

7. **Front-Ending Report – Perth Street and Meynell Road/Oldenburg Avenue**
Rapport d'entente préalable – Intersection de la rue Perth, du chemin Meynell et de l'avenue Oldenburg

Committee recommendation

That Council delegate authority to the General Manager, Planning, Infrastructure and Economic Development Department, to enter into a Front-Ending Agreement for the following location:

- a) Roundabout at Perth Street and Meynell Road/Oldenburg Avenue (2019 DC item #1.11.5 - 2024 Intersection Control Measures) to be front-ended by Caivan at an upset limit of \$3,999,455 (plus applicable H.S.T.) with reimbursement to occur in 2024.

Recommandation du Comité

Que le Conseil délègue au directeur général de la Direction générale de la planification, de l'infrastructure et du développement économique le pouvoir de conclure une entente préalable visant l'emplacement suivant :

- a) Aménagement d'un carrefour giratoire à la hauteur de l'intersection de la rue Perth, du chemin Meynell et de l'avenue Oldenburg (Redevance d'aménagement no 1.11.5 – Étude 2019 – Mesures de contrôle aux intersections 2024) réalisé dans le cadre d'une entente préalable par Caivan, jusqu'à la limite maximale de 3,999,455 de dollars (somme à laquelle s'ajoute la TVH applicable), avec un remboursement devant avoir lieu en 2024.

Documentation/Documentation

1. Report from the Director, Planning Services, Planning, Infrastructure and Economic Development Department, dated June 11, 2021 (ACS2021-PIE-PS-0077)

Rapport de la Directrice, Services de la planification, Direction générale de la planification, de l'infrastructure et du développement économique, daté le 11 juin 2021 (ACS2021-PIE-PS-0077)

2. Extract of draft Minutes, Planning Committee, June 24, 2021

Extrait de l'ébauche du procès-verbal du Comité de l'urbanisme, le 24 juin
2021

**Report to
Rapport au:**

**Planning Committee / Comité de l'urbanisme
June 24, 2021 / 24 juin 2021**

**and Council / et au Conseil
July 7, 2021 / 7 juillet 2021**

**Submitted on June 11, 2021
Soumis le 11 juin 2021**

**Submitted by
Soumis par:**

**Lee Ann Snedden
Director / Directrice**

Planning Services / Services de la planification

**Planning, Infrastructure and Economic Development Department / Direction
générale de la planification, de l'infrastructure et du développement économique**

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Ward: RIDEAU-GOULBOURN (21)

File Number: ACS2021-PIE-PS-0077

**SUBJECT: Front-Ending Report – Perth Street and Meynell Road/Oldenburg
Avenue**

**OBJET: Rapport d'entente préalable – Intersection de la rue Perth, du chemin
Meynell et de l'avenue Oldenburg**

REPORT RECOMMENDATIONS

That Planning Committee recommend that Council delegate authority to the

**General Manager, Planning, Infrastructure and Economic Development
Department, to enter into a Front-Ending Agreement for the following location:**

- a) Roundabout at Perth Street and Meynell Road/Oldenburg Avenue (2019 DC item #1.11.5 - 2024 Intersection Control Measures) to be front-ended by Caivan at an upset limit of \$3,999,455 (plus applicable H.S.T.) with reimbursement to occur in 2024.**

RECOMMANDATIONS DU RAPPORT

Que le Comité de l'urbanisme recommande au Conseil de déléguer au directeur général de la Direction générale de la planification, de l'infrastructure et du développement économique le pouvoir de conclure une entente préalable visant l'emplacement suivant :

- a) Aménagement d'un carrefour giratoire à la hauteur de l'intersection de la rue Perth, du chemin Meynell et de l'avenue Oldenburg (Redevance d'aménagement n° 1.11.5 – Étude 2019 – Mesures de contrôle aux intersections 2024) réalisé dans le cadre d'une entente préalable par Caivan, jusqu'à la limite maximale de 3,999,455 de dollars (somme à laquelle s'ajoute la TVH applicable), avec un remboursement devant avoir lieu en 2024**

BACKGROUND

Through the review of road related infrastructure that has taken place as part of the 2019 development charges review, and in consultation with the development community, staff have identified an intersection that is proposed to be constructed in 2021 and 2022 through being front-ended by the relevant developers. In each instance where an intersection is identified, the front-ending will be in accordance with City policy. The required clauses will be included in a subsequent front-ending agreement between the City and the developer (Caivan)

DISCUSSION

Caivan is prepared to front end the cost for the intersection modification at Perth Street and Meynell Road/Oldenburg Avenue. The work is to be performed in 2021 and 2022 and will consist of a roundabout and an active transportation feature (sidewalk/cycle track) on the north side of Perth Street connecting Meynell Road to Rochelle Drive. The upset cost for the work has been established at \$3,999,455 which includes engineering,

contingency and project management, with a payback date of 2024. The roundabout and associated works is required to support the proposed subdivision located at 6335-6350 Perth Street.

RURAL IMPLICATIONS

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

CONSULTATION

All development approvals were conducted according to the requirements of the *Planning Act* and the City's Public Notification and Consultation Policy. The front-ending entities agree to the process outlined herein.

COMMENTS BY THE WARD COUNCILLOR

The Councillor is aware of the proposed intersection modifications.

LEGAL IMPLICATIONS

There are no legal impediments to the implementation of the recommendations of this report. Subject to Council approval, the City will be entering into a standard Front-Ending agreement with the developer to front end the cost of intersection modifications at Perth Street and Meynell Road/Oldenburg Avenue.

RISK MANAGEMENT IMPLICATIONS

There are no risk implications associated with the front-ending of the intersection.

ASSET MANAGEMENT IMPLICATIONS

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 infrastructure to be installed through this FEA will support growth in the adjacent development areas and on a timeline that supports development.

FINANCIAL IMPLICATIONS

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

Upset limits 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 limits. 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 limits, 100 per cent funded by development charges.

Perth Street and Meynell Road/Oldenburg Avenue

Development Charge Item Number 1.11.5	Up-Set Limit (excluding applicable taxes)
A. Construction – Intersection roundabout & associated works	\$2,856,753
B. 15% Engineering	\$428,513
C.10% Project management	\$285,675
D. 15% Contingency	\$428,513
Total	\$3,999,4553

The estimated annual operating cost for the intersection is \$2,000.

ACCESSIBILITY IMPACTS

All infrastructure will be designed in accordance with all relevant legislation and regulations.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications with the front ending of this intersection.

TERM OF COUNCIL PRIORITIES

This project addresses the following Term of Council Priority:

- TM4 – Improve safety for all road users.

SUPPORTING DOCUMENTATION

Document 1 Front-Ending Agreement Principles

Document 2 Council Approved Front-Ending Policy

Document 3 Location Map

DISPOSITION

Staff are recommending this report be considered at the July 7, 2021 Council meeting.

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

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

Document 1 – Front-Ending Agreement Principles

1. Caivan is required to post 100 per cent securities for the full cost of the design and construction of the intersection of Perth Street and Meynell Road/Oldenburg Avenue including all associated works, estimated at \$3,999,455 including engineering, land remuneration, project management and contingences, and excluding applicable taxes.
2. The City will reimburse Caivan after the works have been granted approval by the City. Reimbursement will take place in 2024, provided the applicant satisfies all requirements in accordance with the Council approved Front-Ending Policies in Document 2.
3. The repayment of construction costs for the sewer and road works shall be pursuant to Council-approved Front-Ending Agreement Policy as referenced under Document 2.

Document 2 – 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 10-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 10- 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

