




TO: GENERAL COMMITTEE

SUBJECT: WHISKEY CREEK AREA SPECIFIC DEVELOPMENT CHARGES BY-LAW UPDATE

PREPARED BY AND KEY CONTACT: C. MILLAR, CGA, DEPUTY TREASURER, ext. 4436 

SUBMITTED BY: D. McKINNON, CGA, DIRECTOR OF FINANCE 

COMMISSIONER APPROVAL: E. ARCHER, CMA, GENERAL MANAGER OF CORPORATE SERVICES 

CHIEF ADMINISTRATIVE OFFICER APPROVAL: JON M. BABULIC, CHIEF ADMINISTRATIVE OFFICER 

RECOMMENDED MOTION

1. That the City of Barrie Development Charges Background Study for Whiskey Creek Area-Specific Development Charge By-law be adopted as per the revised background study dated May 27, 2011.
2. That Council determines that no further public meetings are required pursuant to Section 12 of the Development Charges Act, 1997.
3. That Council enact the necessary by-law and repeal By-law #2006-165.

PURPOSE & BACKGROUND

4. On June 26, 2006, Council passed the current Whiskey Creek Area Specific Development Charge By-law 2006-165 (replacing By-law 2002-233) to ensure payback to the front-ending owners of costs related to Pond A and the associated downstream conveyance works located west of Highway 400 on the north and south side of Harvie Road extending to Essa Road and beyond.
5. The current Development Charge (DC) Background Study provides the basis for a new development charge by-law for the purpose of updating costs for the uncompleted projects and continues DC collection from all properties in the defined area.
6. The works included in the current By-law are as follows:
 - a) Storm water management pond W5 (Pond A)
 - b) Stolp Pond Quality Improvements
 - c) Bryne Drive culvert
 - d) Harvie Road East of Bryne Regional culvert
 - e) Harvie Road West of Bryne culvert and channel upgrades
 - f) Highway 400 culvert crossing

7. The development within the benefiting area will require the completion of identified works in order to permit further development to proceed. The Whiskey Creek area specific development charge by-law supports the payback of upfront financing arrangements from the other benefiting owners.

ANALYSIS

8. A team consisting of staff from Engineering and Finance Departments as well as Mr. Jamie Cook of Watson and Associates Economists Ltd. (Watson & Associates) was assembled to review and update the 2006 Background Study and By-law.
9. Consistent with the key principles of the previous By-laws, the development charge in the proposed updated by-law was calculated on a per development area basis and based on benefiting drainage area and run-off co-efficients. There were a total of 15 development areas which benefit from at least some of the works.
10. The share of costs to each development area remains similar to the 2002 & 2006 Whiskey Creek Area Specific By-law with the exception of the Bell Media lands being reduced by 11.94 ha as a result of being previously overstated plus the removal of an area designated for a future drainage reserve.
11. The current total eligible development charge costs for the six works as well as study and by-law costs are calculated as \$5.5M. Appendix A indicates the 15 development areas and their related share of the development charge. Collection of the proposed area specific development charges will occur immediately upon entering into a subdivision agreement or, if applicable, at time of severance. If the development does not require subdivision or severance approval, collection will occur at the time of the first building permit issuance on the parcel.
12. Under the current by-law, the City has collected approximately \$1.3M which will be used to repay developers for works completed. Under the proposed by-law, any land that will be redeveloped will be subject to development charges related to the downstream conveyance works with credits been given for payments under previous by-laws.
13. The storm water management pond and the Stolp Pond quality improvements works were completed in 2005 at a cost of \$1.6M with development charges collected to date of approximately \$700K. The proposed by-law includes remaining indexed costs to be collected of \$1.2M.
14. Works related to the downstream conveyance system have not been completed but were identified in the Whiskey Creek Master Drainage Plan Class EA update in 2009. Costs associated with this work have been updated in the proposed by-law and are estimated to be \$4.3M.
15. The Background Study was published on April 29, 2011 and made available through the City's website and the City Clerk's Office. Copies were also sent to the benefiting landowners based on addresses on record. The public meeting was held on May 16 with a deadline of June 1 for written submissions.
16. Two submissions were received; one from Mr. Gary Bell of Skelton Brumwell & Associates Inc. (see Appendix C) representing Bell Media and the other from Bin Management Inc. The submission from Bin Management was not received in time to address in this report but responses will be provided by memo at the General Committee meeting of June 6 for deliberation at the same time as this staff report.
17. Mr. Bell requested the Bell Media lands be reduced from 17.3ha to 13.9ha to account for designated environmentally protected (EP) and open lands (0.6ha), wetlands (1.1ha) and a future drainage reserve (1.7ha). He is also requested the By-law be reviewed once the Environmental

Assessments (EA) have been completed for Harvie Rd/Big Bay Point Rd/Highway 400 Crossing and the Bryne Drive Master Plan.

18. The draft by-law presented in the Public Meeting on May 16th included a reduction of the Bell Media lands by 10.14ha as it was discovered after the by-law was updated in 2006 the area was overstated. Based on Mr. Bell's concerns and subsequent discussions and reviews of map area by Watson & Associates Inc and City Staff, the proposed by-law has been amended (see Appendix B) to further reduce Bell Media lands by an additional 1.8ha to account for future drainage reserve works that is not part of the by-law. In total, the Bell media land area has been reduced from 27.44ha to 15.50ha with costs related to remaining works being redistributed across all properties.
19. The founding principle of the Whiskey Creek By-law from 2002 is that charges are based on land area and not net developable area. Further reducing Bell Media's land area by 1.7ha as a result of existing EP and wetlands is not recommend by Watson & Associates Inc. as it is not consistent with the founding principle of the By-law. Such an adjustment would trigger a recalculation to all development areas and would create the potential for a shortfall in the collection of development charges relating to developed properties.
20. Similarly, Watson & Associates does not recommend that the by-law be revised to account for any future EA's and Master Plans as the collection of development charges is based on the principles of the 2002 by-law. Furthermore, reviewing the by-law is not a simple or quick process. It would require the process just completed by the City to be redone, including engaging Watson and Associates to conduct another review and update to the background study.
21. The development charge by-law term will be in effect for a period of no more than five years as stipulated under the Development Charges Act, 1997.

ENVIRONMENTAL MATTERS

22. There are no environmental matters related to the recommendation.

ALTERNATIVES

23. There are four alternatives available for consideration by General Committee:

Alternative #1

General Committee could direct staff not to proceed with the update of the Area Specific Development Charge By-law.

This alternative is not recommended as there is approximately \$1.2M of outstanding development charges to be collected related to completed works. In addition, the remaining works are required for future development and without this by-law the City would need to fund this work directly.

Alternative #2

General Committee could direct staff not to adjust the Bell Media land area.

This alternative is not recommended because after reviewing the map area it was determined the land area was incorrect in the previous by-law and should be adjusted.

Alternative #3

General Committee could direct staff to review the by-law after applicable Environmental Assessments have been completed as requested by Bell Media.

This alternative is not recommended as it is contrary to the basic principle of the by-law and the reduction in area would result in increased financial exposure to the City as insufficient DC's would be collected to fund the works.

Alternative #4

General Committee could defer judgement on the recommended motions to allow additional time for review of the background study.

This alternative is not recommended as the current by-law expires on June 26, 2011, after which time development charges cannot be collected until a new by-law is in place. The background study has been available to the public since April 29.

FINANCIAL

24. There is no direct financial implication relating to the reduction in area for the Bell Media lands as costs will be redistributed to the other benefiting owners, however, there is an overall financial exposure to the City relating to areas previously developed and development charges collected. In these instances developers would have already paid their development charges at lower construction estimates. Also works not yet completed continue to be impacted by inflation.

To illustrate, the difference between what developers would be paying today based on the new by-law and what they actually paid is \$461K. The risk of this exposure could be mitigated if the lands are redeveloped as additional development charges could be collected at that time, however, it is difficult to project the likelihood of such redevelopment occurring. Any shortfall in development charges collected would require funding from the tax capital reserve.

LINKAGE TO COUNCIL STRATEGIC PRIORITIES

- 25 The recommendation(s) included in this Staff Report support the following goals identified in the 2010-2014 City Council Strategic Plan:
- ☒ Direct and Manage Economic Development
 - ☒ Manage Growth and Protect the Environment
 - ☒ Strengthen Barrie's Financial Condition
- 26 The Whiskey Creek area-specific DC by-law supports development within the area while sharing the costs of stormwater management and downstream conveyance works between benefiting land owners.

APPENDIX A
TOTAL COST SHARING FOR EACH DEVELOPMENT (CONTRIBUTING) AREA

NO.	DEVELOPMENT AREAS	WHISKEY CREEK STORM WATER MANAGEMENT POND WORKS	WHISKEY CREEK DOWNSTREAM CONVEYANCE WORKS (INCLUDING DC STUDY COSTS)	TOTAL DC ELIGIBLE COSTS
1A	Barrie - Bryne Developments - Industrial (formerly Lorne Properties - Industrial)	\$211,142	\$503,701	\$714,843
1B	Barrie - Bryne Developments - Commercial (formerly Lorne Properties - Commercial)	\$0	\$188,862	\$188,862
1C	Barrie - Bryne Developments - Commercial (formerly Lorne Properties - Commercial)	\$0	\$352,407	\$352,407
1D	1074243 Ontario Limited - Industrial (formerly Lorne Properties - Industrial)	\$81,347	\$194,060	\$275,407
1E	1074243 Ontario Limited - Industrial (formerly Lorne Properties - Industrial)	\$0	\$103,689	\$103,689
1F	Discovery Daycare	\$0	\$32,343	\$32,343
2	Harvie Island Estates - Residential (formerly Lorne Properties - to Res)	\$0	\$120,778	\$120,778
3	Mason Homes Ltd.	\$598,758	\$824,655	\$1,423,413
4	ASV Enterprises - Townhouse (formerly Lorne Properties - Townhouse)	\$0	\$56,091	\$56,091
5	Future Dev - Residential	\$22,768	\$31,358	\$54,126
6	Sunfield Homes (Mapleview III)	\$252,676	\$348,004	\$600,680
7	Future Res - Allandale Vei	\$8,658	\$11,925	\$20,583
8	Future Comm - Allandale Vei	\$57,870	\$79,703	\$137,574
9	Jarlette	\$0	\$78,276	\$78,276
10	Rob-Geoff	\$0	\$246,625	\$246,625
11A	Pratt Construction (Pratt-Holly Meadows)	\$0	\$156,675	\$156,675
11B	27 Holdings	\$0	\$240,265	\$240,265
12A	Essa - Femdale Development	\$0	\$77,819	\$77,819
12B	Pratt Femdale Townhouse	\$0	\$34,856	\$34,856
13	Beacon Subdivision	\$0	\$95,532	\$95,532
14	Future Residential	\$0	\$113,922	\$113,922
15	Bell Media	\$0	\$451,034	\$451,034
TOTALS		\$1,233,220	\$4,342,584	\$5,575,804

APPENDIX B
ADDENDUM REPORT –DC ELIGIBLE COSTS

NO.	DEVELOPMENT AREAS	April 29, 2011 DC Background Study DC Eligible Costs	Addendum Report DC Eligible Costs
1A	Barrie - Bryne Developments - Industrial (formerly Lorne Properties - Industrial)	\$710,783	\$714,843
1B	Barrie - Bryne Developments - Commercial (formerly Lorne Properties - Commercial)	\$187,340	\$188,862
1C	Barrie - Bryne Developments - Commercial (formerly Lorne Properties - Commercial)	\$349,101	\$352,407
1D	1074243 Ontario Limited - Industrial (formerly Lorne Properties - Industrial)	\$273,843	\$275,407
1E	1074243 Ontario Limited - Industrial (formerly Lorne Properties - Industrial)	\$102,853	\$103,689
1F	Discovery Daycare	\$32,083	\$32,343
2	Harvie Island Estates - Residential (formerly Lorne Properties - to Res)	\$119,804	\$120,778
3	Mason Homes Ltd.	\$1,416,765	\$1,423,413
4	ASV Enterprises - Townhouse (formerly Lorne Properties - Townhouse)	\$55,639	\$56,091
5	Future Dev - Residential	\$53,874	\$54,126
6	Sunfield Homes (Mapleview III)	\$597,874	\$600,680
7	Future Res - Allandale Vet	\$20,487	\$20,583
8	Future Comm - Allandale Vet	\$136,931	\$137,574
9	Jarlette	\$77,645	\$78,276
10	Rob-Geoff	\$244,637	\$246,625
11A	Pratt Construction (Pratt-Holly Meadows)	\$155,412	\$156,675
11B	27 Holdings	\$238,328	\$240,265
12A	Essa - Ferndale Development	\$75,638	\$77,819
12B	Pratt Ferndale Townhouse	\$33,880	\$34,856
13	Beacon Subdivision	\$92,854	\$95,532
14	Future Residential	\$110,730	\$113,922
15	Bell Media Site	\$489,303	\$451,034
TOTALS		\$5,575,804	\$5,575,804

Skelton Brumwell

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**CONSULTING
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PLANNERS**

May 13, 2011

City of Barrie
Clerk's Office
70 Collier Street, Box 400
Barrie, ON L4M 4T5

Attention: Dawn McAlpine, City Clerk

Dear Dawn:

Re: Submission by /A\ Barrie on Area Specific Development Charge
Whiskey Creek Storm Water Management
Our File: P/N 94-1238

On behalf of /A\ Barrie and Bell Media we submit this letter to request corrections to the information on the Harvie Road property related to the specific development charge for the Whiskey Creek stormwater management works to be included in a DC By-law prior to expiry. We also suggest postponement or review of the By-law until after two significant Environmental Assessment's in the area have had preferred options approved by Council.

/A\ Barrie Station Manager Peggy Hebden and I appreciated the time provided by several City staff in a meeting May 10, 2011 to discuss the information and issues. Development Area 15 is 17.3 hectares of total land area according to City calculation. This area includes a significant portion which is subject to existing EP zoning, significant wetlands which are to be zoned EP and deeded to the City in the future as per City policy, and lands for a planned stormwater management pond to serve largely upstream development. These lands should not be included for a future payment for stormwater management works. The high coefficient of runoff is also a concern on these lands.

Development Area 15 covers part of two properties owned by Bell Media. The Table and Maps of the By-law, should be revised as follows:

1. The location shown for Pond B is incorrect. City Engineering staff have advised, and we concur, that correct location of Pond "B" is north of the Barrie Water reservoir property. We have understood that Pond B was not part of Development Area 15 as it was for the benefit of upstream landowners. Pond B is shown on Map 1-1 with a bold line around it.

The correct location for Pond B should be shown on Map 1-1 and excluded from the area of Development Area 15. That will be consistent with the exclusion of City owned land south of Harvie Road for the proposed Whiskey Creek storm water Pond A.



2. The wetland on the north side of Harvie Road, which was the original location of Pond B, is not available for development and will be zoned EP and conveyed to the City in accordance with City policy and practice. This land should not be included in development land of Development Area 15.
3. There is an area of land on the north side of Harvie Road immediately adjacent to Highway 400 which is non development area now as it is designated Environmental Protection Area in the Official Plan and zoned EP Environmental Protection.

Development Area 15 in the By-law renewal should have a land area of 13.9 ha as shown on the attached Figure.

We understand that the recommended preferred options from Phases I and II of the Environmental Assessments of both the Harvie Road/Highway 400 Crossing EA and the Bryne Drive Master Plan EA will be brought forward for Council consideration this year, possibly later this summer. Those two related decisions will have a significant effect on the planning and development potential of all properties in the area including a Business Park on Bell Media land. It would be prudent for the City to update the Whiskey Creek DC By-law, after the two EA's have a Council decision.

The next Whiskey Creek By-law update will be 5 years from now so the By-law should be based on the best information available in 2011.

The significance of the two EA decisions on Development Area 15 was demonstrated to City staff at our meeting of May 10, 2011. It is possible that a cross over or an interchange reserve block will be required from the Bell Media lands and that the location of Bryne Drive will be set well to the west of the interchange ramp.

We and Bell Media request that the City adopt a DC By-law which is correct, fair and conducive to moving forward with development of this Business Park and the construction of Bryne Drive.

If you have any questions please call me.

Yours truly,

SKELTON, BRUMWELL & ASSOCIATES INC.

Per:



Gary Bell, RPP
Principal

GKB/bal

cc: /A\ Barrie, Bell Media- Peggy Hebden

C-11-118



