

NO: **R010**

COUNCIL DATE: **January 28, 2013**

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **January 24, 2013**

FROM: **General Manager, Engineering**

FILE: **7812-0328-00**

XC: **8312-0328-00-1**

SUBJECT: **South Newton Drainage Development Cost Charge Front-Ending Agreement – McLeod Pond**

RECOMMENDATION

The Engineering Department recommends that Council authorize the execution of a Drainage Development Cost Charge (DCC) Front-Ending Agreement to an upset limit of \$1.25 million, including HST, with McLeod Pond Development Inc. (the front-ending Developer) as the means by which to reimburse the Developer from Drainage DCCs collected by the City from other developments in the benefiting area (as illustrated on the map attached as Appendix I) some of the costs that the Developer will incur in constructing the McLeod community detention pond on City parkland at 6306 - 140 Street.

INTENT

The purpose of this report is to obtain Council's approval for use of a Development Cost Charge Front-Ending Agreement (DCCFEA) as a means by which to reimburse the front-ending Developer for some of the costs associated with the construction of McLeod detention pond at 6306 - 140 Street.

DISCUSSION

To mitigate the drainage impacts associated with development in the Hyland Creek catchment, the Servicing Strategy in the South Newton Neighbourhood Concept Plan (NCP) as approved by Council on June 14, 1999, included a number of stormwater detention ponds. The Hyland Creek Integrated Stormwater Management Plan (ISMP) completed in 2005 confirmed the need for detention ponds along with the application of on-site drainage best management practices to mitigate the stormwater impacts of new development.

At its Regular Council Land Use meeting on February 6, 2012, Council considered Planning Report 7905-0300-00 and approved a recommendation that the South Newton NCP be amended by relocating detention pond P4B from the lot at 6154 - 140 Street to the parkland at 6306 - 140 Street. This relocation was necessary based on topographical and riparian area constraints at the site on which the pond was originally proposed to be constructed.

In the past year, City staff initiated the design of the proposed pond. The scope of the design assignment included a review of the feasibility of implementing ponds P4A and P1C proposed at 13925 - 62 Avenue and 6185 - 140 Street, respectively, (as illustrated on the map attached as Appendix I) as part of a larger detention pond at a single location. Based on this review, it was determined that a single community pond located on parkland at 6306 - 140 Street would be the most cost effective approach to providing stormwater detention for the catchment area based on the mitigation targets documented in the South Newton NCP and the Hyland Creek ISMP. The review included land use impacts, funding mechanisms, topographical constraints, riparian area constraints and impacts to forest cover. The subject ponds are all part of the 10-Year Servicing Plan and are to be funded by drainage DCCs.

The construction of the proposed pond can be managed in two phases with 50% of the pond's capacity being constructed as the first phase and the remaining 50% of the pond's capacity being constructed as a second phase.

A developer, McLeod Pond Development Inc. (the "Developer"), has agreed to construct the first phase of the pond subject to the City executing a DCCFEA. The Developer intends to fund and complete the construction of the works within 12 months of the DCCFEA being executed. The DCCFEA will provide that the City will recover, on behalf of the Developer, the costs of constructing the pond up to a maximum limit of \$1.25 million from the drainage DCCs collected within the next 15 years from development in the benefiting catchment area (as illustrated on the map attached as Appendix I). The Developer has agreed to cover any costs related to the construction of the pond above \$1.25 million including HST.

The Engineering Department is satisfied that the DCC front-ending agreement as proposed in this report will not affect the orderly implementation of other drainage works in the South Newton area.

The use of Drainage DCCs to fund construction of the proposed pond is consistent with the provisions of the Local Government Act regarding Development Costs Recovery. Furthermore, the use of a Drainage DCCFEA, as recommended in this report, is in keeping with Corporate Report No. S980;1997 endorsed by Council October 6, 1997 recommending the use of DCCFEA as a means of financing implementation of 10 Year Infrastructure Plan items specified in approved NCPs.

The DCCFEA will be reviewed by Legal Services prior to its execution.

SUSTAINABILITY CONSIDERATIONS

The proposed drainage works to which this report refers support the Economic and Environmental Pillars of the City's Sustainability Charter; more particularly, the following goals:

- EC3: Sustainable Infrastructure Maintenance and Replacement – by minimizing initial and long term maintenance costs;
- EN8: Sustainable Engineering Standards and Practices – by ensuring low impact development measures are implemented in the subject catchment;

- EN9: Sustainable Land Use Planning and Development Practices – by minimizing the land required to implement infrastructure and securing a sustainable funding approach to infrastructure implementation; and
- EN12: Enhance and Protect Natural Areas, Fish Habitat and Wildlife Habitat – by mitigating stormwater impacts on natural watercourses.

FUNDING

The construction of the subject pond will be front-ended by the Developer. The proposed DCCFEA, which has a term of 15 years, will allow the Developer to recover some of the costs of constructing the pond and related infrastructure from drainage DCCs collected from other development in the benefiting area (as illustrated on the map attached as Appendix I). The DCCFEA does not include any commitment with respect to the timing or phasing of other development in the benefiting area, but rather states that when a development in the benefiting area pays Drainage DCCs that the City will provide a reimbursement from such DCCs to the Developer subject to such development occurring within 15 years of the execution of the DCCFEA.

CONCLUSION

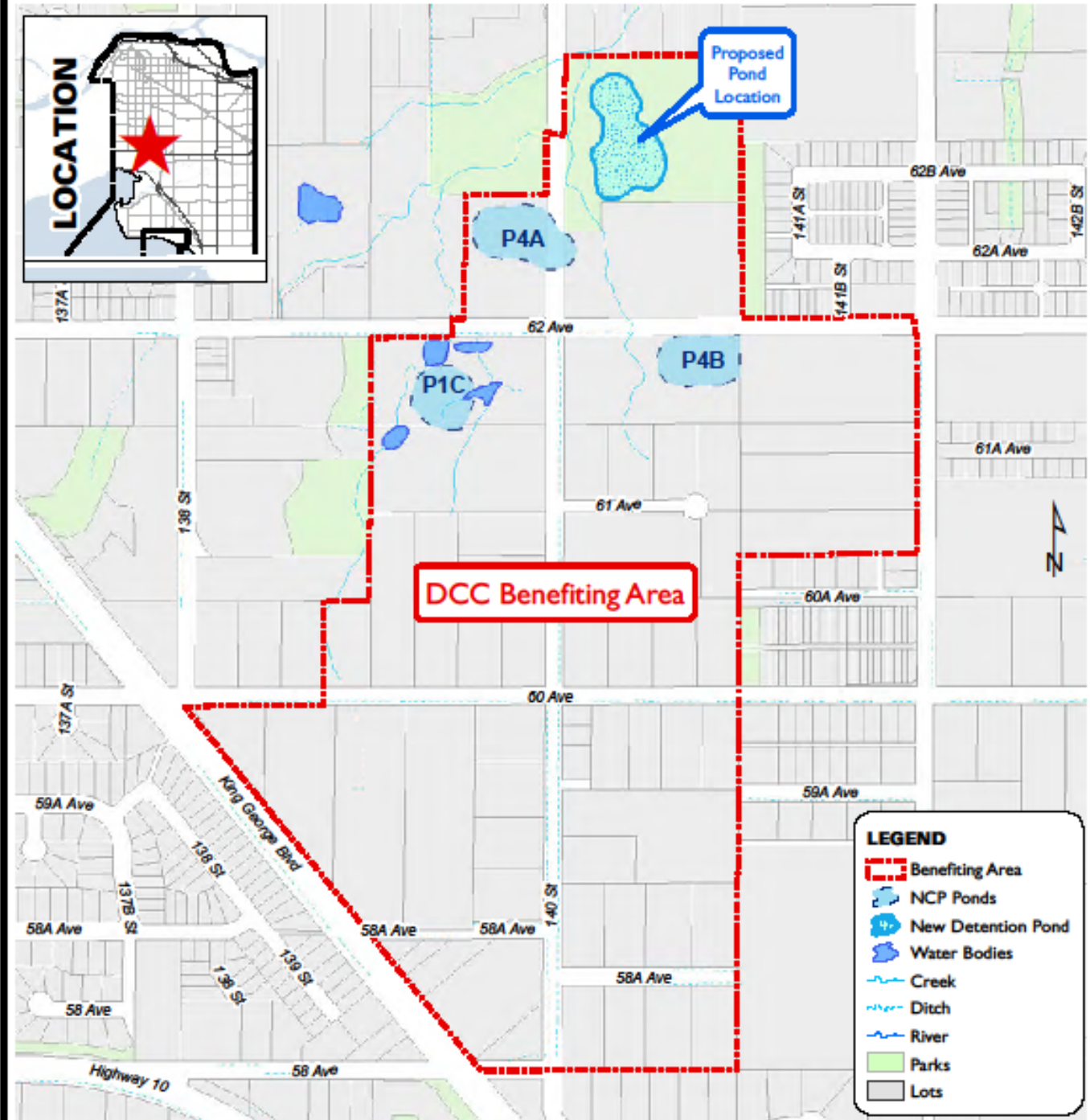
Based on the above discussion, it is recommended that Council authorize the execution of a Drainage Development Cost Charge (DCC) Front-Ending Agreement to an upset limit of \$1.25 million, including HST, with McLeod Pond Development Inc. (the front-ending Developer) as the means by which to reimburse the Developer from Drainage DCCs collected by the City from other developments in the benefiting area (as illustrated on the map attached as Appendix I) some of the costs that the Developer will incur in constructing the McLeod community detention pond on City parkland at 6306 - 140 Street.

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General Manager, Engineering

SSL/JA/RD/brb

Appendix I – Benefiting Area

APPENDIX I SITE MAP



Produced by GIS Section: 08-Jan-2013, C6S



McLeod Pond Drainage DCC
Front-Ending Agreement
Benefiting Area Boundary
South Newton NCP

ENGINEERING
DEPARTMENT

The data provided is compiled from various sources and is NOT warranted as to its accuracy or sufficiency by the City of Surrey.
This information is provided for information and convenience purposes only.

Lot sizes, legal descriptions and encumbrances must be confirmed at the Land Title Office.

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Source: