

TO:	CHAIR AND MEMBERS PLANNING AND ENVIRONMENT COMMITTEE MEETING ON OCTOBER 15, 2012
FROM:	PETER CHRISTIAANS DIRECTOR, DEVELOPMENT FINANCE
SUBJECT:	DEVELOPMENT CHARGES BACKGROUND STUDY AMENDMENTS: SWMF SA-2 AND SWMF SB

RECOMMENDATION

That, on the recommendation of the Director, Development Finance, the following actions **BE TAKEN** with respect to the 2009 Development Charges Background Study:

- (a) The source of financing for SWMF SB, which is currently the Urban Works Reserve Fund, **BE EXCHANGED** for the financing for SWMF SA-2 which is currently funded by the City Service Reserve Fund;
- (b) That SWMF SB, **BE ADDED** to the Growth Management Implementation Strategy in 2014 at an estimated cost of \$2,201,100;
- (c) SWMF SA-2 **BE REMOVED** from the Growth Management Implementation Strategy in 2014 with an estimated cost of \$3,226,700; and **BE OMITTED** for the upcoming 2014 Development Charges Background Study; and
- (d) That SWMF SB **BE CONSTRUCTED** by the City due to its hydrologically sensitive location.

It being noted that SWMF SA-2 is not required to service any development within the current Urban Growth Boundary.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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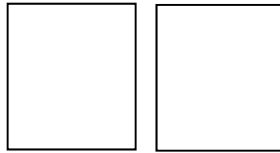
November 28, 2011 - Report to Built and Natural Environment Committee – “Development and Economic Plans in the Boler Mountain Area”

October 17, 2011 - Report to Built and Natural Environment Committee – “Growth Management Implementation Strategy -2012 Annual Review and Update”

April 11, 2011 - Report to Built and Natural Environment Committee – “Application by: Kape Developments Limited - 2280 Wickerson Road”

June 1, 2009 – Report to Planning Committee – “Application by: Mike Meddaoui 2332 Wickerson Road”

May 13, 2009; Report to Board of Control – “2009 Development Charges – Adoption of DC Policies, Background Study and Rate By-law”



BACKGROUND

Wickerson Road Development Area

In 2002 and 2009, Council approved draft plans 39T-08507, (Meddaoui) and 39T-00519, (Kape Developments Limited) with successive extensions and both plans currently set to expire in July, 2012. At the time there was not a definitive conclusion for either sanitary servicing or stormwater management for the properties, so draft plan conditions allowed for a temporary stormwater management solution. Subsequently, the stormwater environmental assessment for the Wickerson Road Development Area was undertaken and concluded in 2009 identifying the ultimate Stormwater Management Facility (SWMF) servicing the Kape and Meddaoui Lands as SWMF SB.

The Approval Authority included a provision in the Draft Plan Notice of Decision that the developer must explore the permanent solution as identified in the Environmental Assessment for stormwater before any temporary solution would be accepted. Kape Developments Limited has informed the City that they have successfully negotiated for the pond lands and will be in the position to acquire these lands for stormwater management use when necessary.

Previous OMB Decision

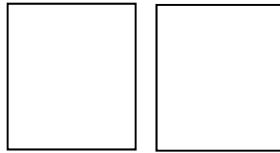
In May 2003, the application for the Official Plan and Zoning By-law amendments and an application for draft plan of subdivision approval was received for 2332 Wickerson Road (Meddaoui)(Appendix A: Location Map). The City approved the applications; however, the Zoning amendment and Draft Plan approval was appealed to the Ontario Municipal Board (OMB) by downstream resident Peter Gillespie, owner of 1500 Southdale Road West. The basis of the appeal was that the proposed subdivision of the site and its use for residential purposes should not be permitted until “a proper outlet for the discharge of storm water sewers is available.” The appellant’s primary concern regarding stormwater management was the possibility of adverse impacts on the wells providing drinking water to his property and others in the vicinity. The appeal was dismissed by the OMB with the board member provided reasons which included that the sub-watershed study update and the environmental assessment process would satisfactorily deal with the stormwater management of future development. Due to the concerns of the residents in the area, regarding potential groundwater impacts, it is the position of Staff that the required stormwater facility be included as a City Services Reserve Funded pond and therefore constructed by the City.

Development Charges Background Study and the Wickerson SWM EA

The 2009 City of London Development Charges Study and its related by-law were adopted by Council August 9, 2009. The supporting information for the Development Charges Background Study was collected by AECOM in 2008 to provide the cost and infrastructure information for the study. At the same time as AECOM was concluding their work, the Wickerson Road Development Area Environmental Assessment was underway. AECOM utilized the information available at the time to provide the identification of stormwater servicing infrastructure to support development in the Wickerson Road development area.

AECOM identified several ponds to service the Wickerson development area. One of these ponds SWMF SA-2 (Appendix A: Location Map), was listed as a City Services Reserve Funded project with an estimated cost of \$3,226,700 and the other, SWMF SB (Appendix A: Location Map) was listed as an Urban Works Reserve Funded project with an estimated cost of \$2,201,100.

Following the completion of the Development Charges Background Study, the Wickerson Road Development Area Environmental Assessment was finalized. The EA identified “SWMF SB” as providing servicing for the Kape and Meddaoui draft plans. As the Meddaoui draft plan was subject to a previous OMB appeal, it was intended that due to the possible hydrological impacts of the construction, the design and construction of the pond be managed by City Staff. The final EA identified SWMF SA-2 as servicing only areas outside the Urban Growth Boundary and



should therefore not be included in the development charge calculation for the current 20 year period. As such the funding sources for these two projects were not correctly identified in the Development Charges Background Study.

ANALYSIS

It is the position of the Stormwater Management Unit that due to the sensitivity of the hydrological system downstream from the Kape and Meddaoui subdivisions, and the public scrutiny to stormwater issues in the Wickerson development area, it is essential the City manage the design and construction of pond SWMF SB.

The financial impacts of the changes to the development charges background study are as follows:

- Removing SWMF SA-2 from the City Services Reserve Fund (CSRF) will reduce the commitments to this fund by \$3,226,700;
- Removing SWMF SB from the Urban Works Reserve Fund will reduce the commitments to this fund by \$2,201,100 and increase commitments to the CSRF by the same.

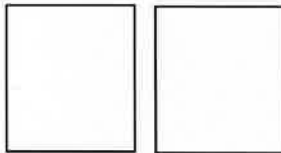
From a financing perspective the proposed changes to the development charges commitments would result in a net decrease to the City Services Reserve Fund commitments of \$1,025,600 and a net decrease in the commitments to the Urban Works Reserve Fund of \$2,201,100.




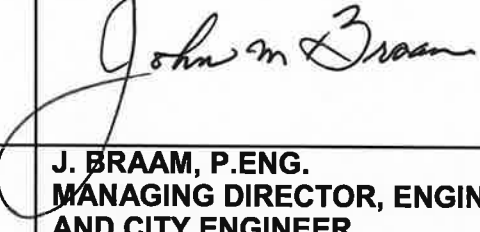
Draft Approval Extension of Kape and Meddaoui Subdivisions:

The draft approval for Kape and Meddaoui subdivisions are currently subject to an emergency six month extension. The updated conditions of draft approval have been included in this Planning and Environment Committee agenda for approval in conjunction with the recommendations of this report. These draft plan extension reports will include updated conditions of draft approval to reflect current City policies and will acknowledge SWMF SB as a City Services Reserve Funded project.

CONCLUSION

Based on the previous OMB appeal, the hydrological sensitivity of the area and its close proximity to an Environmentally Significant Area, Staff recommends that SWMF SB be included as a City Services Reserve Fund work and as such the construction and design be managed by City staff. In addition, it is recommended the SWMF SA-2 be omitted from consideration from the 2014 Development Charges Background Study as it only services lands currently outside the Urban Growth Boundary. The financial impact of the proposed changes to the development charges commitments would provide a net benefit to the City Services Reserve Fund of \$1,025,600 and a net benefit to the Urban Works Reserve Fund of \$2,201,100. In order to correct the GMIS, it is therefore recommended that the SWMF SA-2 pond be removed from the GMIS and replaced with SWMF SB pond.



SUBMITTED BY:	REVIEWED BY:
	
S. MATHERS P. ENG MPA MANAGER – DEVELOPMENT FINANCE	T. GRAWAY, MCIP, RPP MANAGER, DEVELOPMENT SERVICES – PLANNING LIAISON
RECOMMENDED BY:	REVIEWED & CONCURRED IN:
	
P. CHRISTIAANS C.A. DIRECTOR, DEVELOPMENT FINANCE	J. BRAAM, P.ENG. MANAGING DIRECTOR, ENGINEERING AND CITY ENGINEER

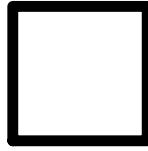
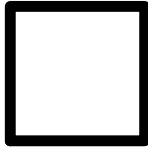
SGM

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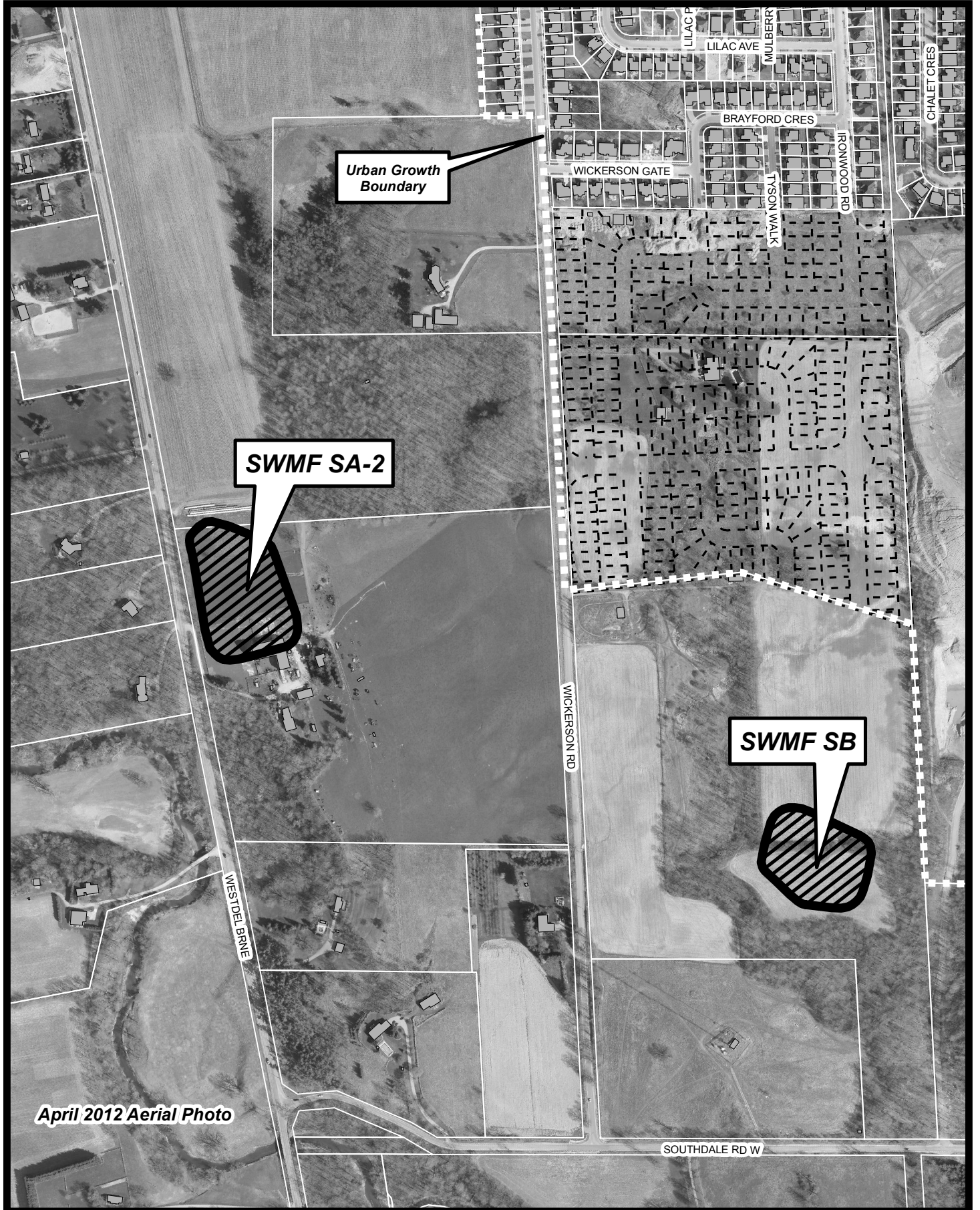
M. Hayward - Managing Director, Corporate Services and City Treasurer, Chief Financial Officer
J. Ramsay - Manager, Development Services – Engineering Liaison

Attach/

Appendix 'A' –Location Map



APPENDIX 'A' LOCATION MAP



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Meters

