Agenda - Executive Policy Committee - March 18, 2003

Report - Standing Policy Committee on Property and Development - March 4, 2003

Item No. 5 Proposed Amendment to Development Agreement - Sovereign Cove File DASZ 27/2001

STANDING COMMITTEE RECOMMENDATION:

On March 4, 2003, the Standing Policy Committee on Property and Development concurred in the recommendation of the Lord Selkirk-West Kildonan Community Committee and recommended:

1. That Development Agreement AG 27/01 between the City of Winnipeg and D.W.E. Holdings Limited be amended by adding a clause as follows:

   "The Developer may, after registration of the plan of subdivision, file a petition in accordance with The City of Winnipeg Charter for the construction of land drainage facilities to serve the benefiting land.

   The City agrees to levy the benefiting properties within each phase of development at the City's uniform frontage rate, which includes the City's rate of interest plus 1% per annum handling, in equal annual instalments over a period of 20 years. It is understood and agreed that such levies as are collected annually minus handling charges shall be paid by the City to the Developer on December 1st of each year until fully paid, such levies to commence within one year from the date of completion of the land drainage facilities in each phase. It is also understood and agreed that the full cost of construction shall in the first instance be paid by the Developer. The City reserves the right to commute and pay to the Developer the amount of the levies outstanding against any land within any phase of the development."

2. That the Proper Officers of the City be authorized to execute any documents in connection with the above.

Agenda - Executive Policy Committee - March 18, 2003

Report - Standing Policy Committee on Property and Development - March 4, 2003

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On March 4, 2003 the Standing Policy Committee on Property and Development concurred in the recommendation of the Lord Selkirk-West Kildonan Community Committee, and submitted its recommendation to Executive Policy Committee and Council.

COMMUNITY COMMITTEE RECOMMENDATION:

On February 4, 2003, the Lord Selkirk-West Kildonan Community Committee concurred in the administrative recommendation, and submitted its recommendation to the Standing Policy Committee on Property and Development, namely:

1. That Development Agreement AG 27/01 between the City of Winnipeg and D.W.E. Holdings Limited be amended by adding a clause as follows:

   "The Developer may, after registration of the plan of subdivision, file a petition in accordance with The City of Winnipeg Charter for the construction of land drainage facilities to serve the benefiting land.

   The City agrees to levy the benefiting properties within each phase of development at the City's uniform frontage rate, which includes the City's rate of interest plus 1% per annum handling, in equal annual instalments over a period of 20 years. It is understood and agreed that such levies as are collected annually minus handling charges shall be paid by the City to the Developer on December 1st of each year until fully paid, such levies to commence within one year from the date of completion of the land drainage facilities in each phase. It is also understood and agreed that the full cost of construction shall in the first instance be paid by the Developer. The City reserves the right to commute and pay to the Developer the amount of the levies outstanding against any land within any phase of the development."

2. That the Proper Officers of the City be authorized to execute any documents in connection with the above.

Re: Amendment to Development Agreement AG 27/01 - Sovereign Cove
D.W.E. Holdings Limited

On September 25, 2002, Council approved DASZ 27/2001 being an application to subdivide and rezone land located north of Beecher Avenue, opposite Diplomat Drive subject to the Developer, D.W.E. Holdings Limited ("D.W.E.") entering into a Development Agreement with the City. The subject development agreement requires the Developer to install a full range of services to serve the proposed subdivision at no expense to the City including land drainage sewers.

In a letter dated December 12, 2002, D.W.E. requested that "the City enact a Local Improvement By-law to place the cost of the installation of Storm Sewers to be constructed in the development on local improvements." The Developer is requesting that the City implement an arrangement utilized in two instances in 1975 i.e. Development Agreements AG 44/74 and AG 45/74 covering Richmond West and Garden Grove respectively, whereby the Developer initially installs and/or pays the cost of land drainage facilities within the subdivision and recoups its costs by way of 20 annual payments from the purchasers of the benefiting lots. The procedure has not been utilized for single-family residential development since 1975 although it has been utilized for a full range of services in commercial and industrial development such as Omands Creek Industrial Park, Southwood Mall and Winfield Business Park. A copy of D.W.E.'s letter dated December 12, 2002 is attached for your Committee's information.

The procedure has no financial implications on the City and the administration has no objection to it being implemented providing that the costs be limited to the City's Local Improvement rate of $48.00 per foot.

If your Committee concurs with the Developer's request, it should recommend to Standing Policy Committee on Property and Development as follows:

1. That Development Agreement AG 27/01 between the City and D.W.E. Holdings Limited be amended by adding a clause as follows:

   "The Developer may, after registration of the plan of subdivision, file a petition in accordance with The City of Winnipeg Charter Act for the construction of land drainage facilities to serve the benefiting land.

   The City agrees to levy the benefiting properties within each phase of development at the City's uniform frontage rate, which includes the City's rate of interest plus 1% per annum handling, in equal annual installments over a period of 20 years. It is understood and agreed that such levies as are collected annually minus handling charges shall be paid by the City to the Developer on December 1st of each year until fully paid, such levies to commence within one year from the date of completion of the land drainage facilities in each phase. It is also understood and agreed that the full cost of construction shall in the first instance be paid by the Developer. The City reserves the right to commute and pay to

the Developer the amount of the levies outstanding against any land within any phase of the development."

2. That the Proper Officers of the City be authorized to execute any documents in connection with the above.

Enclosure

THIS REPORT SUBMITTED BY:

E.L. Carrière, P.Eng.
Land Development Engineer
File No.: AG 27/01
January 8, 2003

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December 12, 2002

D.W.E. Holdings Ltd.
85 Wiebes Drive
Winnipeg, Manitoba
R2G 3E5

City of Winnipeg
Planning, Property, Development Dept.
Main Floor, 65 Garry St.
Winnipeg, Manitoba
R3C 4X7

Attention: Mr. E. Carriere, P.Eng.

Dear Sir:

At the present time we have two rezoning and subdivision applications: DASZ-27/01 and DASZ-28/02 with the City of Winnipeg. Please consider this letter as our request to have the City of Winnipeg City Council inact a Local Improvement Bylaw to place the cost of the installation of the storm sewers to be constructed in the developments, on local improvements.

Our supporting reasons are :
1. There are existing vacant lots and homes on Beecher Ave., east of Diplomat Ave.to Ferrier St., that are presently on local improvement charges, which is adjacent to our subdivisions and we need to be competitive to promote infill development.
2. Our company, is installing and bearing a majority of the cost of the installation of the outfall pipe on Ferrier St., that was not installed by the city, when Beecher Ave was serviced thereby substantially increasing our servicing costs by approximately $2000.00 per lot.
3. In order to achieve the goals of the City of Winnipeg , with regards to encouraging infill housing and inner city development, as a private developer, we must reduce our initial costs in-order to allow families to purchase new homes in our subdivisions instead of choosing the suburbs or rural communities surrounding the City of Winnipeg.
4. Precedence for this request have been established in Development Agreements AG 44/74 and AG 45/74 covering Richmond West and Garden Grove respectively and current Reil Community Committee approval of an amendment to AG 16/94 in Windsor Park. It has also been utilizes in commercial and industrial developments.
5. The local improvement procedure would have no financial implications on the City of Winnipeg.
In conclusion, it is our goal to provide lot and house prices at affordable levels and encourage infill development at no cost to the City of Winnipeg. We ask for your support in this endeavour.

Your's truly,

Warren Earl /D.W.E. Holdings Ltd.

