.
 - All invoices supporting re-payment for the front-ended works.
 - Statutory Declaration.
 - Certificate of Substantial Performance.
 - Workplace Safety and Insurance Board Clearance Certificate (WSIB).
 - Certificate of Publication.
12. A report to Council is required to authorize staff to enter into a Front-Ending Agreement. The recommendation will include the financial commitment of the City, specify the funding source(s), the project timeline and where necessary, request that a specific deferred revenue account be established. The financial comment in the report will specify the timelines for the repayment, an operating budget impact and an estimate of the year in which the operating budget impact will begin. It should also indicate the year in which the project was originally identified in the City's 10-year capital plan. A capital project will be established upon Council approval to enter into a Front-Ending Agreement. The status of these projects will be provided to Council on a yearly basis.
13. No capital project identified outside of the Council approved ten-year long range capital plan, shown in the Development Charge Background Study is eligible to be front-ended unless another item(s) of comparable value, funding allocation, and timing is delayed. A capital project identified with a post-period deduction applied to the gross cost will only have the development charge portion reimbursed if front-ended over the term of the by-law. Indexing would not be applicable to the repayment of the post-period component of the project cost. If growth occurs more slowly than forecasted, then the City Treasurer will have the

authority to add an additional three years, without interest, to the repayment of the post-period component of the front-ended project from development charges.

Document 3 – Location Map

For an interactive Zoning map of Ottawa visit geoOttawa



		LOCATION MAP / PLAN DE LOCALISATION FRONT ENDING AGREEMENT / ACCORD DE FINANCEMENT INITIAL	
D07-20-23-0001	23-0420-R		3484 ch. Innes Rd & 240, 270 av. Lamarche Ave.
I:\CO\2023\Innes_3484_Lamarche_240_270			
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REVISION / RÉVISION - 2023 / 05 / 09			Traffic Control Signals at Innes Road and Lamarche Avenue / Feux de circulation à l'angle du chemin Innes et avenue de Lamarche