

**Subject: Front-Ending Report – Design and Construction of the March Road  
and Buckbean Avenue Intersection**

**File Number: ACS2025-PDB-PS-0005**

**Report to Planning and Housing Committee on 15 January 2025  
and Council 22 January 2025**

**Submitted on January 6, 2025 by Derrick Moodie, Director, Planning Services,  
Planning, Development and Building Services Department**

**Contact Person: Laurel McCreight, Coordinator, Front Ending Agreement and  
Brownfields Program (A)**

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**Ward: Kanata North (4)**

**Objet : Rapport d'entente préalable – Conception et construction de  
l'intersection du chemin March et de l'avenue Buckbean**

**Dossier : ACS2025-PDB-PS-0005**

**Rapport au Comité de la planification et du logement**

**le 15 janvier 2025**

**et au Conseil le 22 janvier 2025**

**Soumis le 6 janvier 2025 par Derrick Moodie, Directeur, Services de la  
planification, Direction générale des services de la planification, de  
l'aménagement et du bâtiment**

**Personne ressource : Laurel McCreight, Coordinatrice, Ententes préalables et  
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**Quartier : Kanata-Nord (4)**

## REPORT RECOMMENDATIONS

That Planning and Housing Committee recommend Council:

1. Authorize the City and delegate authority to the General Manager, Planning, Development and Building Services Department, to enter into a Front-Ending Agreement with CU Development Inc. and Mattamy (Northwoods) Limited for the design and construction of the intersection at March Road and Buckbean Avenue to an upset limit of \$2,620,687.13 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 CU Development Inc. and Mattamy (Northwoods) Limited pursuant to the Front-Ending Agreement, to a maximum amount of \$2,620,687.13 plus applicable taxes and indexing for the intersection at March Road and Buckbean Avenue, and in accordance with the reimbursement schedule set out in the Front-Ending Agreement.

## RECOMMANDATIONS DU RAPPORT

Que le Comité de la planification et du logement recommande au Conseil " :

1. d'autoriser la Ville à conclure une entente préalable avec CU Development Inc. and Mattamy (Northwoods) Limited, et délègue le pouvoir à cette fin au directeur général de Planification, Aménagement et Bâtiment, en vue de procéder à la conception et à la construction de l'intersection du chemin March et de l'avenue Buckbean, jusqu'à concurrence de 2 620 687,13 \$, 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 le décaissement nécessaire au remboursement des coûts de conception et de construction engagés par CU Development Inc. and Mattamy (Northwoods) Limited, dans le cadre de l'exécution de l'entente préalable, jusqu'à concurrence de 2 620 687,13 \$, taxes applicables et indexation en sus, conformément au calendrier de remboursement fixé dans l'entente préalable.

## **BACKGROUND**

The proposed intersection of March Road and Buckbean Avenue is located in the Kanata North Urban Expansion Area in the City of Ottawa. The proposed intersection was reviewed as part of subdivision application (File No. D07-16-18-0023, draft approved in December 21, 2021) and pending road modification approval (RMA) (RMA-2022-TPD-051) for 1053, 1075 and 1145 March Road. The draft approval conditions include the requirement for the developer, CU Development Inc. and Mattamy (Northwoods) Limited, to file a Front Ending Agreement application (submitted September 20, 2024, File No. D07-20-24-0001) to front end, design and construct the intersection. If approved by Council, the developer would be responsible for the operation and maintenance of the signals until the signals are approved for assumption by the General Manager, Planning, Development and Building Services Department. The RMA is currently waiting on the approval for the front-ending agreement before being finalized.

Currently, March Road is a two-lane, undivided arterial road in the vicinity of the proposed new intersection. There are unpaved shoulders on both sides and the road has a posted speed limit of 80 kilometres per hour. Buckbean Avenue is proposed to be a two-lane local road with a sidewalk on one side and a multi-use pathway on the other. The location of the intersection is in the Kanata North Urban Expansion Area; an area envisioned as a master-planned community of approximately 3,000 dwelling units with a range of housing options and a vibrant, well defined mixed-use core along March Road. On the east side of March Road, a draft approved subdivision (File No. D07-16-19-0020) includes a proposed local road that aligns with Buckbean Avenue as part of this intersection.

The total estimated cost for the work is \$2,620,687.13, including construction, engineering, project management and contingency. Funding has been identified from the existing Intersection Control Measures Budget, which will be used to pay back CU Development Inc. and Mattamy (Northwoods) Limited.

## **DISCUSSION**

CU Development Inc. and Mattamy (Northwoods) Limited has submitted a front-ending application (D07-20-24-0001) in order to enter into a front-ending agreement with the City. This agreement will allow for the design and construction of the March Road and Buckbean Avenue four-legged signalized intersection in advance of the development charges by-law schedule for these works. The cost has been identified as \$2,620,687.13 plus applicable taxes and indexing. Anticipated additional annual

operating costs for the traffic signal, new lanes on March Road, sidewalks, and multi-use pathway are expected to be \$19,130, however this fee is subject to change. The developer is required to pay the annual operation and maintenance costs until the traffic control signal warrants are met.

The March Road and Buckbean Avenue intersection is an important intersection to support CU Development Inc.'s proposed subdivision at 1053, 1075 and 1145 March Road and Mattamy (Northwoods) Limited's proposed subdivision at 1020 and 1040 March Road, as well as the existing and future development in this area. The traffic signal will allow for safe and efficient vehicle ingress and egress to March Road. The work is anticipated to occur in 2025 to support the overall development. The front-ended work relates to the four-legged signalized intersection, including auxiliary left-turn and right-turn lanes, concrete sidewalks, crosswalks, cycle tracks, and cross rides.

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 2025. The applicant is responsible for any operating and maintenance costs relating to the signals until the City's traffic control signal warrants are met.

### **RURAL IMPLICATIONS**

This front-ended intersection is integral to safe and efficient traffic operations on March Road, which is an important north-south arterial road that connects the rural and urban areas.

In the short term, there will be traffic delays on March Road during the construction of the proposed intersection.

### **COMMENTS BY THE WARD COUNCILLOR(S)**

I welcome the introduction of a controlled intersection at March Road and Buckbean Avenue as it is critical to the service and operations of Ottawa's newest fire station (Fire Station 45) and route for future subdivisions in Kanata North.

While I welcome this critical infrastructure, I wish to stress the importance of the intersection at Invention and March some 500 metres south, where residents currently reside, which has seen recent accidents, and greatly concerns the neighbours there. I trust that the intersection at Buckbean Avenue will assist in better controlling traffic all along March Road.

**LEGAL IMPLICATIONS**

There are no legal impediments to adopting the recommendations in 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 recommendations of this report.

The recommendations documented in this report are consistent with the City's Comprehensive Asset Management (CAM) Program objectives. The implementation of the Comprehensive Asset Management program enables the City to effectively manage existing and new infrastructure to maximize benefits, reduce risk, and provide safe and reliable levels of service to community users. This is done in a socially, culturally, environmentally, and economically conscious manner.

The traffic control signal on March Road and related intersection works to be installed through this FEA will support growth in the adjacent development area and on a timeline that supports development. This infrastructure supports a level of service expectation and what needs to be done to achieve those levels.

**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 2024 Development Charges By-law, the 2024 Development Charges Background Study.

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, a capital account will be established with budget authorities of \$2,666,811.22, 100 per cent funded by the Intersection Control Measures Budget.

Cost breakdown of Intersection at March Road and Buckbean Avenue:

<b>Development Charge Item 2.3 Intersection Control Measures (Defined)</b>	<b>Cost Breakdown</b>
A. Construction	\$1,871,919.37
B. 15% Engineering	\$280,787.91
C. 10% Project Management	\$187,191.94
D. 15% Contingency	\$280,787.91
<b>Sub-Total</b>	<b>\$2,620,687.13</b>
E. City Sunk HST (1.76% of Sub-Total)	\$46,124.09
<b>Total</b>	<b>\$2,666,811.22</b>

Upon completion of work and fulfillment of Front-Ending Agreement conditions, repayment will occur in 2025.

The anticipated estimated annual operating cost is \$19,130. The developer is required to pay operating and maintenance costs until the City's traffic control signal warrants are met and this fee is subject to change.

### **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, Development and Building Services Department.

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

**Document 1 – Front-Ending Agreement Principles**

1. CU Development Inc. and Mattamy (Northwoods) Limited is required to post 100 per cent securities for the full cost of the intersection at March Road and Buckbean Avenue, estimated at \$2,620,687.13, including construction, engineering, project management and contingency costs plus applicable taxes.
2. The cost of the intersection at March Road and Buckbean Avenue to be funded, including all associated works, is estimated at \$2,620,687.13 including construction, engineering, project management and contingency costs plus applicable taxes. All costs incurred shall be justified and include supporting invoices and payment certificates.
3. The City will reimburse CU Development Inc. and Mattamy (Northwoods) Limited for the cost of the intersection and traffic control signal in 2025 once work has been completed and accepted by the City, provided the applicant satisfies all requirements in accordance with the Council-approved Front-Ending Policy in Document 2.
4. The repayment of construction costs for the intersection and traffic control signal at March Road and Buckbean Avenue shall be pursuant to the 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



		LOCATION MAP / PLAN DE LOCALISATION FRONT ENDING AGREEMENT / ACCORD DE FINANCEMENT INITIAL	
D07-20-24-0001	24-1194-D		
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