

TO:	CHAIR AND MEMBERS BUILT AND NATURAL ENVIRONMENT COMMITTEE MEETING SEPTEMBER 12, 2011
FROM:	DAVID AILLES MANAGING DIRECTOR – DEVELOPMENT APPROVALS BUSINESS UNIT
SUBJECT:	FOX HOLLOW DEVELOPMENT AREA STORMWATER MANAGEMENT FACILITY NO.1 LAND PURCHASE (ES3019)

RECOMMENDATION

That, on the recommendation of the Managing Director of Development Approvals Business Unit, the following actions be taken with respect to the Fox Hollow Development Area Stormwater Management Facility No. 1 (ES3019-11):

- a) an offer of purchase **BE ENDORSED** for the acquisition of 6.1ha of land required for the Fox Hollow Development Area Stormwater Management Facility No. 1, located at 1602 Sunningdale Road being Parts 1, 3, 7, and 8 on Reference Plan 33R-18005, at a value of \$1,369,279.61;
- b) a parkland dedication **BE ENDORSED** and be eligible for future land dedication against the development of the associated draft plan for the 1602 Sunningdale Road area, being Parts 2 and Part 5 of Reference Plan 33R-18005;
- c) a condition to sell and dedicate the lands to the City **BE ADDED** to the consent decision for the severance of the lands located at 1602 Sunningdale Road to provide a storm water management block and parkland to the City;
- d) That Stanton Brothers Ltd. be provided \$13,788.33 (HST excluded) for compensation related to the establishment of the Fox Hollow Development Area Stormwater Management Facility No. 1 block; and
- e) Staff report to a future meeting of committee on a recommended procedure to provide compensation for engineering and other consulting costs incurred by the host landowner completed in relation to City Services Reserve Fund financed stormwater management facilities; and
- f) the financing for this project **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix "A".

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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- Finance and Administration Committee July 20, 2011 - City Acquisition of Land 1602 Sunningdale Road
- Built and Natural Environment Committee, May 2, 2011 - Contract Award – Tender No. T11-40 Fox Hollow Development Area Stormwater Management Facility No. 2 Construction (ES3019)
- Environment and Transportation Committee – April 12, 2010 – Schedule 'C' Municipal Class Environmental Assessment Addendum for Storm/Drainage, Stormwater Management and Sanitary Servicing for the Fox Hollow Development Area

DISCUSSION

Purpose:

To allow for the purchase of the land required for Fox Hollow Development Area Stormwater Management Facility (SWMF) No. 1 and the dedication of parkland. The construction work for the stormwater management pond is currently scheduled for 2012.

Context:

The Fox Hollow Community Area is located within the "Medway Creek Subwatershed". This area of approximately 365 hectares is bounded by Sunningdale Road to the north, Wonderland Road to east, Fanshawe Park Road to the south and Hyde Park Road to the west. In April 2010, Council accepted an addendum to a previous environmental assessment study completed in 2007 in order to reflect the latest statutory requirements and to allow for the realignment of the Heard Drain. The realignment of the Heard Drain provided a more desirable Draft Plan for the subject lands in consideration of City planning objectives including the addition of a block for a school. In order to allow for the alignment and a reduction of the width of the channel, the size was increased of the Fox Hollow Development Area Stormwater Management Facility No. 1 located on the Stanton lands upstream of the Heard Drain.

The Ministry of the Environment has issued a Certificate of Approval for the work for the construction of SWMF 1, 2, 3 and the Heard Drain as outlined in the environmental assessment addendum. The construction of SWMF 2 is currently underway and the construction of a portion of SWMF 3 and the realignment of the Heard Drain are planned for construction within the next year. The multiple stormwater management components in the area work as a system to provide stormwater management servicing to a large portion of the Fox Hollow area.

A consent application for severance of the park, woodland, and stormwater management areas from 1602 Sunningdale Road was submitted May 9th, 2011. The decision was granted July 5th, 2011 and includes conditions to convey the lands to the City. In order to purchase the land approval must be provided by council to allow for payment.

The total 9.6 hectare land parcel to be provided to the city includes: 6.1 hectares required for the Stormwater Management Facility, a separate 3.0 hectare woodlot parcel to be purchased from the Woodland Acquisition Fund as per a report to the Finance and Administration Committee July 20, 2011, and 0.47 hectares for future community parks transferred for parkland credits. All parcels are shown in Figure 2. The cost of the land required for Stormwater Management Facility No. 1 is \$1,369,279.61 plus applicable taxes (5.51ha at \$247,100 per hectare of table land and 0.60ha at \$13,590/ha of hazard lands) which is over and above the 3 hectares of land to be provided for the woodlot.


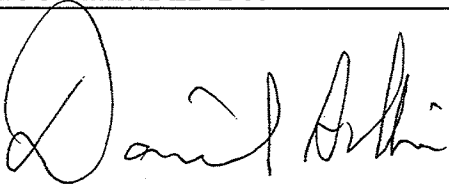
It should be noted that the Owner, Mr. Stanton, and the parties representing his interests have worked co-operatively with City Staff and have been flexible in allowing for additional stormwater storage on his lands and the retention of an important 9.6 ha woodland-watercourse area.

The Owner has not established a Draft Plan and this SWM and park parcel considerably changed their original Initial Proposal Report submissions. The Owner has changed their submission after spending considerable time negotiating with the City. The Owner has submitted a claim for \$41,365.00 (excluding HST) for engineering work related to this task. Staff have reviewed the claim in consideration of the value of work related to establishing a functional SWM Pond block, the work required to accommodate for the woodlot parcel, and the work required to allow for the layout for the Owner's proposed subdivision. Working with the Owner, Staff recommends that one third of the costs \$13,788.33 (excluding HST) be eligible for a City Services Reserve Fund claim.

Compensation for engineering and other consulting costs incurred by the host landowner completed in relation to City Services Reserve Fund financed projects commonly comes up as an issue. Staff would like to develop a procedure in the short term and recommend returning to Council on this issue in 2011.

Conclusion

It is recommended that the Fox Hollow Stormwater Management Facility No.1 lands be purchased at this time and that a parkland dedication be endorsed and eligible for future land dedication against the development of the associated draft plan for the 1602 Sunningdale Road area. As well Staff recommends that the Owner be compensated for \$13,788.33 (excluding HST) and that Staff be directed to report back with a procedure for dealing with this form of compensation in the future.

PREPARED BY:	RECOMMENDED BY:
	
S. MATHERS P. ENG MPA MANAGER – DEVELOPMENT FINANCE DEVELOPMENT APPROVALS BUSINESS UNIT	DAVID AILLES P. ENG MANAGING DIRECTOR, DEVELOPMENT APPROVALS BUSINESS UNIT PLANNING DEPARTMENT

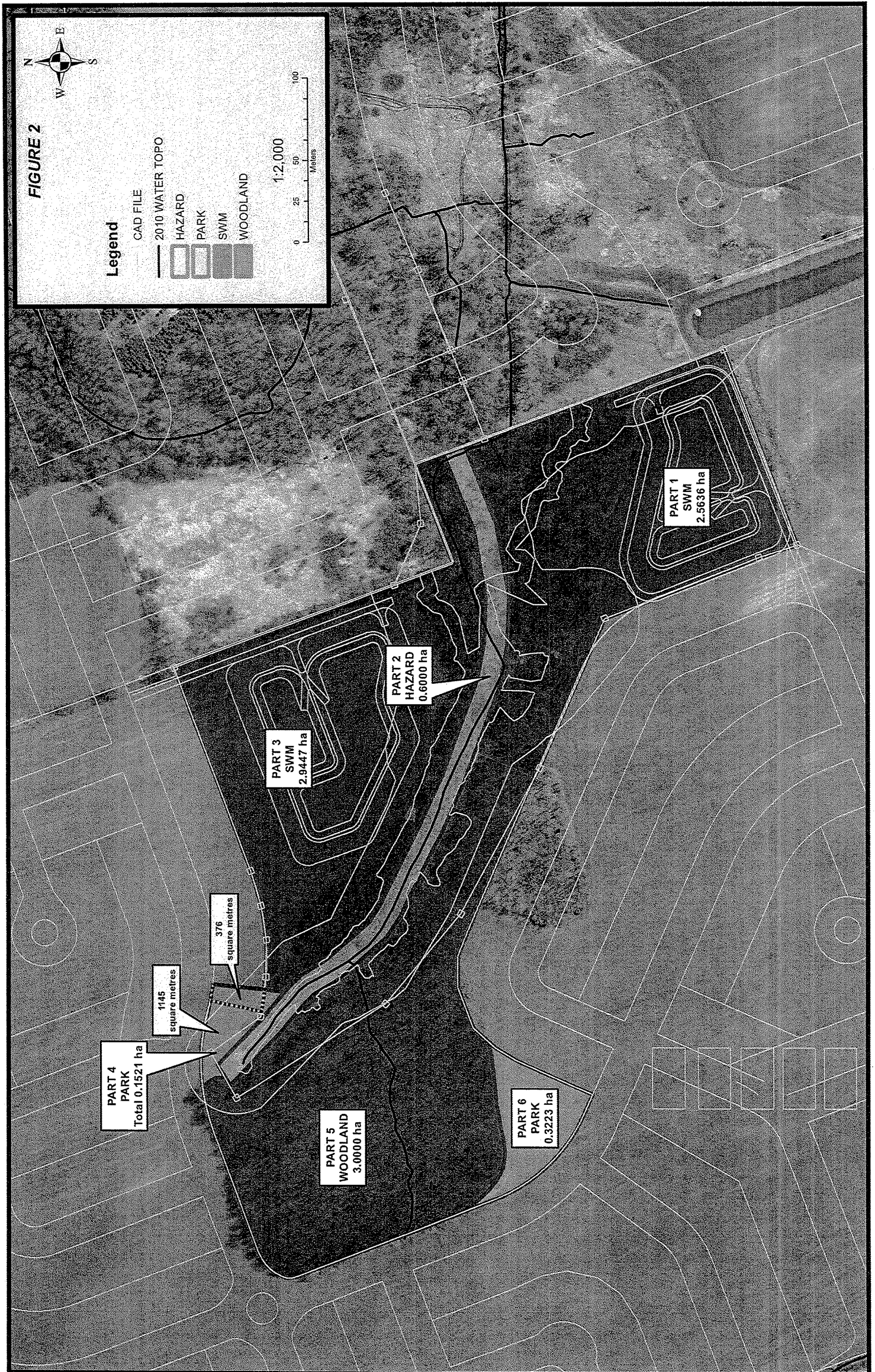
September 2, 2011

- cc. Ron Standish, Director, Waste Water and Treatment
- Peter Christiaans, Director of Development Finance
- Berta Krichker, Manager of Stormwater
- Scott Mathers, Manager, Development Finance
- Andrew Macpherson, Manager III, Parks Planning and Design
- Alan Dunbar, Manager III - Financial Planning & Policy

RPT-BNEC-Fox Hollow - Council Resoution - Correction-July18'11 .docx

- Attached:
- Appendix A Source of Financing
 - Figure 1 Reference Plan
 - Figure 2 Location Map

Figure 2: Location Map



APPENDIX 'A'

Chair and Members
Built and Natural Environment Committee

#11145
September 1, 2011
(Property Acquisition)

**RE: Fox Hollow Development Area Stormwater Management Facility No. 1 Land Purchase
Capital Project ES3019-11 - 2011 SWM Ponds & Outlet Structures for Linked Systems
2275257 Ontario Inc. - \$1,369,279.61
Stanton Brothers Ltd. - \$13,788.33 (excluding H.S.T.)**

FINANCE DEPARTMENT REPORT ON THE SOURCES OF FINANCING:

Finance Department confirms that the cost of this project can be accommodated within the financing available for it in the Capital Works Budget and that, subject to the adoption of the recommendations of the Managing Director, Development Approvals Business Unit, the detailed source of financing for this project is:

<u>ESTIMATED EXPENDITURES</u>	<u>Approved Budget</u>	<u>Committed to Date</u>	<u>This Submission</u>	<u>Balance for Future Work</u>
Engineering	\$234,407	\$220,377	\$14,030	\$0
Land Purchase	1,512,080	142,800	1,369,280	0
Construction	9,723,796	503,071		9,220,725
City Related Expenses	30,817	16,344		14,473
NET ESTIMATED EXPENDITURES	<u>\$11,501,100</u>	<u>\$882,592</u>	<u>\$1,383,310</u>	<u>\$9,235,198</u>

SOURCE OF FINANCING:

Drawdown from Sewage Works Reserve Fund	\$472,700	\$36,274	\$56,855	\$379,571
Drawdown from City Services -Major SWM Reserve Fund (Development Charges)	2) 4,275,400	846,318	1,326,455	2,102,627
Debenture Quota (Serviced through City Services-Major SWM Reserve Fund (Development Charges))	2) 6,753,000			6,753,000
TOTAL FINANCING	<u>\$11,501,100</u>	<u>\$882,592</u>	<u>\$1,383,310</u>	<u>\$9,235,198</u>

1) **Financial Note:**

	<u>Engineering</u>	<u>Land</u>	<u>Total</u>
Contract Price	\$13,788	\$1,369,280	\$1,383,068
Add: HST @13%	1,792		1,792
Total Contract Price Including Taxes	15,580	1,369,280	1,384,860
Less: HST Rebate	1,550		1,550
Net Contract Price	<u>\$14,030</u>	<u>\$1,369,280</u>	<u>\$1,383,310</u>

2) Development Charges have been utilized in accordance with the underlying legislation and the Development Charges Background Studies completed in 2009.

JG



Alan Dunbar
Manager of Financial Planning & Policy