



Development Services Staff Report

Report Number:	DS32-2024
Report Title:	Madwest Subdivision Cost Sharing Agreement for Ottawa Street - Breslau
Author:	Bryan Bishop, Development Engineering Project Coordinator
Meeting Type:	Council Meeting
Meeting Date:	September 24, 2024
eDocs or File ID:	DM 127976 and 127977
Consent Item:	No
Final Version:	Yes
Reviewed By:	Deanne Friess, Director of Development Services
Final Review:	Senior Management Team

Recommendation:

That the Council of the Township of Woolwich, in accordance with the approval of the Draft Plan for Madwest Subdivision and updated Development Charges By-law 39-2024,

1. Authorize the Director of Finance to fund the Township's portion through Development Charges credit for the cost sharing works for Ottawa Street as per schedule 'K' of the Ottawa Street Construction Agreement attached as Appendix A; and
2. Authorize the Director of Finance to fund the watermain upsizing through Township Development Charges credit which will be reconciled at a future Development Charges By-law update.

Background/Comments:

Ottawa Street Extension – Cost Sharing Arrangement

Madwest Subdivision is a proposed residential subdivision being developed by the Madison Group and Woolwich South Holding Ltd. (the "Subdivider") between Woolwich Street South and Fountain Street North in Breslau. In December 2023 Council approved the 30T-20701, OPA 1/2020 and Zone Change Application 3/2020 for the Madwest subdivision that will provide between 1,372 – 2,429 residential units on full municipal services.

The draft plan of subdivision is subject to several Township conditions, which includes the design and construction of the internal roads, services and infrastructure within the

draft plan and certain works outside the development. One of the draft plan conditions requires the Subdivider to construct the Ottawa Street extension between Woolwich Street South and Fountain Street North prior to their Phase 1 development.

In accordance with Official Policies and the 2024 Development Charges By-law/Background Study, a portion of the cost to construct the Ottawa Street extension is to be funded by the Township's Development Charges. The Township has entered into a development agreement (i.e., "Construction Agreement") that provides for the construction of the Ottawa Street extension by the Subdivider in accordance with an approved design and costing, which includes the following cost sharing arrangement with the Township.

- The Ottawa Street works are to commence by the Subdivider in September 2024 and will have a cost sharing component between the Township and Subdivider allocated at 50% for each party. This allocation was determined within Development Charges By-law 39-2024 and Background Study;
- In attachment of the Construction Agreement, Schedule 'K' provides an estimated value of these works being \$1,235,678.66 exclusive of HST to be incurred by the Township, which represents 50% of the entire cost to construct the Ottawa Street extension;
- The Subdivider will front end the Township's share of the cost and will be reimbursed through a Development Charges credit; and
- Once the development has been registered and final costs are tabulated by the Finance and Development Services Departments, the credits will be applied to building permits being issued with the Madwest subdivision.

Staff is recommending that Township's share of the Ottawa Street extension works, in the amount of \$1,235,678.66 exclusive of HST, be funded through Development Charges credits applied to the Madwest subdivision.

Watermain Upsizing

Through the draft plan and detail design process for the development, upsizing of the watermain for the Ottawa Street extension was determined due to the significant long-term growth within the Breslau urban boundary. The required upsizing was not included in the Development Charges Background Study and therefore not reflected in the current Development Charges rate. This watermain upsizing from 300mm to 450mm can be reconciled in the next Development Charges Bylaw update. The required upsizing of the watermain is already included in the Township's share of \$1,235,678.66 exclusive of HST

Staff is recommending that Council authorize the Director of Finance to fund the watermain upsizing through Township Development Charge credits which will be front ended by the Subdivider and the additional cost be reconciled at a future Development Charges By-law update.

Interdepartmental Impacts: None

Financial Impacts:

All costs associated with the construction of stormwater management facilities (access road, outlet, landscaping) and Ottawa Street roads/services (including the sanitary, groundwater management system) within the Draft Plan, including the dedication of the required blocks and easements are the responsibility of the Subdivider. These works will be addressed in either the Construction Agreement or a subsequent Subdivider's prior to pre-servicing of Phase 1

Fifty percent (50%) of the Ottawa Street corridor costs which includes the upsizing of the watermain, as outlined in the Construction Agreement (\$1,235,678.66 exclusive of HST) is the responsibility of the Township which will be funded by Development Charges credits and will be front ended by the Subdivider until building permits are applied for.

Community Strategic Plan Impacts:

- Cultivate long-term economic prosperity: *Ottawa Street will align with the Township and Region long term transportation planning and development of our communities through the financial stability and phased in economic growth.*
- Maintain an innovative customer service focus: Advancing the Ottawa Street corridor servicing aligns with high priority projects and allocating resources to effectively meet the community needs.

Conclusion:

Staff recommends that Township Council authorize, the Director of Finance to allocate the Development Charges funding source through Development Charges credits for the cost sharing works for the Ottawa Street extension and watermain upsizing for the Madwest Subdivision.

The attached executed Construction Agreement implements the conditions of draft plan approval. The Township's solicitor has reviewed and provided comments with respect to the Construction agreements, including the completion of a title search to confirm the ownership, legal description and applicable mortgage company. Staff has incorporated their comments in this final version and executed as per the Delegated Authority.

Attachments:

1. Appendix A – Ottawa St. Construction Agreement