



Corporate NO: R182

Report COUNCIL DATE: July 24, 2000

REGULAR COUNCIL

TO: Mayor & Council **DATE: July 19, 2000**

FROM: General Manager, Engineering **FILE: 7899-0172-00**

SUBJECT: East Newton North NCP - Development Cost Charge Frontending Agreement for Drainage Detention Facilities

RECOMMENDATION

1. That Council approve the use of the East Newton North NCP Trunk Drainage Development Cost Charge Frontending Agreement to reimburse the frontending developer for the construction of the trunk storm sewer and community detention pond to serve the East Newton North Neighbourhood Concept Plan area.
2. That the frontending developer pays a Development Cost Charge Frontenders Agreement fee of \$4,000 for the preparation, registration and administration of the 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 and community detention pond as required by the East Newton North NCP Servicing Plan.

BACKGROUND

The East Newton North NCP Servicing Plan requires a trunk storm sewer and community detention pond, valued at approximately \$1,135,000 including engineering and construction, to service the catchment area bounded approximately by 72 Avenue and 78 Avenue, and 144 Street and 148 Street. These drainage detention facilities are in the City's current 10 Year Servicing Plan. Projected drainage DCC's to be collected in the benefiting area are \$2,544,000.

Development in this NCP area has proceeded as the land for the detention pond has been secured and each development has provided their own interim, on-site detention facility. However, no community detention pond has yet been built. The City's policy is not to fund the servicing of Neighborhood Concept Plans using City funds. A first developer has offered to fund the construction of the detention facilities in the East Newton North NCP, provided that they will be reimbursed by the City over time, as drainage Development Cost Charges are collected from within the benefiting area. The DCC Frontending Agreement provides that assurance.

The DCC Frontenders Agreement will reimburse the frontending developer approximately \$1,135,000 for the works from DCCs collected in the benefiting area. 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 enter into an agreement with the developer whereby the developer finances the infrastructure as outlined, and the City reimburses the developer as the Development Cost Charges are collected from the benefiting properties.

The City's Legal Services Division has prepared the agreement 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, and believes that supporting this proposal will not jeopardize future program flexibility. 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

Based upon the East Newton North NCP, the Engineering Department supports the request by the developer for the frontending agreement for the construction of the trunk storm sewer and community detention pond.

Jorgen Johansen, P. Eng.

General Manager, Engineering

LB/brb

Attachment

c.c. - City Solicitor