



Corporate NO: R163

Report COUNCIL DATE: July 17, 2000

REGULAR COUNCIL

TO: Mayor & Council **DATE: June 29, 2000**

FROM: General Manager, Engineering **FILE: 7896-0164-00**

SUBJECT: Rosemary Heights Central NCP Development Cost Charge Frontending Agreement for Trunk Storm Sewer

RECOMMENDATION

1. That Council approve the use of the Rosemary Heights Central NCP Trunk Storm Sewer Development Cost Charge Frontending Agreements to reimburse the frontending developer for the construction of the trunk storm sewer to serve the Rosemary Heights Central Neighbourhood Concept Plan area.
2. That the frontending developer pays a Development Cost Charge Frontenders Agreement fee of \$3,500 each for the preparation, registration and administration of each Agreement.

INTENT

The intent of this report is to support the request by a frontending developer to finance the construction of the trunk storm sewer as required by the Rosemary Heights Central NCP Servicing Plan. This facility is required before any development can proceed in the benefiting area. In order to open up this benefiting area at this time, the storm trunk sewer is required.

BACKGROUND

The Rosemary Heights Central NCP Servicing Plan requires a trunk storm sewer valued at approximately \$534,000 including engineering and construction, to service the catchment area bounded approximately by 152 Street, Nicomekl River to the north, 154 Street to the east, and 32 Avenue to the south. This trunk sewer is within the City's current 10 Year Servicing Plan. Projected DCC's to be collected in the benefiting area are \$1,678,521 for storm drainage.

There is insufficient trunk storm sewer capacity to serve this catchment area and, therefore, no development can take place until the trunk sewer has been constructed. The City's policy is not to fund the servicing of Neighborhood Concept Plans using City funds. As a result, the first developer has offered to fund the construction of the trunk sewer in the Rosemary Heights Central NCP, provided that they will be reimbursed by the City over time, as drainage Development Cost Charges are collected from benefiting areas. The DCC Frontending Agreements provide that

assurance.

The frontending developer intends to fund and complete the construction of the trunk storm sewer in two phases. The Phase 1 works involve a storm outfall to the Nicomekl River, which was previously constructed by the developer, and a 900mm trunk sewer along 152 Street. Phase 1 will be constructed before October 1, 2000. The Phase 2 works involve base flow diversion works to Barbara Creek along 36 Avenue. Phase 2 will be constructed before September 1, 2001.

The DCC Frontenders Agreements will reimburse the frontending developer approximately \$534,000 from DCCs collected in the benefiting area shown in Figure 1. This cost is approximate and will be certified once the construction of works is complete.

DISCUSSION

The work proposed to be financed and constructed by the developer is work that is now in the 10 Year Servicing Plan and is included in the calculations of the Development Cost Charges. The City's current policy is not to fund the servicing of Neighbourhood Concept Plans. It is, therefore, reasonable for the City to agree to enter into an agreement with the developer whereby the developer finances the infrastructure as outlined, and the City reimburse the developer the Development Cost Charges collected from the benefiting properties.

Conditional on Council's approval, the City's Legal Services Division will prepare the agreements for review and execution by the frontending developer.

The Engineering Department has reviewed its flexibility with respect to financing of current and known future commitments for drainage works. At full build-out of the NCP, there will be a net surplus of drainage DCC's from this area, which will be directed towards budgeting other DCC related drainage works within the Drainage budget.

CONCLUSION

Provided that Council consider it appropriate, from the City's perspective, to initiate development within the Rosemary Heights Central NCP, the Engineering Department supports the request by the developer for the frontending agreement for the construction of the trunk storm sewer.

Jorgen Johansen, P. Eng.

General Manager, Engineering

EE/brb

Attachment

c.c. - Assistant City Solicitor

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