

COMMITTEE OF THE WHOLE – JUNE 16, 2008

BLOCK 11 VALLEY ROAD CROSSINGS DEVELOPMENT CHARGE – INTERIM PAYMENT

Recommendation

The Commissioner of Engineering & Public Works and the Deputy City Manager/Commissioner of Finance & Corporate Services/City Treasurer, in consultation with the Commissioner of Legal & Administrative Services/City Solicitor, recommend:

That Council authorize an interim payment to the Block 11 Landowners' Group of \$5,000,000 with respect to the design and construction of the seven valley road crossings in Block 11 with funding from Capital Projects 1581-0-06 and DT-7001-08, subject to the Block 11 Landowners' Group providing the City with satisfactory proof that the works have been constructed in accordance with the approved construction drawings and City standards, and a statutory declaration that all contractors and subcontractors associated with the construction of the valley road crossings have been paid.

Economic Impact

The City's Development Charge By-law identifies the seven valley crossings in Block 11 as growth related projects. In particular, the seven valley crossings are included as a City-wide Development Charge project (Appendix H, Table 13 in the 2003 Development Charge Background Study) in the Development Charges By-law 350-03 at an estimated cost of \$15.96 million.

At the request of the City, the Block 11 Spine Agreement, dated August 11, 2006, requires the Block 11 Landowners' Group to design and construct the valley crossings as part of the initial stage of the development in Block 11. The provisions of the Block 11 Spine Agreement also obligate the Block 11 Landowners' Group to enter into a separate financial agreement with the City in respect to the repayment of the cost associated with the design and construction of these growth related projects.

Capital Projects 1581-0-06 and DT-7001-08 allocate funds from City-wide Development Charges to reimburse the Block 11 Landowners' Group for the design and construction of the Block 11 Valley Crossings. Additional funds will be identified in subsequent capital budgets for the balance of the required funds once the repayment plan is finalized. There are sufficient budgeted funds to cover the recommended interim payment to the Block 11 Landowners' Group.

Communications Plan

There is no specific communication plan associated with this report.

Purpose

The purpose of this report is to seek Council authorization to make an interim payment to the Block 11 Landowners' Group for the design and construction of the seven valley road crossings within Block 11, which are development charge projects.

Background - Analysis and Options

The Block 11 Community Plan was approved by Council on August 23, 2003. Individual draft plans of subdivision within the block were subsequently approved by Council and development in the Block has proceeded in phases based on the availability of servicing capacity.

The servicing in Block 11 proceeded on the basis of a spine servicing concept followed by the servicing of the individual subdivisions. Pursuant to the Block 11 Spine Servicing Agreement, the Block 11 Landowners' Group is required to design and construct the seven valley road crossings as part of the initial phase of the development so the primary road network would be established at the outset of the development.

The location of the seven valley road crossings are illustrated on Attachment No. 1 and described below:

- Bridge Crossing 1 – South end of Thomas Cook Avenue
- Bridge Crossing 2 – East end of Marc Santi Boulevard
- Bridge Crossing 3 – Midpoint of Marc Santi Boulevard
- Con Span Culvert Crossing 4 – West end of Marc Santi Boulevard
- Con Span Culvert Crossing 5 – Located on Lebovic Campus Drive
- Bridge Crossing 6 – East end of Valley Vista Drive (to be constructed)
- Con Span Culvert Crossing 7 – West end of Valley Vista Drive

The Block 11 valley crossings are included in the City-Wide Development Charges By-Law as growth related projects. Partial funding for the Block 11 valley crossings have been included in the City's 2006 and 2008 approved Capital Budgets as Projects 1581-0-06 and DT-7001-08.

The valley road crossings were designed and constructed by the Block 11 Landowners' Group in 2005/06 with the exception of the Bridge 6 Crossing. This remaining structure will be completed in conjunction with the second phase of the block development.

Staff is currently working with the Block 11 Landowners' Group and their engineering consultants to establish the total cost of the valley crossings. Preliminary estimates suggest that the total cost of the infrastructure is much greater than originally estimated in the Development Charge Background Study. Based on information provided by the Block 11 Landowners' Group, the actual cost of this infrastructure could reach close to \$25.3 million when all complete. Given this significant increase, it will take additional time to reconcile the final costs. Since the Block 11 Landowners' Group has front-end financed the total cost of this infrastructure to date at the request of the City, and they have also paid the City about \$3.70 million in Engineering Development Charges, it is appropriate to reimburse the Landowners' Group a portion of the cost of the works now and then address the repayment of the balance of the funds through the terms of the financial agreement. It is anticipated that the financial agreement will be drafted in the coming months and brought forward to Council for approval in the fall of 2008.

Relationship to Vaughan Vision 2020

In consideration of the strategic priorities related to Vaughan Vision 2020, the recommendation of this report will assist in:

- The pursue of excellence in service delivery;
- Planning and managing growth and economic vitality; and
- The demonstration of leadership and promotion of effective governance.

This report is therefore consistent with the priorities previously set by Council.

Regional Implications

There are no Regional Implications associated with this report.

Conclusion

At the request of the City, the Block 11 Landowners' Group designed and constructed six out of the seven valley road crossings as part of the initial stage of the development in Block 11 (2005/06). The remaining structure will be completed in conjunction with the next phase of the block development. These valley crossing structures are growth related projects which are included in the City's Development Charge By-law.

Staff is working with the Block 11 Landowners' Group to reconcile the final cost of the works. The initial accounting of the costs suggests that the actual cost of the works is much higher than originally estimated in the Development Charge Background Study. Considering the Block 11 Landowners' Group has front-ended the cost of these works for an extended period of time, and it will take more time to reconcile the final costs and to execute a financial agreement, it is appropriate that the City provide the Block 11 Landowners' Group with an interim reimbursement of \$5,000,000 from funds in the approved 2006 and 2008 Capital Budgets.

Attachment

1. Block 11 Valley Road Crossing Location Plan

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Respectfully submitted,

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Commissioner of Engineering &
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Clayton D. Harris, CA
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Finance & Corporate Services/City
Treasurer

ATTACHMENT No. 1





VALLEY CROSSING TYPE

- 1. BRIDGE
- 2. BRIDGE
- 3. BRIDGE
- 4. CULVERT
- 5. CULVERT
- 6. BRIDGE (TO BE CONSTRUCTED)
- 7. CULVERT

BLOCK 11 - VALLEY ROAD CROSSINGS LOCATION PLAN

LEGEND

-  VALLEY CROSSING LOCATION
-  CITY BLOCK NUMBER



N.T.S.