



## Town of Niagara-on-the-Lake

1593 Four Mile Creek Road  
P.O. Box 100, Virgil, ON L0S 1T0  
905-468-3266 www.notl.com

**REPORT #:** CDS-24-188

**COMMITTEE DATE:** N/A  
**DUE IN COUNCIL:** 2024-12-10

**REPORT TO:** Council

**SUBJECT:** Consolidation of Front-ending Agreements along Line 1 Road

### 1. RECOMMENDATION

It is respectfully recommended that:

- 1.1 Council pass a by-law to authorize the Lord Mayor and Clerk to sign the front-ending agreement, attached as **Appendix I** to this report, associated with consolidating and extending the three (3) existing front-ending agreements for the construction of the sanitary sewer main in the Line 1 Road allowance to December 2034; and
- 1.2 Council requests the Lord Mayor and Town Clerk to sign the agreement.

### 2. EXECUTIVE SUMMARY

This report provides information and recommendation to Council on the consolidation and extension of three (3) existing front-ending agreements for municipal sanitary servicing along Line 1 Road.

Over the last 8 years, the Town has entered into three front-ending agreements with a private developer for installation of the sanitary sewers along Line 1 Road to service properties created through consent within the urban area boundary. In each case, all costs associated with the construction were borne by the developer at that time, with the understanding that the Owner would enter into a front-ending agreement with the Town after the works were complete. These agreements were approved through Council in 2015, 2017 and 2023, each for a 10-year time period. The agreements may be extended by Council. Given the timing of the agreements, the Owner has requested that the Town extend the first agreement. To simplify going forward, Staff have consolidated the three agreements into one.

The sanitary sewer main extension will provide a potential benefit to landowners in the vicinity of the development who may wish to connect to the service in the future. The front-ending agreement gives the Town the ability to recover a portion of construction costs for the applicant, if owners of said benefitting lands should connect to the sanitary sewer main in the future.

### **3. PURPOSE**

The purpose of this report is to provide background information to Council on the front-ending agreements that the Town has entered into for the installation of municipal sanitary servicing along Line 1 Road and make a recommendation to Council on the consolidation and extension of a front-ending agreement.

### **4. BACKGROUND**

The *Development Charges Act* gives the Town the ability to enter into a front-ending agreement to recover a portion of the costs of constructing a municipal service when initiated by a private developer, if/when future landowners of said benefitting lands should connect to the sanitary sewer. The extension of the infrastructure provides a potential benefit to landowners for future development.

Over the last 8 years, the Town has entered into three front-ending agreements with a private developer for installation of the sanitary sewers along Line 1 Road to service properties created through consent within the urban area boundary. In each case, all costs associated with the construction were borne by the developer at that time, with the understanding that the Owner would enter into a front-ending agreement with the Town after the works were complete. These agreements were approved through Council in 2015, 2017 and 2023.

**2015 Agreement** - The Town and Owner entered into a development agreement (Staff Report CDS-14-043) for the extension of the sanitary sewer main from the existing main at Homestead Drive westerly a distance of 92 metres. The work was required in order to service two new lots created by consent along Line 1 Road. Further to the development agreement to undertake the work, the Town entered into the front-ending agreement via CDS-15-030.

**2017 Agreement** - The Town and Owner entered into a development agreement (Staff Report CDS-17-003) for the extension of the westerly terminus of the existing sanitary sewer main on Line 1 Road, a distance of 181 metres. The work was required in order to service two new lots created by consent along Line 1 Road. Further to the development agreement to undertake the work, the Town entered into the front-ending agreement via CDS-17-069.

**2023 Agreement** - The Town and Owner entered into a development agreement (Staff Report OPS-22-050) for the extension of the sanitary sewer main west of Homestead Drive, extending from the existing sanitary sewer main westerly a distance of 183.2 metres. The work was required in order to service two new lots created by consent along Line 1 Road. Further to the development agreement to undertake the work, the Town entered into the front-ending agreement via CDS-23-081.

Each of these agreements included a clause for it to remain in effect for a period of ten (10) years from the date of ratification by Council. Extension of this time period may be granted by way of amendment to this agreement and approved by Council.

## 5. DISCUSSION / ANALYSIS

As the sanitary sewer main extension will provide a potential benefit to landowners who may wish to connect to the service in the future, the front-ending agreement gives the Town the ability to recover a portion of construction costs for the applicant. The method of calculating the amount to be reimbursed to the owner by each benefitting property owner is the same in each agreement and is demonstrated below:

$$\frac{\text{Area of Benefitting Property}}{\text{Total Benefitting Lands Area}} \times \text{Total Cost} = \text{Reimbursement Amount}$$

At the time of future development on lands associated with this agreement, the Town will collect the required amount from the benefitting landowner and transfer it from said property owner to the developer. Development includes issuance of a building permit for construction of a new building or connection of an existing building to the sanitary sewer system, payment at the time of a subdivision agreement or as a condition of consent. There is no requirement for a landowner to connect if no development is occurring.

All three agreements are signed by the same developer (Josh Bice). The first agreement is nearing the end of its 10-year timeframe (2025), and the developer has requested that the Town extend the agreement for an additional 10-year timeframe.

Given there are three agreements to track, Staff have reviewed the three (3) agreements and consolidated them into one (1) agreement that itemizes the costs associated with the connection. Schedule A to the new agreement provides a map of benefitting lands. Schedule B outlines the total costs to connect. Schedule C shows properties who have paid the reimbursement fee to connect to the service and will be removed from the agreement. In addition to removal of lands that have already connected, lands owned by the developer (Josh Bice) have also been requested to be removed. With regard to the timeframe, Staff recommend that the consolidated agreement be extended to December 2034. This represents a 10-year extension from the expiration of the earliest agreement and from the date of the passage of the new agreement.

The draft agreement has been reviewed and accepted by Mr. Bice. The consolidated agreement is included as **Appendix I**.

## 6. STRATEGIC PLAN

The content of this report supports the following Strategic Plan initiatives:

### Pillar

4. Optimize Organizational Excellence

### Priority

4.1 Streamline & Modernize

### Action

4.1 a) Streamline Processes

**Pillar**

3. Enrich Community Assets, Environment, & Infrastructure

**Priority**

3.3 Infrastructure

**Action**

3.3 a) Infrastructure Investment (Physical & Green)

**7. OPTIONS**

- 7.1 Option 1: Approve the by-law to implement the consolidated front-ending agreement and extend the timeframe to 2034 (***Recommended***)
- 7.2 Option 2: Approve the by-law to implement the consolidated front-ending agreement and extend the timeframe for a lesser period of time as determined by Council (*Not Recommended*)
- 7.3 Option 3: Refuse to extend the front-ending agreement (*Not Recommended*)

**8. FINANCIAL IMPLICATIONS**

There are no added costs to the Town as a result of this agreement. Any future buy-in charges will be collected by the Town and transferred to the developer. The developer will be responsible for any legal fees associated with the registration of the new consolidated agreement.

**9. ENVIRONMENTAL IMPLICATIONS**

No environmental impacts.

**10. COMMUNICATIONS**

In accordance with the *Development Charges Act*, notice of the agreement will be given to the benefitting landowners not later than 20 days after the day the agreement is made. Any benefitting landowner may file a notice of objection to the front-ending agreement, with reasons for objection, to the Clerk not later than 40 days after the agreement is made.

**11. CONCLUSION**

The owner has installed a sanitary sewer line, in accordance with applicable servicing agreements, in the Line 1 Road allowance. The subject sanitary sewer main will provide a potential benefit to those owners of lands in the vicinity of the sanitary sewer main. Should owners of identified lands benefit from connection to the sewer, the Town will collect a buy-in charge, in accordance with the front-ending agreement, to be transferred to the developer.

The first front-ending agreement is nearing its expiration. The developer has requested that the Town extend the agreement for an additional 10 years in light of the potential for growth and development along the sewer main.

Given there are three front-ending agreements along Line 1 Road, it is recommended that a single front-ending agreement replace the existing agreements and that the extension be from the expiration of the earliest agreement to December 2034. Council is authorized to execute the agreement under the *Development Charges Act*.

## **12. PREVIOUS REPORTS**

- CDS-15-030: 479 Line 1 Road - Front-Ending Agreement
- CDS-17-069: 459 Line 1 Road - Front-Ending Agreement
- CDS-23-081: 419 Line 1 Road – Front Ending Agreement
- CDS-24-083: Review and Extension to the Line 1 Road Front-Ending Agreements

## **13. APPENDICES**

- Appendix I – Consolidated Front-ending Agreement

Respectfully submitted:

**Recommended by:**



**Kirsten McCauley, MCIP, RPP**  
**Director, Community and Development Services**

**Submitted by:**



**Bruce Zvaniga**  
**Chief Administrative Officer (Interim)**