

**Subject: Infrastructure Agreement and Area-Specific Development Charge for
Shadow Ridge (Greely)**

File Number: ACS2026-PDB-PS-0015

**Report to Agriculture and Rural Affairs Committee on 5 February 2026
and Council 11 February 2026**

**Submitted on January 27, 2026 by Derrick Moodie, Director, Planning Services,
Planning, Development and Building Services and**

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Ward : Osgoode (20)

**Objet: Entente sur l'infrastructure et redevance d'aménagement propre au
secteur de Shadow Ridge (Greely)**

Dossier : ACS2026-PDB-PS-0015

**Rapport au Comité de l'agriculture et des affaires rurales le 5 février 2026
et au Conseil le 11 février 2026**

**Soumis le 27 janvier 2026 par Derrick Moodie, Directeur, Services de la
planification, Direction générale des services de la planification, de
l'aménagement et du bâtiment et**

**Isabelle Jasmin, Trésorière municipale adjointe, Services des finances
municipales, Direction générale des finances et des services organisationnels**

**Personne ressource: Adam Brown, Manager, Examen des demandes
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Gary Baker, Coordonnateur de programme, Direction générale des finances et

des services organisationnels**Quartier: Osgoode (20)****REPORT RECOMMENDATIONS****That the Agriculture and Rural Affairs Committee recommend Council:**

- 1. Delegate authority to the General Manager, Planning, Development and Building Services department to enter into a Third-Party Infrastructure Agreement with DCR Phoenix Development Corporation Limited for the detailed design, tender and construction of the required upgrade project for the drinking water plant for the Shadow Ridge development in the Village of Greely.**
- 2. Approve an Area-Specific Development Charge, and enactment of an amendment to Development Charge By-law 2024-218, as amended, as described in this report, for the financing of future infrastructure for the Public Service Area in the Village of Greely.**
- 3. Approve the [City of Ottawa 2025 Area-Specific Development Charges Background Study for Water and Wastewater Treatment Village of Greely - Shadow Ridge and Lakeland Meadows](#).**

RECOMMANDATIONS DU RAPPORT**Que le Comité de l'agriculture et des affaires rurales recommande au Conseil :**

- 1. De déléguer au directeur général des Services de la planification, de l'aménagement et du bâtiment le pouvoir de conclure une entente relative aux infrastructures avec la firme DCR Phoenix Department Corporation Limited, pour la conception détaillée, le processus de soumission et les travaux requis dans le cadre du projet de modernisation de l'usine de traitement de l'eau potable devant alimenter le lotissement Shadow Ridge, situé dans le village de Greely.**
- 2. D'approuver une redevance d'aménagement propre au secteur, et d'adopter une modification du *Règlement sur les redevances d'aménagement 2024-218*, tel que modifié et décrit dans le présent rapport, en vue de financer la future infrastructure de la zone de services publics du village de Greely.**

3. D'approuver [l'Étude préliminaire de 2025 de la Ville d'Ottawa sur les redevances d'aménagement propres au secteur pour le traitement de l'eau et des eaux usées, village de Greely – Shadow Ridge et Lakeland Meadows \(en anglais seulement\)](#).

Learn more about [link to Development Application process - Zoning Amendment](#)

For all the supporting documents related to this application visit the [link to Development Application Search Tool](#).

BACKGROUND

Description of site and surroundings

The Village of Greely is located in the southeastern area of rural Ottawa in Osgoode Ward 21. Greely is the currently the third largest village, by population, in the City of Ottawa.

While the residential dwellings in the village are primarily on private well and septic systems, as per the Village of Greely Secondary Plan, residential uses on lands legally known as Concession IV, Lots eight and nine shall be serviced by public communal water and sanitary systems. Developments eligible to use public services in this area of Greely include Shadow Ridge (current and future phases) as well as the future phases of Lakeland Meadows. There are currently 196 units using the existing drinking water plant in Greely.

Third Party Infrastructure Agreement for water plant upgrade

Shadow Ridge is a multi-phased residential development. There were 160 units in Phase 1 registered in July 2006. These units are built and occupied. Phase 2 was registered in May 2014. Of that phase, 36 units are built and occupied. There were an additional 79 lots created in Phase 2 on that a reserve was implemented to prevent development until there were sufficient upgrades to the communal drinking water plant to allow the development to proceed

Following a sale from the original developer to DCR Phoenix Development Corporation Limited (DCR Phoenix), discussions have taken place between the new owner and staff in Infrastructure and Water Services to determine a satisfactory upgrade solution to the existing drinking water plant to allow the remaining 79 lots in Phase 2 of Shadow Ridge to be constructed.

The design, tender and construction of this infrastructure upgrade will be coordinated by City staff with financing from the developer. Authority is required to be delegated by Council to staff to enter into an agreement to facilitate the project construction.

Area-Specific Development Charge

In the longer term, new drinking water and sanitary systems will be required to enable future phases of Shadow Ridge, Lakeland Meadows and any other development proposed within the Public Service Area. In order to finance this infrastructure, an Area-Specific Development Charge is required to be approved by Council. The Area-Specific Development Charge (ASDC) must be in place before the remaining 79 lots in Phase 2 of Shadow Ridge will be allowed to proceed.

The ASDC is based on updates to the various assumptions included within the R.V. Anderson Associates Limited Memorandum ("RVA Memo"), as described in the ASDC Background Study. The RVA Memo was intended to provide revised estimates of the forecasted capital cost to implement water and wastewater treatment for input to the ASDC to allow the pending development approvals process to proceed. The City and developers still must fulfill planning requirements, including the Municipal Class Environmental Assessment (EA) process, prior to proceeding with implementation of the long-term preferred water and wastewater servicing and treatment solutions.

DISCUSSION

Third Party Infrastructure Agreement for water plant upgrade

The scope of the project for the Shadow Ridge Water Treatment Plant (WTP) expansion includes interim upgrades on the Civil, Structural and Architectural aspect of the facility as well as on the mechanical process and electrical, instrumentation and controls. This "bridge solution" proposed by Arcadis Group Professional Services (engaged by the developer, DCR Phoenix) is meant to be a short-term solution to accommodate the additional units until a future WTP is constructed by the City to meet future development needs.

The upgrade to the drinking water plant infrastructure will ensure reliable service for drinking water to be provided to existing residents and the 79 new lots to be built as part of Shadow Ridge Phase 2.

As this upgrade only serves a phase of Shadow Ridge development in Greely, they are considered a local service. As a local service, the costs are entirely the responsibility of the developer and are not funded by development charges, the tax base, or the water rate. In most cases, the developer would undertake construction of local services themselves and upon completion, turn the asset over to the City, as was the approach

when the Greely water plant was initially constructed. Now that the system is operational, given the inherent risks and responsibilities associated with a live drinking water system, the City requires that these construction projects be managed by the City. The developers will advance the projects through the design phase, and the City will undertake the procurement process and manage the construction.

Due to the unique nature of this arrangement, Staff do not have delegated authority to enter into an agreement to accept funds from the developers to undertake the work on their behalf.

In order for this project to proceed in an effective manner, staff are recommending that Council grant delegated authority to the General Manager, Planning, Development and Building Services department to enter into a third-party infrastructure agreement with DCR Phoenix for the tender and construction of the upgrade to the Greely (Shadow Ridge) water plant.

The estimated cost for the Greely water plant construction upgrade project, including project management, soft costs and contingencies is \$5,004,600 million. Staff are recommending that delegated authority be granted to enter into an agreement as necessary. Due to the uncertainty related to tender prices, and the fact that there would be no impact to City budgets, staff are also recommending that the authority granted to the General Manager, Planning, Real Estate and Economic Development not be bound by an upset limit, provided there is no use of City funds. Prior to releasing the tender, the City will require the financial contribution from the developers to be paid or secured completely through a letter of credit.

Area-Specific Development Charge

The ASDC Background Study summarizes the evaluation and the calculation of development charges specifically for the growth areas of Shadow Ridge and Lakeland Meadows in Greely. The ASDC charges are intended to fund upgrades to communal water and wastewater infrastructure essential for servicing the growth of these developments. The objective is to ensure that the costs of servicing growth are recovered from new development within the benefitting area, consistent with the City's long-standing "growth pays for growth" practice and the *Development Charges Act*, 1997. A preliminary technical review was conducted, but final servicing designs will be finalized through the Environmental Assessment (EA) process.

R.V. Anderson Associates Limited (RVA) provided the technical foundation for this study through an RVA Memorandum. Their work revised growth forecasts, identified required upgrades to communal drinking water treatment/storage and wastewater treatment systems, and updated capital cost estimates for input to the ASDC

calculation. RVA's estimates and assumptions inform the proposed charges, while acknowledging that the preferred servicing alternative and detailed design will be determined through forthcoming EA studies. The study is based on a residential growth forecast of approximately 1,204 units, incorporates risk factors and a 25 per cent contingency on Class C estimates, and applies mandatory deductions for ineligible costs and a five per cent Benefit-to-Existing (BTE) allocation. No "uncommitted excess capacity" or applicable reserve balances were identified. The City will finalize BTE attribution once the preferred design is selected through the EA and master servicing work.

The study also addresses policy considerations, such as the rationale for area-based charging aligned with City practice, and notes that 'local services' are developer obligations separate from DC calculations.

RURAL IMPLICATIONS

The expansion project for the Shadow Ridge drinking water plant and the implementation of the Area-Specific Development Charge will allow for the orderly development of the lands in the Public Service Area in Greely, as contemplated in the Official Plan and Village of Greely Secondary Plan.

CONSULTATION

A number of consultations involving the development industry, relevant agencies, and general public were carried out as part of the preparation of the Area Specific Development Charge report, including:

- Information on ottawa.ca
- A Technical Advisory Committee (TAC) comprised of City staff from a variety of departments
- Meetings with local development industry representatives in 2025
- Email updates to key stakeholders, including development industry representatives.
- Negotiations with development industry representatives on project contributions (2025)

COMMENTS BY THE WARD COUNCILLOR(S)

Ward Councillor Isabelle Skalski is aware of this report.

LEGAL IMPLICATIONS

There is no legal impediment to the approval of the Third-party infrastructure agreement. With respect to the area specific development charge by-law, the City and the developers have co-operatively worked with respect to the preparation of the background study and draft development charge by-law amendment. However, in contrast to the current Planning Act provisions for zoning by-laws and official plan amendments, third party appeals of area specific development charge by-laws are not prohibited.

RISK MANAGEMENT IMPLICATIONS

The expansion of the drinking water plant will ensure additional development in Shadow Ridge Phase 2 can proceed with appropriate capacity and redundancy.

The City has engaged with the area developers to proceed with planning of the longer-term solution for water and wastewater for the area. This includes scoping and identifying roles and responsibilities for the Master Servicing Study and the Environmental Assessment process. Implementation of these processes will find the most effective solutions for the expansion of the existing water and wastewater systems.

ASSET MANAGEMENT IMPLICATIONS

Approval will add and expand communal drinking water infrastructure at the Greely (Shadow Ridge) drinking water plant, increasing the City's asset inventory and associated lifecycle operation, maintenance, and renewal obligations. The companion Area-Specific Development Charge and infrastructure agreement apply a growth-pays-for-growth approach by recovering eligible communal water and wastewater costs from benefiting development, supporting sustainable funding while maintaining approved levels of service for existing and future residents.

FINANCIAL IMPLICATIONS

All costs associated with the detailed design, tender and construction of the required upgrade project for the drinking water plant is the responsibility of the developer DCR Phoenix Development Corporation Limited. The current estimate is \$5,004,600, which is subject to change due to the uncertainty related to tender prices. Pending council approval budget authority for a new capital account will be created to reflect the total estimate. To limit the financial risk of the City the developers will be required to provide a letter of credit or full cash contribution for the total cost of works prior to the award of tender. Pending an executed agreement, if a letter of credit is provided, invoices will be submitted to the developers for cost of works as outlined in the agreement. The

agreement will require funds to be provided to the City in advance of the City incurring expenditures. Any increases in costs for the projects after execution of the agreement is the responsibility of the developer DCR Phoenix Development Corporation Limited. Costs included in the Greely Shadow Ridge ASDC total approximately \$27.3 million for the Wastewater Treatment System, and approximately \$34.7 million for the Water Treatment System. These costs will be recoverable from the associated development charges at 95 per cent, with the remaining five (5) per cent attributed as benefit to existing funded from non-development related sources, such as rate revenues. There will be long-term operating cost implications as the assets are constructed and in operation. The operating costs are not known at this time, however, increases in revenue related to rate revenues are expected to fully offset these operating costs. Operating budgets are reviewed on an annual basis and any increase in operating costs would be funded by rate revenues.

ACCESSIBILITY IMPACTS

There are no accessibility impacts.

TERM OF COUNCIL PRIORITIES

This project addresses the following Term of Council Priorities:

- A city that has affordable housing and is more liveable for all.

SUPPORTING DOCUMENTATION

Document 1 Location Map

Document 2 [City of Ottawa 2025 Area-Specific Development Charges Background Study for Water and Wastewater Treatment Village of Greely - Shadow Ridge and Lakeland Meadows.](#)

DISPOSITION

Following Council approval of the delegation authority for entering into a Third-Party Infrastructure Agreement, the Planning, Real Estate and Economic Development department, in consultation with Legal Services and Financial and Corporate Services, will complete the agreement between the City and DCR Phoenix Development Corporation Limited for the detailed design, tender and construction of the upgrade of the Greely (Shadow Ridge) drinking water plant.

Following Council approval of the Area-Specific Development Charge, staff will implement the related recommendations of this report to establish the ASDC for the Public Service Area in Greely.

Document 1 – Location Map

