



Policy on Development Cost Sharing

2016



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1.0 Purpose

The intent of this policy document is to establish a cost sharing structure between the development community and the City of Greater Sudbury for development costs not covered by the Development Charges By-law. In order for new development to proceed, it is often a requirement that certain public works, internal or external to the development, have to be constructed. The public works may include construction of roads, intersections, traffic control signals, watermains, sanitary sewers, stormwater management facilities, etc. In some cases these works will solely benefit the developer, in other cases the City and/or other developers may benefit from the works being constructed. This document is not meant to determine where services will ultimately be installed (this will be done through the Official Plan process and on case by case basis), but only how costs will be shared.

Occasionally a developer may wish to carry out the work in order to advance the construction of the public works necessary for private development to proceed. In some cases the work being proposed will benefit more than his or her development. In these cases, a Cost Sharing Agreement is necessary in order to establish the City's obligations to reimburse the developer's costs in financing the construction and to establish the developer's obligation for construction. Council approval of the construction and the reimbursement must be obtained prior to the commencement of construction.

It is intended that this document will be reviewed on a regular basis by the City and the Development Community to gauge its applicability and effectiveness.

NOTE:

This document does not support the extension of services into areas contrary to the City of Greater Sudbury Official Plan.

2.0 General Principles and Criteria

2.1 General Principles:

Development cost sharing applications will be considered on a case by case basis and subject to Council approval, based on the following principles:

- a) The City recognizes that development represents an opportunity to rehabilitate, upgrade and or replace infrastructure that would otherwise fall under the City's capital programs. Since there are limited resources to apply to infrastructure upgrades in a given year, the City has an interest in cost sharing in situations where there are demonstrated gains in closing the infrastructure gap, and/or
- b) Cost sharing is an option in situations where there are off site deficiencies or enhanced work is desired by the City.

2.2 General Criteria

- a) All Development Cost Sharing applications must be approved by Council prior to the commencement of construction;
- b) All Development Cost Sharing applications must be submitted to the City using the application form and be accompanied by the required information, including detailed cost estimates prepared by a professional engineer;
- c) Upon Council approval of a cost sharing application, the City and the applicant shall enter into a Cost Sharing Agreement. Cost sharing agreements may include provisions for a third party to confirm quantities and costs. The costs associated with retaining a third party will be shared 50/50 between the City and the applicant;
- d) For greater clarity, all development applications are eligible to apply for cost sharing under this policy unless expressly stated otherwise by Council;
- e) Notwithstanding criteria (a) above, approval of development cost sharing applications totaling \$250,000 or less are delegated to the General Manager of Infrastructure Services with the option of bringing them forward for Council's consideration;
- f) Cost sharing involving more than one land owner may be formalized using a front ending agreement;
- g) Development Cost Sharing agreements may include sunset clauses;

- h) Approval of Development Cost Sharing agreements will be subject to the City portion of funding being available. Council may reprioritize capital budgets at their discretion to realize development cost sharing opportunities, and
- i) In situations where the proposed development will result in infrastructure improvements that benefit a larger area, applications may be assessed on a case by case basis to determine if they are development charge eligible.

3.0 Definition of Terms

Abutting Service

Shall include a service either existing or proposed that:

- services lands outside and inside a development, and
- is either located on a road allowance outside the limit of a development but abuts the development or;
- is located on a road allowance within the limit of a development but abuts other lands outside the development.

(e.g. Section B-C on Sketch #1 & #2)

Appurtenances

When used in this document means an accessory to a municipal service, including structures. For example, appurtenances to a water main include but are not limited to valves, valve chambers, fire hydrants, etc.

Cost

For an existing service, shall be the current cost, as determined by the City, of constructing the service.

For a proposed service, shall be the final cost of designing and constructing the service, as determined by the City, after the construction is complete.

In cases where the City shall pay for the balance of costs associated with services, this shall only include the difference in materials and appurtenances costs.

Deficient Situation

When used in this document means a road, sanitary, water, storm water or other municipal service that is lacking or insufficient for the existing developed areas that it is servicing. Determination of whether a City service is deficient shall be made by the City using its applicable standards. For example a deficient water service situation includes insufficient existing fire flows and/or pressure.

External Service

Shall include a service, either existing or proposed, that is located outside the limit of a development but shall not include abutting service. (e.g. Section A-B on Sketch #1 & #2)

Internal Service

Shall include a service, either existing or proposed, that is located within the limit of a development but shall not include an abutting service. (e.g. Section F-G on Sketch #1 & #2)

Minimum Size

Shall be as per current City of Greater Sudbury standards.

Non Deficient Situation

When used in this document means a road, sanitary, water, storm water or other municipal service that is fully sufficient, suitable, or fit for the existing development that it is servicing. Determination of whether a City service is deficient shall be made by the City using its applicable standards.

Road

Shall refer to a *public* thoroughfare for vehicular traffic and active transportation, which is assumed and maintained year-round by and under the jurisdiction of the *City* of Greater Sudbury or the Province of Ontario.

Sanitary Sewer

Shall refer to a sewer main and related appurtenances (i.e. lift stations, maintenance holes, test maintenance holes, etc.) for the collection and transmission of sanitary wastewater.

Sanitary Sewer Connection

Shall refer to a sanitary sewer service connection and related appurtenances designed in accordance with City standards.

Sequential Development

Shall refer to the next development which may proceed geographically for which all necessary external City service infrastructure is in place.

Service

Shall refer to a water main, sanitary sewer main, or storm sewer main and associated appurtenances.

Shared Stormwater Management Facility

Shall refer to the portion of a storm sewer system, such as a storm water management pond, and related appurtenances that accommodates storm water drainage from a development and/or a City road, and may be shared with other benefitting users.

Storm Sewer

Shall refer to a storm sewer main and related appurtenances (i.e. maintenance holes, test maintenance holes, etc.) for the collection and transmission of uncontaminated water, storm water, drainage from land or from a watercourse or any combination thereof that is the responsibility of the City including storm sewers located within the City's road allowance or other City property.

Storm Sewer Connection

Shall refer to a storm sewer service connection and related appurtenances designed in accordance with City Standards

Water Connection

Shall refer to a water service connection and related appurtenances designed in accordance with City standards.

Watermain

Shall refer to a watermain system and related appurtenances such as (i.e. valves, hydrants, booster stations, etc.), designed in accordance with City standards.

4.0 Sanitary Sewers, Storm Sewers and Watermains

4.1 Internal Services

The cost of an internal service shall be shared between the City and the Developer on the following basis:

- a) For an internal service that is required to service the development, the Developer shall pay for 100% of the cost (e.g. Section F-G on Sketch #1 & #2).
- b) For an internal service, which is not required to service the development, the City shall pay for 100% of the cost, to be recovered from future developments where applicable (e.g. Section H-I on Sketch #1).
- c) For an internal service, which is required to service the subdivision and external lands, the developer shall pay for 100% of the cost for the minimum size required to service the development and the City shall pay for the balance of the cost, to be recovered from future developments where applicable. (e.g. Section G-K on Sketch #1).

4.2 Abutting Services

The cost of an abutting service shall be shared between the City and the Developer on the following basis:

4.2.1 Non Cost Sharing Situations

- a) For an abutting service, which is not required to service the development, the City shall pay for 100% of the cost to be recovered from future developments where applicable (e.g. Section A-B on Sketch #1).
- b) For an abutting service, which is required to service the development, but will not service other lands which are located outside the limit of the development and abut the service, the Developer shall pay for 100% of the cost. These costs shall include any required improvements to downstream systems (e.g. Section H-I on Sketch #2).

4.2.2 Cost Sharing Situations

- a) No Existing Deficiencies Situation

In situations where abutting service which is required to service the development as well as the other lands which are located outside the limit of the development and abut the service, the City shall pay for 50% of the costs of the pipe and appurtenances to replace the existing size, the developer shall pay the

remainder, subject to the City having an interest in servicing the abutting lands, otherwise the developer shall pay for 100% of the cost. These costs shall include any required improvements to downstream systems (e.g. Section B-C on Sketch #1).

b) Existing Deficiencies Situation

In situations where there are existing servicing deficiencies the City shall pay for 50% of the total construction costs to upsize existing infrastructure and the developer shall pay the remainder.

4.3 External Services

The cost of an external service shall be shared between the City and the Developer on the following basis:

- a) For an external service, which is required to service the development, the Developer shall pay 100% of the cost for the minimum size required to service the development and the City shall pay for the balance of the cost to be recovered from future / existing benefitting developments where applicable (e.g. Section M-L on Sketch #1).
- b) For an external service, which is not required to service the development, the City shall pay for 100% of the cost to be recovered from future/existing benefitting developments where applicable (e.g. Section A-B on Sketch #1).
- c) In situations where a new development creates a deficiency in the external system and there are no existing deficiencies, the developer shall be responsible for 100% of the cost. In situations where there is an existing deficiency; the City shall be responsible for 50% of the cost.

5.0 Sanitary Sewer Connections, Storm Sewer Connections and Water Connections

The cost of sanitary sewer connections, storm sewer connections and/or water connections shall be shared between the City and the Developer on the following basis:

5.1 Lands Within the Development

The Developer shall pay for 100% of the cost of sanitary sewer connections, storm sewer connections and/or water connections to each lot, block or building site within the development. The developer shall also be responsible for 100% of the cost of any such connections that take place off-site to service the development.

5.2 Lands External to the Development

In situations where there were no existing services, the City shall pay for 100% of the cost of sanitary sewer connections, storm sewer connections and/or water connections to lands external to the development. These costs are to be recovered from the individual property owners.

In situations where there are no existing deficiencies and infrastructure is being upsized to service the new development, the City shall pay for 50% of the costs of the pipe and appurtenances to replace the existing size, the developer shall pay the remainder.

In situations where there are existing servicing deficiencies the City shall pay for 50% of the total construction costs to upsize existing infrastructure and the developer shall pay the remainder.

6.0 Roads and Road Connections

The cost of roads, road connections and related structures and appurtenances shall be shared between the City and the Developer on the following basis:

6.1 Roads

- a) The Developer shall pay for 100% of the cost of all local roads internal to a development (e.g. Road A on Sketch #5).
- b) The Developer shall pay for 100% of the cost of a standard arterial or collector road internal to a development as per the applicable Greater Sudbury Standard and the City shall pay for the balance of the cost for any enhancements above the standard, unless required for solely for the development, based on an approved traffic study (e.g. Road B on Sketch 3).
- c) Subsections (a) & (b) above shall also apply to roads external to a development, but necessary to service the development (e.g. Road B1 on Sketch #3). In situations where there are other benefitting parties, the developer shall pay for the minimum size of road required to service the development and the City shall pay for the balance of the cost, to be recovered from future developments where applicable.
- d) In situations where an abutting local road, necessary to service the development, is being upgraded to an urban standard, the Developer shall pay for 50% of the cost and the City shall pay for 50% of the cost (e.g. Road C on Sketch #3).
- e) In cases where an abutting road is identified as a collector road in the Official Plan and needs to be upgraded, the developer shall pay 50% and the City shall pay 50% of the cost (e.g. Road D on Sketch #3).
- f) In situations where an existing road, external to the development, needs to be upgraded / upsized solely for the purposes of accommodating the development, the Developer shall pay for 100% of the cost (e.g. Road E on Sketch #3).
- g) The Developer shall be responsible for all road improvements required to provide safe and efficient access and egress to the development, including but not limited to; costs for turning lanes, tapers, traffic control measures and improvements to nearby intersections based on an approved traffic study. In all instances, the City will consider whether the improvements would otherwise fall under the City's capital programs and consider cost sharing in those situations on a case by case basis.

- h) Notwithstanding subsections (a) to (g), in situations where a proposed road is identified as a major future road in Official Plan and creates an improvement in the existing road network, the City may consider alternative cost sharing measures on a case by case basis.

6.2 Streetlights

The Developer shall pay for 100% of the costs of streetlights internal to a development or external to a development but required for the subject lands.

6.3 Sidewalks

The Developer shall pay for 100% of the costs of sidewalks internal to a development or external to a development but required for the subject lands. In situations where an external side walk is extended to an existing sidewalk, the developer shall pay for 100% of the costs to a maximum of 100 metres of sidewalk.

6.4 Bike Lanes or Transit Lay-bys

The Developer shall pay for 100% of the costs of bike lanes or transit lay-bys internal to a development or external to a development but required for the subject lands.

6.5 Noise Abatement Measures

- a) The Developer shall pay for 100% of the costs of noise abatement measures internal to a development.
- b) The Developer shall pay for 100% of the costs of noise abatement measures external to a development but required and related to, or mitigate impacts from, the development of the subject lands.

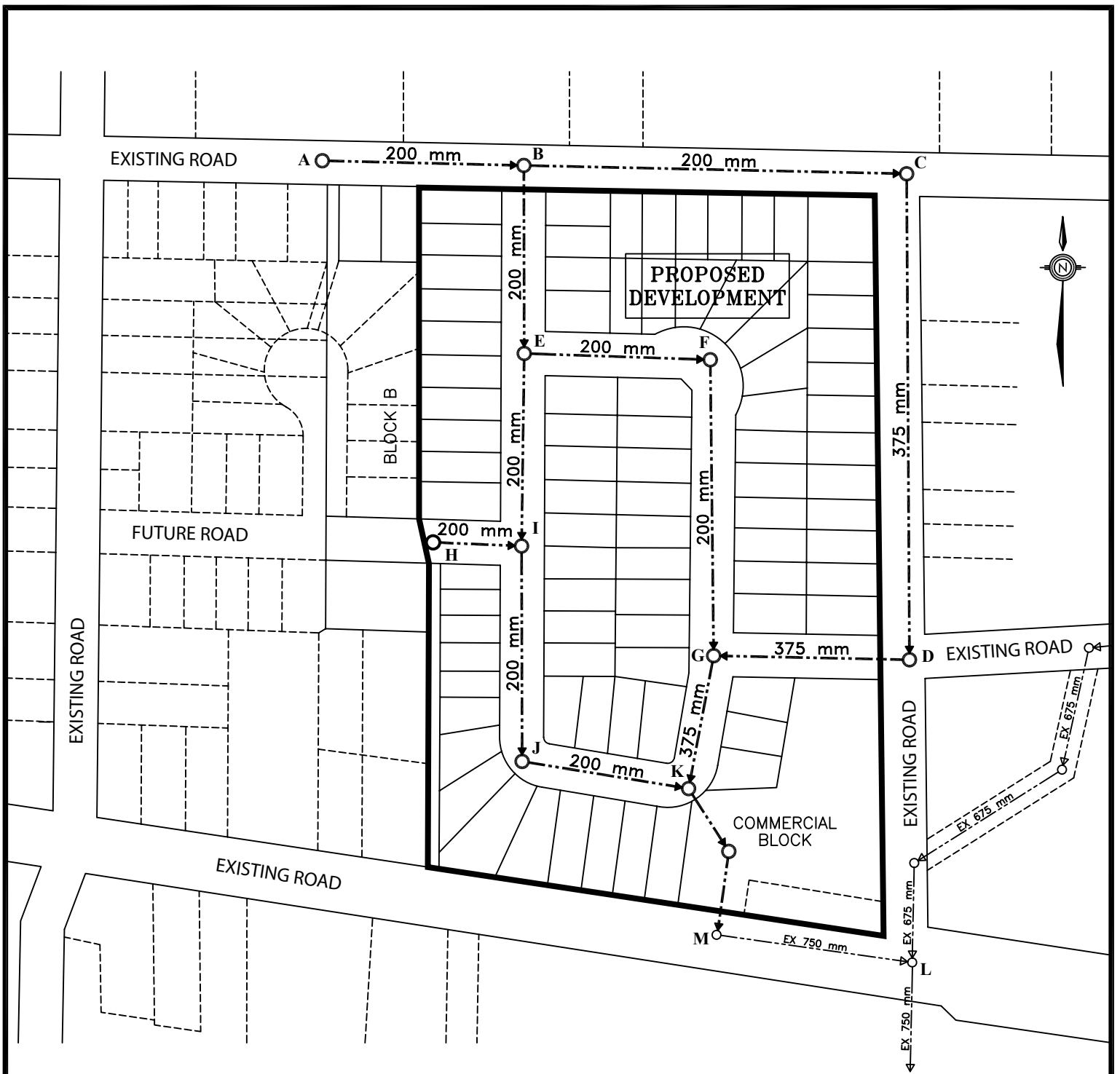
7.0 Stormwater Management Facilities

The cost of stormwater management facilities shall be shared between the City and the Developer on the following basis:

- a) The Developer shall pay for 100% of the cost of the minimum size required to service the development and other contributing lands owned by the Developer.
- b) The over sizing cost shall be attributed to other contributing parties, including the City, based on flow volume.
- c) The City shall pay for its share of the over sizing cost proportionally based on the City's flow volume.

8.0 Interpretation

Final interpretation of the policies contained in this document rests with the General Manager of Infrastructure Services for the City of Greater Sudbury.



NOTE: EXTERNAL AND ABUTTING INFRASTRUCTURE FINANCED BY THE CITY OF GREATER SUDBURY WILL BE SUBJECT TO COLLECTIONS FROM FUTURE BENEFITTING DEVELOPMENT OR LANDOWNERS.

LEGEND

EX 750 mm EXISTING SANITARY SEWER

200 mm REQUIRED SANITARY SEWER

50 25 0 20 40 60 80 100 Metres

TYPICAL EXAMPLE COST SHARING SANITARY SEWER SERVICING Sketch 1

Vacant

Local

Road C

Road A

PROPOSED
DEVELOPMENT

Road B1

Road B

Collector

Road D

Road A

Road E



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SCHEMATIC
COST SHARING
ROADS
Sketch 3