
TO: GENERAL COMMITTEE

SUBJECT: GROWTH MANAGEMENT UPDATE: MEMORANDUM OF UNDERSTANDING, INFRASTRUCTURE IMPLEMENTATION PLAN AND APPROVAL OF SECONDARY PLANS

WARD: ALL

SUBMITTED BY: E. HODGINS, MCIP, RPP, GROWTH MANAGEMENT COORDINATOR *EH*
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EXECUTIVE SUMMARY

Purpose – This report recommends approval of a Memorandum of Understanding (MOU) with landowners in the Annexed Area regarding the terms of financial agreements, approval of an Infrastructure Implementation Plan (IIP) regarding the hard services (water, wastewater and roads) required for development of the Annexed Area, and approval of the Salem Secondary Plan (SP) and Hewitt's SP as outlined in Staff Report IGM002-14 (subject to execution of the MOU). The report also seeks funding to update the Fiscal Impact Analysis (FIA) so that it may inform the 10-year capital plan to be included in the City's 2015 Business Plan.

Memorandum of Understanding – Since the last update to Council on March 31, 2014 through Staff Report IGM001-14, City staff and representatives of the Salem Landowners Group and the Hewitt's Landowner's Group have continued to work together to come to an agreement on the terms for implementing and financing the infrastructure required to service the Annexed Area that is in accordance with the City's Financial Policy Framework. An agreement has now been reached and documented through a MOU with the landowners in the Annexed Area.

Infrastructure Implementation Plan – The MOU includes an IIP that sets out the projects, timing and costs required to provide hard services to the Annexed Area. Project timing is based on the phasing of growth as set out in the SP's and on the time required to implement the projects. The IIP will be updated through an annual monitoring program as development occurs.

Secondary Plan Approval – The Salem SP and the Hewitt's SP have been revised to respond to comments received from stakeholders since updated drafts were released in December 2013 (refer to Staff Report IGM002-14). Based on the agreement regarding growth financing as set out in the MOU, the servicing plan as set out in the IIP, and the flexibility to adjust the plan as required based on an annual monitoring program, it is recommended that Council approve the SP's.

Fiscal Impact Analysis – Through Motion 14-G-080, Council asked staff to investigate debt reduction options for implementation through future Business Plans. This report provides a high level assessment of these debt reduction options pending a detailed analysis to be completed after the new Development

Charges (DC) By-law is approved. The FIA will then be updated to incorporate the updated DC By-law, the results of the debt analysis, and other new information, and presented to Council for approval.

Annual Monitoring and Decision Making – Council will continue to establish levels of service and set priorities on spending decisions during the annual Business Plan process. For existing assets, Council will make decisions based on an updated assessment of the risk associated with allowing existing assets to remain in service beyond their useful life. With respect to the approval of development, decisions will be guided by an annual monitoring program that will track progress on land use, infrastructure implementation, and financial sustainability. In accordance with the policies set out in the Official Plan and SP's, development will proceed when appropriate financial securities are in place. This will ensure that development is approved in a coordinated manner with the provision of municipal services.

RECOMMENDED MOTIONS

1. That the terms of the Memorandum of Understanding be approved as shown in Appendix "A" to Staff Report IGM003-14, and that the Mayor and City Clerk be authorized to execute the Memorandum of Understanding with the landowners in the Annexed Area.
2. That the Infrastructure Implementation Plan be approved as a forecast, as shown in Appendix "A" to Staff Report IGM003-14, and that the forecast be used in developing the 10-year capital plan to be approved by Council each year beginning with the 2015 Business Plan.
3. That, based on and subject to approval by Council of the Memorandum of Understanding, the Official Plan Amendment 38 (Salem Secondary Plan), Official Plan Amendment 39 (Hewitt's Secondary Plan) and Official Plan Amendment 40 (General Growth Management Related Amendments) be approved in accordance with Staff Report IGM002-14, and that pursuant to Section 17(22) of the Planning Act, no further public notification is required.
4. That funding in the amount of \$100,000 be approved from the Tax Rate Stabilization Reserve (13-04-0461) to update the Fiscal Impact Analysis as outlined in Staff Report IGM003-14.

PURPOSE & BACKGROUND

5. The purpose of this Staff Report is to recommend approval of a MOU with landowners in the Annexed Area, approval of an IIP regarding the hard services required for development of the Annexed Area, and approval of the Salem SP and Hewitt's SP and related Official Plan Amendments (refer to Staff Report IGM002-14). The report also seeks funding to update the Fiscal Impact Analysis (FIA) so that it may inform the 10-year capital plan as part of the City's 2015 Business Plan.
6. Detailed background information is provided in Appendix "B".

ANALYSIS

Memorandum of Understanding

7. Since the last update to Council on March 31, 2014 through Staff Report IGM001-14, City staff and representatives of the Salem Landowners Group and the Hewitt's Landowner's Group have continued to work together to come to an agreement on the terms for implementing and financing the infrastructure required to service the Annexed Area that is in accordance with the City's Financial Policy Framework.
8. At a high level, the negotiations focused on ensuring that development of the Annexed Area will pay for all growth related costs including debt, and providing certainty to landowners regarding the process for obtaining development approvals so that they can secure financing.

9. An agreement has now been reached and documented through a MOU with the landowners in the Annexed Area, which is attached as Appendix "A". At the time of writing this report, City staff had received confirmation from solicitors representing the landowners in the Annexed Area to the effect that the MOU will be executed by the landowners in the Annexed Area on or before May 21, 2014.
10. Through the MOU, the landowners in the Annexed Area have agreed to the new growth financing tools that were approved by Council in December 2013, including:
 - a) Capital contribution payment of \$4,500 per housing unit at time of building permit issuance for growth-related costs that are not eligible under the Development Charges Act (DCA).
 - b) Accelerated Development Charges (DC) payments at the time of execution of subdivision agreement, which is in advance of the typical timing of payment at the time of building permit. These accelerated payments have been calculated to cover the Annexed Area portion of the debt related to infrastructure that has already been built to service growth (the new Surface Water Treatment Plant and the Wastewater Treatment Facility Expansion), as well as to reduce the risk that insufficient DC funds will be available to tender the infrastructure projects in accordance with the IIP.
 - c) Front-ending of the costs of EA and design projects planned for 2014 and 2015 in the IIP, so that the work required to implement the infrastructure for servicing the Annexed Area may continue prior to DC revenue generation.
 - d) The landowners have also agreed to consider front-ending infrastructure if cash flow is insufficient, in order to allow growth to continue.
11. To recognize the significant amount of work that has been undertaken to reach this agreement, and to facilitate the timely development of the Annexed Area, the landowners in the Annexed Area have further agreed that they will not appeal the growth management policies of the SP's and OPA 40, and that they will not appeal the component of the DC By-law that sets out the growth percentages of the infrastructure projects required to service the Annexed Area as long as they are consistent with the IIP.
12. In order to ensure that the development process is able to move forward in a timely manner, the commitments in the MOU are dependent on Council approval of the SP's by the end of June 2014. The City also commits to timely processing of development applications and implementation of the infrastructure required to service the Annexed Area.

Infrastructure Implementation Plan

13. The MOU includes an IIP that sets out the estimated costs and timing required to build the hard services required for development of the Annexed Area to 2031. The IIP is attached as part of the MOU in Appendix "A".
14. The hard services that must be built to support the first phase of development of the Annexed Area are shown in the map attached as Appendix "C". As set out in the SP's, Phase 1 of the Annexed Area development is anticipated to occur by 2021, with Phase 2 anticipated to follow by 2026 and Phase 3 by 2031.
15. Through the negotiations with the landowners in the Annexed Area, the costs and timing of projects in the IIP were refined from the Infrastructure Master Plans based on more detailed information, and this information will be reflected in the final FIA. For example, certain road projects were phased or deferred beyond 2031 to better coordinate with future utilities in the same corridor, and property costs were reduced to reflect the fact that some property will be

dedicated as part of the development process. It is anticipated that periodic updates to the IIP will be required as actual development patterns and servicing timing/costs are known, and this will occur through the development monitoring process.

16. The IIP does not include the soft services required for development of the Annexed Area, such as parks, community centres, libraries, police and fire stations, however the costs and timing for providing these services are set out in the FIA and will form part of the City's capital plan subject to Council approval on an annual basis through the Business Plan process. The growth costs for these services will be part of the DC By-law and part of the capital contribution to be paid by landowners in the Annexed Area. Neighbourhood parks will be built as an integrated part of new subdivisions so that they are available for new residents to enjoy.

Annual Monitoring and Decision Making

17. The MOU and IIP are based on a forecast of future development and infrastructure costs. The actual pace of growth and infrastructure costs will be dependent on the overall economy and other factors. The growth management process has been strategically developed with built-in flexibility in order to manage this risk.
18. Going forward, Council will continue to establish levels of service and set priorities in order to make funding decisions during the annual Business Plan process. For existing assets, Council will make decisions based on an updated assessment of the risk associated with allowing assets to remain in service beyond their useful life. With respect to approval of development, decisions will be guided by an annual monitoring program that will track progress on land use, infrastructure and financing. In accordance with the policies set out in the Official Plan and SP's, development will only proceed when appropriate financial securities are in place. This will ensure that development is approved in a coordinated manner with the provision of municipal services.
19. At the Special General Committee meeting of April 22, there was an informal request for staff to review the impact of extending the duration of the growth plan to beyond 2031 in order to slow growth and achieve a more balanced cash flow. This will be addressed on an annual basis through monitoring of the actual pace of growth, actual infrastructure costs and actual cash flow, and then making appropriate choices through the annual Business Plan process to ensure the financial sustainability of the growth management program.

Secondary Plan Approval

20. Based on the MOU with the landowners in the Annexed Lands, in which the landowners in the Annexed Area have agreed to use of the new growth financing tools approved by Council, to the servicing plan as set out in the IIP, and to the flexibility to adjust the plan as required based on an annual monitoring program, it is recommended that Council approve the finalized Salem SP and the Hewitt's SP and related Official Plan Amendments (refer to Staff Report IGM002-14).

Next Steps

21. The next steps in the growth management process are attached as Appendix "D".

ENVIRONMENTAL MATTERS

22. The land use planning and infrastructure planning has been carried out in the context of a process that seeks to minimize the impact of development on the environment.

ALTERNATIVES

23. The following alternatives are available for consideration by General Committee:

Alternative #1 General Committee could decide not to approve the Salem SP and Hewitt's SP at this time and direct staff to continue working on the terms of agreement with the development community and/or options for debt reduction.

This alternative is not recommended as an agreement has been reached and documented through an MOU with the landowners in the Annexed Area that is consistent with the City's Financial Policy Framework, following an intensive and collaborative process of information exchange and negotiation. Options for reducing non-growth related debt and addressing the City's existing asset replacement challenge will be further considered prior to finalizing the FIA in order to inform the City's annual Business Plan process.

FINANCIAL

24. The FIA was approved as a forecast by Council in December 2013 through Motion 13-G-289 (Staff Report ENG033-13) so that City staff could proceed to present the results to the development community as the basis for financial agreements to include the City's new financing tools. The FIA was subsequently issued as a draft document on February 24, 2014. It is recognized that the FIA requires updating and finalization to incorporate the results of the negotiations with the landowners in the Annexed Area, the new DC By-law and other new information. Therefore, upon approval of the DC By-law, the FIA will be updated to include the following elements:

- a) Revised capital project costs and timing in accordance with the Development Charges Background Study (including the projects included in the IIP)
- b) Terms of the MOU
- c) Debt reduction options per Council Motion 14-G-080
- d) Addressing changes to the City's financial obligations. For example, the City recently became aware that due to the expiry of federal social housing operating and financing agreements, the County of Simcoe has estimated that the social housing service will need an additional \$85 million to address a capital reserve shortfall between 2014 and 2031, of which the City's share is estimated to be \$22 million.

25. Although financing of the infrastructure required to service the Annexed Area will be managed as set out in the MOU, the City will continue to face a significant challenge in financing projects within the former City boundary, particular related to the replacement of existing assets that have reached the end of their useful life. Through Motion 14-G-080, Council directed staff to investigate debt reduction options for implementation through future Business Plans (refer to Appendix "B"). A high level preliminary assessment of these debt reduction options is provided in Appendix "E". In general, there are several viable options for reducing the City's debt and allowing more projects to be "pay-as-you-go".

26. It is important to note that, in 2011, the City's Asset Management Plan determined that average annual funding of approximately \$90 million would be required in order to be able to replace all existing assets at the end of their useful life. However, the City is currently financing an average of approximately \$30 million per year, which means that only the extreme risk assets are currently being replaced and consequently there is a backlog of assets that require replacement. The FIA determined that it would be possible to approximately double the City's annual expenditure on replacement of existing assets to approximately \$60 million per year without exceeding the City's

debt thresholds. This would allow for the timely replacement of the existing backlog, all water and wastewater assets, all extreme and high risk tax funded assets, and 10% of medium and low risk tax funded assets; the remaining 90% of medium and low risk tax funded assets such as local roads would have to remain in service beyond the end of their useful life. However, it is important to remember that the FIA is a forecast that is intended to provide guidance to Council. Actual spending decisions will be made by Council on an annual basis as part of the Business Plan process, based on the most up-to-date information regarding level of risk and prioritization of spending choices.

27. Council has expressed a concern regarding the level of investment included in the FIA for replacement of local roads, which is an average of approximately \$2 million per year. During the annual Business Plan process, Council could choose to increase this investment as local roads are prioritized with other spending choices. Currently, the timing for replacement of local roads is largely driven by the need to coordinate with the replacement of underground infrastructure (local roads on their own are at the lower end of the priority scale because of the low risk associated with their failure). However, there may be an opportunity to increase investment in local roads through expansion of the Neighbourhood Renewal Program. This innovative program was introduced in the 2014 Business Plan with an initial investment of \$0.5 million per year, and involves planning asset renewal and replacement work on a neighbourhood basis to save time and money.
28. An annual monitoring program will be used to update the City's Long Range Financial Plan and cash flow forecast to ensure that development will only proceed in a financially sustainable manner once appropriate financial securities are in place.
29. Funding in the amount of \$100,000 is required to update the FIA. It is recommended that this amount be approved and financed from the Tax Rate Stabilization Reserve (13-04-0461). This amount is recoverable from DC and the recovered amounts will be used to replenish the Tax Rate Stabilization Reserve.

LINKAGE TO 2010-2014 COUNCIL STRATEGIC PLAN

30. 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 – The Salem SP and Hewitt's SP provide opportunities for growth in both people and jobs over the next two decades.
 - Manage Growth and Protect the Environment – The Salem SP and Hewitt's SP are an integral component of the City's growth management program including an extensive Natural Heritage System within an urban setting.
 - Strengthen Barrie's Financial Condition – The land use plans for the Salem and Hewitt's Planning Areas have been developed in concert with both a series of infrastructure master plans and a fiscal impact analysis. The purpose of this coordinated approach was to understand the full cost of growth in keeping with Council's principle that growth pay for growth to the greatest extent possible within the law. The policies of the SP's, in concert with a MOU with landowners in the Annexed Area regarding the City's new financial tools, set out a process for Council to manage the City's financial sustainability as growth in the Annexed Area proceeds.

APPENDIX "A"

MEMORANDUM OF UNDERSTANDING

Made this <*> day of <*> 2014.

BETWEEN:

HEWITT'S SECONDARY PLAN OWNERS

SALEM SECONDARY PLAN OWNERS

(the "Landowners")

- and -

THE CORPORATION OF THE CITY OF BARRIE

(the "City")

WHEREAS the *Barrie-Innisfil Boundary Adjustment Act, 2009, c. 29*, annexed certain lands in the Town of Innisfil to the City of Barrie as of January 1, 2010 (the "Annexed Area");

AND WHEREAS the City is seeking to process amendments to its Official Plan including two secondary plans respecting the Annexed Area being the Hewitt's Secondary Plan and the Salem Secondary Plan (collectively, the "Secondary Plans") and General Growth Management Related Amendments to the City's Official Plan;

AND WHEREAS the City is considering approval for the Secondary Plans but only if it is satisfied that the development therein is able to proceed in accordance with the principles that growth ought to pay for growth and that services be available on a timely basis;

AND WHEREAS the Landowners and the City have had discussions and have shared detailed information about financial, development and infrastructure implementation matters and have reached agreement on certain financial and funding issues set out herein;

NOW THEREFORE, in consideration of the mutual covenants contained herein, the Landowners and the City acknowledge and agree as follows:

May 14, 2014

1. **Infrastructure Implementation Plan**

- (a) The Landowners and the City agree that the water, wastewater and road infrastructure required for the development of the Annexed Area to proceed is as set out in the infrastructure implementation plan for the Annexed Area attached hereto as Schedule "A" ("IIP").
- (b) As development of the Annexed Area proceeds, modifications to the IIP may be determined to be required, through consultation between the Landowners and the City.

2. **Calculation of Annexed Area Development Charges**

- (a) The current estimated breakdown of the DC for the Annexed Area (per SDE¹) is as follows:

Wastewater ASDC:	\$2,062
Water ASDC:	\$2,321
Storm:	\$0
Roads (City wide):	\$16,886
Water Debt and treatment (City wide)	\$4,588
WW Debt and treatment (City wide)	\$6,467
Total Hard	\$32,324
Soft Services (City wide)	\$7,750
Total DC:	\$40,074

- (b) No stormwater DC will be applicable to the Annexed Area.
- (c) The Landowners agree not to appeal the City's DC By-laws in respect of the BTE calculation for projects set out on the IIP, provided it reflects the BTE proportion in the agreed-on IIP.

3. **Payment of Development Charges**

- (a) The soft services component of the City-wide DC will be pre-paid on the execution of a subdivision agreement for development comprising the first 2,000 SDE's to be registered in the Annexed Area, and paid on building permit issuance for the balance of development.
- (b) If the DC rate goes up following pre-payment there will be no requirement to "top-up" to the new rate for units that have been pre-paid.

¹Rates shown are for a single/semi-detached unit. The actual DC rates will be calculated and applied by unit type (i.e., lower rates applied to smaller unit types).

- (c) The entire hard service DC (roads, area-specific linear water, area-specific linear wastewater, water and treatment debt and wastewater and treatment debt) for all Phase 1 units that are not subject to site plan control will be paid at the time of the execution of subdivision agreement, except to the extent used for or offset by DC credits for infrastructure front ended by the Landowners pursuant to clauses 4(a) or (b).
- (d) The entire hard service DC (roads, area-specific linear water, area-specific linear wastewater, water and treatment debt and wastewater and treatment debt) for all Phase 1 units which are subject to site plan control² will be paid at the time of the execution of a site plan agreement, except to the extent used for or offset by DC credits for infrastructure front ended by the Landowners pursuant to clauses 4(a) or (b).
- (e) No DC payments are required to be made prior to draft plan approval and zoning being in place (except to the extent the Landowners agree to front end EA and/or design costs).
- (f) All hard service DCs collected within the Annexed Area (i.e., roads, area-specific linear water, area-specific linear wastewater, water and treatment debt and wastewater and treatment debt) will be used only to fund DC-eligible projects within the Annexed Area as set out in the IIP or to fund water and wastewater debt payments attributable to the Annexed Area, to reduce the front ending obligations of the Landowners or to refund the Landowners for front ending costs incurred. The City will borrow between hard service DC reserve funds as necessary in respect of the hard service DCs collected within the Annexed Area in order to provide for the funding of IIP infrastructure and refund of Landowner front ending costs.

4. Landowner Front Ending of Infrastructure

- (a) The Landowners shall be entitled, at their option, to design and construct DC-eligible roads, water and wastewater infrastructure where listed as potential for developer construction in the IIP. Should it be determined that the landowner(s) does not intend to build the infrastructure denoted as developer construction in the IIP notice will be given to the City 1 year in advance of the commencement of the design of the infrastructure in accordance with the time lines set out in the IIP.
- (b) The Landowners have agreed to the terms herein, including the payment of the DC Advance Funding and the capital contribution, on the basis that:
 - (i) the City will fund and construct the infrastructure required for the Annexed Area to develop, as set out on the IIP, as and when required for development proposed by the Landowners to proceed in accordance with the provisions of the Hewitt's and Salem Secondary Plans,
 - (ii) subject to paragraph 8(b) hereof, such development will not be delayed on account of the funding limitations related to infrastructure, and

² For greater certainty, this does not include street townhouses.

- (iii) the Landowners will not be required to front end the cost of any infrastructure, but will be permitted to do so at their option, as per paragraph 4(a), above.

However, in the event that the City can demonstrate to the Landowners through the reporting mechanism set out in paragraph 12(a) hereof that as a result of negative balances projected over a three year period in the amalgamated cashflow position of the City for the Annexed Area that the City is not able to fund infrastructure required for the Annexed Area within the timeframe required by the Landowners, the City may request the Landowners to front end the cost of DC-eligible infrastructure set out in the IIP to be constructed by the City or to be constructed by the Landowners. In such case the Landowners may agree to provide such front ending in accordance with terms to the satisfaction of the Landowners and the City.

- (c) Where a Landowner agrees to provide front end funding of IIP infrastructure (to be constructed either by the Landowners or City), the Landowner shall be entitled to reduce the amount of its DC Advance Funding provided for in item 6 by amounts front ended.
- (d) The full amount of all front ending provided by the Landowners through 4(a) or (b) above will be reimbursed by the City (indexed) through DC credits and, if necessary, reimbursement from DCs collected within the Annexed Area. The Landowners shall be entitled to use DC credits earned through the front ending of IIP infrastructure pursuant to 4(a) or (b) above against the full amount of any hard service DC payable, regardless of the type of front ended service which gave rise to the DC credits.
- (e) The City is to be responsible to contribute any BTE component of all IIP infrastructure, at the time of construction through progress payments.
- (f) For greater certainty, references to “front end”, “front ending” or “front end funding” herein, shall refer to the provision of funding by the Landowners to the City for the EA, design and construction by the City of IIP infrastructure by the City, or the provision of funding by the Landowners for the design and construction by the Landowners of IIP infrastructure, in exchange for DC credits or other reimbursement as provided for herein, and is not intended to refer to a front ending agreement under Part III of the *Development Charges Act*.

5. Landowner Front Ending of IIP EA and Design Costs

- (a) The Landowners will front end the cost of the City undertaking a comprehensive EA for IIP projects, currently estimated at \$5M.
- (b) The Landowners will front end engineering design costs for IIP projects to be constructed by the City, if required prior to DC revenue being generated in the Annexed Area, currently estimated at \$9M.
- (c) The amounts front ended by the Landowners for EA and design costs may be secured by letters of credit to be drawn down by the City as funds are expended, and will be reimbursed through DC credits.

- (d) The engineering design costs expended by the Landowners for the IIP projects to be constructed by the Landowners will also be reimbursed through DC credits.

6. DC Advance Funding

- (a) Funding in the amount of \$1,200 per SDE³ (“DC Advance Funding”) will be provided to the City on the execution of a subdivision agreement for development within Phase 1 of the Hewitt’s and Salem Secondary Plans. The DC Advance Funding may be secured by letter of credit.
- (b) The City may draw down the DC Advance Funding to fund infrastructure required for the Annexed Area to develop as identified in the IIP, or to fund the portion of future debt payments (principal and interest) for water and wastewater treatment infrastructure attributable to the Annexed Area.
- (c) The DC Advance Funding will be repaid by the City (indexed) when the aggregated cashflow position of the City in respect of all hard service infrastructure costs attributable to the Annexed Area (roads, water and wastewater area-specific infrastructure and water and wastewater treatment facilities debt) reaches a positive balance projected over 3 years, but in any event not later than the point at which development comprising 10,925 SDE’s have been registered in the Annexed Area.

7. Capital Contribution

- (a) The Landowners will pay a “capital contribution” to the City for development in Phase 1 in an amount equivalent to \$4,500 per unit average for Annexed Area development (adjusted by unit type based on PPU values used in the City’s DC background study)⁴, subject to annual indexing but no other adjustment, payable at the time of building permit issuance.
- (b) The capital contribution includes the growth related component of ineligible development charge services in the Annexed Area, and other restrictions on development charge funding, referenced in clause (c) below.
- (c) In the event that future amendments to the *Development Charges Act* result in:
 - (i) a change to the level of service cap imposed on the calculation of the transit service development charge (clause 5(1)5 of the DCA);
 - (ii) removal of the requirement that the capital costs of “soft” services funded by the development charge be reduced by 10% (clause 5(1)8 of the DCA);

³ \$1,200 per single/semi unit, \$900 per multiple unit, and \$640 per apartment unit

⁴ \$5,747 per single/semi, \$4,296 per multiple unit, and \$3,066 per apartment unit

- (iii) removal of waste management services (land fill) from the list of services ineligible to be funded by a development charge (clause 2(4)5 of the DCA); or
- (iv) removal of headquarters for the general administration of municipalities from the list of services ineligible to be funded by a development charge (clause 2(4)6 of the DCA);

the amount of the capital contribution shall be reduced to reflect the increased funding the City shall be entitled to collect through a development charge.

8. Prematurity of Phase 1 Development

- (a) The City and the Landowners agree that the funding requirements for infrastructure within Phase 1 shall be as provided for herein, and, subject only to the exception in clause 8(b) below, no complete application for development proposed by a Landowner in Phase 1, or any approval in respect thereof, shall be deemed to be premature pursuant to the provisions of section 9.7.3.1 of the Hewitt's Secondary Plan, section 9.7.3.1 of the Salem Secondary Plan, and section 6.1.3.1 of the Official Plan (as amended by OPA 40) if the Landowner is prepared to enter into agreement(s) securing the obligations herein, and appropriate conditions of approval have been or will be imposed requiring such agreement(s) to be executed.
- (b) If each of the following conditions are established in respect of any proposed development within a site plan, plan of subdivision or phase thereof that is proposed to be registered:
 - (i) IIP infrastructure is required for the proposed development to proceed;
 - (ii) funding is not available to the City to provide such required infrastructure within the timing required to service the development either through hard service DCs collected within the Annexed Area or the DC Advance Funding to be provided by the Landowners; and
 - (iii) the Landowners requiring such IIP infrastructure do not agree to front end such required infrastructure in accordance with clauses 4(a) or (b) hereof,

then the final registration of such plan of subdivision may be delayed for such period of time until the City has the funding for the required infrastructure, or it is provided through Landowner front ending. For greater certainty, no development in respect of which a subdivision agreement or site plan agreement including any agreement as noted under paragraph 11(b) hereof, has been executed shall be deemed to be premature, and final registration shall be permitted to proceed without delay.

9. Participation by all Landowners

- (a) The City will require all landowners in Phase 1 of the Hewitt's and Salem Secondary Plan areas to execute appropriate agreements with the City in accordance with the provisions of sections 9.7.3.1(c) the Secondary Plans.

- (b) The City will require all landowners in Phase 1 of the Hewitt's and Salem Secondary Plan areas to execute appropriate agreements amongst the other landowners in accordance with the provisions of section 9.7.3.1(e) of the Secondary Plans.
- (c) In the event that an appeal is made to the provisions of the Secondary Plans challenging the requirement for a mandatory cost sharing agreement, the Landowners agree to pay for any expenses incurred by the City in defending its policies and all parties will be bound by the outcome of a final decision on the validity of the policies.
- (d) Agreements will allow for the sharing and transfer of DC credits, and for such DC credits to be administered through Landowner cost sharing agreements if necessary on the understanding that a transfer of DC credits will not take precedence over the planning approvals process.

10. No Appeal of Agreed-On Growth Management Secondary Plan and OPA 40

- (a) The Landowners will not appeal the Growth Management policies of the Secondary Plans and OPA 40 to be agreed on and appended hereto as Schedule "B".
- (b) The Growth Management policies of the Secondary Plans and OPA 40 will provide that the financial obligations of the Landowners for Phase 1 of the Annexed Area will be as set out in this Memorandum of Understanding. No development within Phase 1 of the Annexed Area will be deemed to be premature on account of financial and infrastructure considerations, provided that the Landowner is prepared to enter into an agreement agreeing to make the financial contributions provided for herein.

11. Implementation

- (a) Conditions of draft plan approval and holding zones, where necessary for servicing purposes, will be used to implement the principles found herein.
- (b) Agreements, which may include subdivision and site plan agreements, for the Phase 1 lands will be entered into prior to registration of a draft plan of subdivision, or final site plan approval, as the case may be, which agreements will secure the servicing and financial requirements consistent with the principles set out herein.

12. Other Conditions and Agreements

- (a) The City will keep an ongoing detailed and current accounting in respect of the matters provided for herein, including the collection and expenditure of all hard service DCs, DC Advance Funding and capital contributions within the Annexed Area, and Landowner front ending, including the accrual and use of DC credits and other reimbursements. Landowner(s) will provide to the City in a timely way all information related to infrastructure constructed by a landowner for purposes of ongoing detailed and current accounting. The accounting of expenditures will be detailed by project. All of the foregoing accounting will be provided to the Landowners quarterly. The City will also prepare and provide the Landowners quarterly a current amalgamated hard service cashflow for the Annexed Area detailing revenues and expenditures for all IIP infrastructure and debt payments related to water and wastewater infrastructure

attributable to the Annexed Area including 3 years projections where required by these principles.

- (b) Council shall approve Secondary Plans for the Hewitt's and Salem areas by the end of June 2014, failing which the commitments herein are at an end.
- (c) Planners for Salem and Hewitts will meet with City staff and Elizabeth Howson to establish a work plan for the zoning by-law as soon as is practicable.
- (d) Provided the Landowners provide the funding of infrastructure as set out in this MOU in accordance with the provisions above, there are no servicing or allocation constraints for Phase 1 of the Annexed Area.
- (e) A decision regarding draft plan approval and rezoning will be made by the City within 1 year of the applications being deemed complete under the *Planning Act*.
- (f) The City will commit sufficient staffing resources to efficiently process the draft plan and rezoning applications and engineering drawings submitted by the Landowners.
- (g) The City commits to providing the appropriate resources to ensure continuity in the coordination of draft plan applications and associated rezonings, and determination as to whether an application adheres to the City's Tertiary Plan/Master Plan.
- (h) The City will make its best efforts to work with the Conservation Authorities and the landowners and other stakeholders so that the approval of the Subwatershed Impact Study occurs within one year of the approval of the Secondary Plans.
- (i) Pre-consultation meetings may commence as soon as Council adopts the Secondary Plans and OPA 40 to establish the required studies in support of draft plan approval and re-zonings to be commenced as soon as possible.
- (j) Subject to the provisions regarding appeal of BTE set out in paragraph 2(c) hereof, this MOU is subject to approval of an acceptable Development Charges by-law, for which the Landowners retain their rights of appeal.

13. Counterparts

The Landowners and the City agree that this Memorandum of Understanding may be executed by telecopy/facsimile or by e-mailed "pdf" file in multiple counterparts, each of which, when so executed and delivered, shall be deemed to be an original, but all of which together shall constitute one agreement binding on the parties hereto.

14. Enurement

This Memorandum of Understanding shall enure to the benefit of and be binding upon each of the Owners and the City and their respective successors and assigns.

IN WITNESS WHEREOF the parties have executed this Memorandum of Understanding as of the date first written above.

May 14, 2014

BEMP HOLDINGS 1 AND 2 INC.

Name:

Title:

Name:

Title:

I/We have the authority to bind the corporation.

LOCKHART INNISFIL INVESTMENTS LTD.

Name:

Title:

Name:

Title:

I/We have the authority to bind the corporation.

May 14, 2014

RAINSONG LAND DEVELOPMENT INC.

Name:

Title:

Name:

Title:

I/We have the authority to bind the corporation.

CRISDAWN CONSTRUCITON INC.

Name:

Title:

Name:

Title:

I/We have the authority to bind the corporation.

May 14, 2014

1091369 ONTARIO INC.

Name:

Title:

Name:

Title:

I/We have the authority to bind the corporation.

1597229 ONTARIO LIMITED

Name:

Title:

Name:

Title:

I/We have the authority to bind the corporation.

May 14, 2014

SOBEYS CAPITAL INCORPORATED

Name:

Title:

Name:

Title:

I/We have the authority to bind the corporation.

2121191 ONTARIO INC.

Name:

Title:

Name:

Title:

I/We have the authority to bind the corporation.

May 14, 2014

WATERSAND CONSTRUCTION LIMITED

Name:

Title:

Name:

Title:

I/We have the authority to bind the corporation.

WORMWOOD DEVELOPMENTS INC.

Name:

Title:

Name:

Title:

I/We have the authority to bind the corporation.

May 14, 2014

BARRIE FINANCIAL INC.

Name:

Title:

Name:

Title:

I/We have the authority to bind the corporation.

THE CORPORATION OF THE CITY OF BARRIE

Jeff Lehman, Mayor

Dawn A. McAlpine, Clerk

I/We have the authority to bind the corporation.

May 14, 2014

Schedule "A"

**Infrastructure Implementation Plan
May 12, 2014**



Date	Built Dev. or City	MP ID Number	MP \$	Revised \$	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	BTE %	Gwth %	Other %	BTE \$	Growth \$	Other \$	Comments	
Phase 1																														
Between Big Bay and Mapleview East of Old Municipal Boundary																														
Wastewater Projects																														
Water Projects																														
	D	12110	163,000	163,000		12,225			150,775														0%	100%		0	163,000			
	C	12115	118,000	118,000														8,850	109,150				0%	100%		0	118,000		Moved to Phase 3 from Phase 1	
Roads, AT & Drainage Projects																														
	D	2201-2	1,899,418	2,177,838	45,905	137,716	273,294	275,433	939,567										505,921				15%	85%		326,676	1,851,162		3 lanes in Phase 1, widen to 5 lanes in Phase 3	
	C	2201-1	3,336,455	4,227,626	101,119														303,358	3,823,148			15%	85%		634,144	3,593,482		Moved to Phase 3 from Phase 1	
	C	2301	745,913	1,010,183	25,255														75,764	909,165			15%	85%		151,527	858,656		Moved to Phase 3 from Phase 1	
	D	2911	48,061	48,061							3,605	44,456											15%	85%		7,209	40,852			
South of Mapleview around Madelaine																														
Wastewater Projects																														
	C	23102	11,693,000	2,500,000	187,500	2,312,500																	20%	80%		500,000	2,000,000		Updated costs from D&C	
	C	23101	137,000	137,000	10,275	126,725																	100%	0%		137,000	0			
Water Projects																														
	C	11232	1,147,643	1,147,643	86,073	1,061,570																	0%	100%		0	1,147,643		Revised Project Limits. PPB updated.	
	C	11232	1,192,357	1,192,357	89,427			1,102,930															0%	100%		0	1,192,357		Revised Project Limits. PPB updated.	
	C	11152	2,433,000	4,431,871		332,390	4,099,480																0%	100%		0	4,431,871		Cost increase due to surface restoration. PPB updated.	
Roads, AT & Drainage Projects																														
	C	1213	11,490,224	0	0	0																	15%	85%		0	0		Assume 5 lanes (7 in TMP) in 30m ROW with no buffered bike lanes, plus multiuse trail. Property has been acquired. Road costs assumed to be City's.	
	C	1215-1	8,239,692	4,174,977	253,767	633,137	507,533	2,780,541															15%	85%		626,247	3,548,731		Assume 5 lanes (7 in TMP) in 26 to 30m ROW with no buffered bike lanes, plus multiuse trail. Property has been acquired. Costs generated from D&C numbers	
	D	2920	122,723	122,723							9,204	113,519											15%	85%		18,408	104,314			
South of Mapleview West of Yonge																														
Wastewater Projects																														
Water Projects																														
	C	11151	1,513,000	1,452,480		108,936			1,343,544														0%	100%		0	1,452,480		Revised Project Limits. PPB updated.	
Roads, AT & Drainage Projects																														
	C	1215-2	14,055,332	8,141,805		441,949	1,799,318	883,899	5,016,639														15%	85%		1,221,271	6,920,534		Assume 5 lanes in 26m ROW with no buffered bike lanes, plus multiuse trail. Revised project limits.	
	C	2208	3,594,492	4,167,280	87,727	263,180	526,573	526,360	2,763,441														15%	85%		625,092	3,542,188			
	C	2212	2,578,599	3,227,375	74,453								223,358	199,417	446,716	2,283,432							15%	85%		484,106	2,743,268		EA in Phase 1 only	
South of Mapleview East of Yonge																														
Wastewater Projects																														
	D	22102	1,799,000	1,799,000		134,925	1,664,075																0%	100%		0	1,799,000			
	D		n/a	1,998,808		149,911			1,848,897														0%	100%		0	1,998,808		Local Benefit Sewer switched to DC	
	D	22101	5,836,000	5,836,000		437,700		5,398,300															0%	58%	42%	0	3,402,972	2,433,028		
	D	22301	747,000	747,000	18,675																		0%	50%	50%	0	375,128	371,872		
Water Projects																														
	C	11150	1,518,000	2,310,235		173,268		2,136,968															0%	100%		0	2,310,235		Increased cost due to road restoration. PPB updated. Cost lowered due to transposing cost error from MP	
	C	11151	950,520	950,520		71,289						879,231											0%	100%		0	950,520		Revised Project Limits. PPB updated.	
Roads, AT & Drainage Projects																														
	C	2202-1	42,005,140	28,918,114	665,128	1,995,385	1,850,384	3,990,770	20,416,447														15%	85%		4,337,717	24,580,397		2000m2 land, \$1000/m for curb and multiuse trail, minimal utility relocates. 4 lanes + turning Lanes at signalized intersection instead of 5 in TMP.	

**Infrastructure Implementation Plan
May 12, 2014.**



Date	Built Dev. or City	MP ID Number	MP \$	Revised \$	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	BTE %	Gwth %	Other %	BTE \$	Growth \$	Other \$	Comments
Mapleview Prince William to East of Collector 11	D	2302	5,744,220	5,446,872	102,486	307,458	1,077,950	614,915	3,344,064														15%	85%		817,031	4,629,841		Assume \$1000/m for curb on south side and multiuse trail within 2010 Boundry instead of buffered bike lanes.
Trail Madelaine Collector 10 Connection Yonge to Collector 8	D	2909	103,045	103,045							7,728	95,317											15%	85%		15,457	87,588	0	
Trail Madelaine Collector 10 East of Collector 8 to Hewitts Creek	D	2910	181,434	181,434							13,608	167,827											15%	85%		27,215	154,219	0	
Trail Hewitts Creek - Mapleview to Madelaine Collector 10 Connector	D	2922	195,968	195,968							14,698	181,270											15%	85%		29,395	166,573	0	
Trail Madelaine Collector 10 Connector - Hewitts Creek Trail to West of Collector 10	D	2924	11,294	11,294							847	10,447											15%	85%		1,694	9,600	0	

North of Salem and West of Veterans

Wastewater Projects																													
Water Projects																													
Mapleview Drive West - Mapleview Elevated Tank west to Veterans Drive	C	11101	416,000	1,477,353		110,801	1,366,551																0%	100%		0	1,477,353		Costs increase includes surface restoration costs
Veterans Drive - Mapleview Drive West south to King Street	C	11155	168,000	686,556		51,492	635,064																0%	100%		0	686,556		Costs increase includes surface restoration costs
Salem Road - Reid to Veterans	D	11112	235,000	235,000		17,625			217,375														0%	100%		0	235,000		
Salem Road - Dunn (Street B) to Reid	D	11111	573,000	573,000		42,975			530,025														0%	100%		0	573,000		
Veterans Drive - Salem Road to 540m south of Salem Road (Street D)	D	11121	505,000	505,000		37,875			467,125														0%	100%		0	505,000		
Transportation, Drainage Projects																													
Salem Road - Veterans Drive to Dunn	D	2303-1	5,710,974	6,410,477	124,132		1,156,172						372,395	744,789	4,012,989								15%	85%		961,571	5,448,905		Project split. Property in Phase 1, construction in Phase 2.
Veterans Drive - Salem Road to 540m south of Salem Road	D	2206	3,596,356	3,831,967	61,051	183,153	1,111,945	366,305	2,109,513														15%	85%		574,795	3,257,172		TMP Costs Updated
Trail - 2031 Urban Boundary to Reid Drive	D	2902	194,606	194,606							14,595	180,011											15%	85%		29,191	165,415	0	

Salem and Essa Area

Wastewater Projects																													
Upgrade Holly Pumping Station	C	21101-a	1,716,000	1,716,000		91,200	400,000	1,224,800															0%	100%		0	1,716,000	0	
Twinning 1940 metres 350 mm Holly Pumping Station for Project 21101-a	C	21101-b	1,433,000	1,433,000		107,475	214,950	1,110,575															50%	50%		716,500	716,500	0	
Water Projects																													
Essa Road - Mapleview to Athabaska	C	11103 & 04	405,000	405,000		30,375			374,625														0%	100%		0	405,000	0	
Essa Road - Athabaska to Street A	D	11105	349,000	349,000		26,175			322,825														0%	100%		0	349,000	0	
Essa Road - Street A to Salem Road	D	11106	168,000	168,000		12,600			155,400														0%	100%		0	168,000	0	
Essa Road - Salem Road to Street L	D	11146	137,000	137,000		10,275			126,725														0%	100%		0	137,000	0	
Salem Road - Essa Road to Dunn (Street B)	D	11110	704,000	704,000		52,800			651,200														0%	100%		0	704,000	0	
Mapleview 300mm East of CR27	C		0	0		0	0																0%	100%		0	0		Confirmed in City Budget. PPB updated.
CR27 300mm South of Mapleview	D		448,216	448,216		33,616	414,600																0%	100%		0	448,216		PPB updated. Surface restoration costs added.
Roads, AT & Drainage Projects																													
Essa Road - Mapleview to Athabaska	C	1318-1	3,937,227	4,731,829	114,081	342,244	134,865	684,487	3,456,152														15%	85%		709,774	4,022,055		Revised Project Limits
Essa Road - Athabaska to Trans-Canada Pipeline	D	2307	5,799,070	7,157,794	169,205	507,615	311,675	1,015,230	5,154,069														15%	85%		1,073,669	6,084,125		
Salem Road - CR27 to Dunn	D	2303-2	10,455,342	11,526,170	212,939	638,818	2,406,879	1,277,636	5,023,885				1,966,013										15%	85%		1,728,925	9,797,244		Project split. 35% of construction cost from Essa to Dunn moved from Phase 1 to 2.
Trail Salem to Former City Limits	D	2908	297,127	297,127							22,285	274,843											15%	85%		44,569	252,558		
Trail CR27 to East Bear Creek	D	2912	728,453	728,453							54,634	673,819											15%	85%		109,268	619,185		
Trail CR27 to West Bear Creek	D	2913	515,152	515,152							38,636	476,516											15%	85%		77,273	437,879		
Trail Dunn Street Connector - East Bear Creek to Dunn Street	D	2917	115,508	115,508							8,663	106,845											15%	85%		17,326	98,182		

McKay and Veteran's

Wastewater Projects																														
750mm Huronia Sanitary Sewer north of McKay Road to Lockhart	C	21103	3,547,000	6,707,592		503,069			6,204,523														0%	42%	58%	0	2,788,346	3,919,246		Depth Increased to cross under creek and for future service sharing
Construction of 600mm sewer on McKay Road from Huronia to east of Veteran's	C	21102	15,497,000	16,127,539		1,209,565			14,917,974														0%	100%		0	16,127,539		600mm and 525mm sewer costs were combined in MP. Updated cost from Schaefer's	

**Infrastructure Implementation Plan
May 12, 2014**

D = Dev. EA / Pre D Design Property Utility Construction
C = City

Date	Built Dev. or City	MP ID Number	MP \$	Revised \$	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	BTE %	Gwth %	Other %	BTE \$	Growth \$	Other \$	Comments
525mm Sanitary Sewer on McKay Road west of Veterans to east of Phase 1 Boundary	D	21102	3,311,000	7,622,073		571,655			7,050,418														0%	100%		0	7,622,073		600mm and 525mm sewer costs were combined in MP. Updated cost from Schaefer's
Sewer on Huronia South of McKay	C	21401	1,695,273	3,727,512	93,188																		0%	9%	91%	0	322,430	3,405,082	
265m of 375mm Sewer on McKay	D			541,276		40,596			500,680														0%	100%		0	541,276		Cost from Schaefer's. 375mm deep sanitary sewer on McKay added to DC
Water Projects																													
Veterans Drive - Street D to Street E	D	11124	267,000	267,000		20,025			246,975														0%	100%		0	267,000		PPB updated.
Veterans Drive - Street E to McKay	D	11127	220,000	220,000		16,500			203,500														0%	100%		0	220,000		PPB updated.
McKay Reid to Veterans	D	11128	274,000	274,000		20,550			253,450														0%	100%		0	274,000		PPB updated.
McKay 165m west of Reid to Reid	D	11129	79,000	79,000		5,925			73,075														0%	100%		0	79,000		PPB updated.
McKay Veteran's to western Interchange Boundary	D	11144	197,000	197,000		14,775			182,225														0%	100%		0	197,000		PPB updated.
McKay Street F east 615 meters	D	11148	387,000	387,000		29,025			357,975														0%	100%		0	387,000		PPB updated.
Roads, AT & Drainage Projects																													
Huronia Lockhart to McKay	C	2308-1	9,237,561	6,437,297	151,737	455,210	294,263	910,420	4,675,667														15%	85%		965,595	5,471,703		\$25/m2 land costs, 30m ROW and per meter costs rural two lane cross section. Revised project limits (Huronia south of McKay moved post 2031).
McKay east side of Interchange to Huronia	C	2205	14,434,114	7,956,137	146,350	439,049	1,681,719	878,098		4,810,921													15%	85%		1,193,421	6,762,717		\$50/m2 land costs, 36m ROW and reduced per linear meter costs (rural four lane cross section)
McKay Reid to 190m east of Collector 4	D	2306	3,507,657	3,984,244	73,875	221,624	823,404	443,248	1,574,360				847,733										15%	85%		597,637	3,386,608		35% of construction costs moved from Phase 1 to 3.
McKay West Boundary of Interchange to Reid	D	2204	7,678,249	8,146,641	131,946	385,838	2,295,044	791,675	4,532,138														15%	85%		1,221,996	6,924,645		
Veterans Drive - 540m south of Salem Road to McKay	D	2207	6,964,298	7,290,763	119,680	358,980	2,003,492	717,960	4,090,672														15%	85%		1,093,615	6,197,149		
Veterans Drive - McKay to City Limits	D	2312	2,907,127	3,293,241	59,099	177,298	743,413	354,596	1,958,835														15%	85%		493,986	2,799,255		
Trail East Bear Creek Trail McKay to City Limits	D	2916	248,729	248,729							18,655	230,075											15%	85%		37,309	211,420		
Common																													
Wastewater Projects																													
Phosphorus Facility	C		30,000,000	30,000,000		2,250,000		27,750,000															35%	65%		10,500,000	19,500,000		\$30 million assumed as growth component of \$60 million
Decommission PS4 & Downstream Sewer	C	23401	137,000	1,646,767		123,508	1,523,259																34%	66%		563,688	1,083,079		Downstream gravity sewer added. Moved from Post 2031 to Phase 1. BTE is a weighted average for the PS4 decommissioning and the downstream sewer.
Water Projects																													
McKay West Boundary of Interchange to East Boundary of Interchange	C	11145	563,000	563,000	14,075		42,225			506,700													0%	100%		0	563,000		PPB updated.
Salem Reservoir	C	11250	10,941,000	10,941,000	242,275	1,000,000						726,825	8,971,900										0%	100%		0	10,941,000		PPB updated.
Salem Pumping Station	C	11251	4,787,000	4,787,000	119,675							359,025	4,308,300										0%	100%		0	4,787,000		PPB updated.
Lockhart/Salem watermain to Huronia	C	11230	4,159,000	4,159,000	103,975							311,925	3,743,100										0%	100%		0	4,159,000		PPB updated.
Huronia watermain Mapleview to Lockhart	C	111231	2,220,000	2,220,000	55,500							166,500	1,998,000										0%	100%		0	2,220,000		PPB updated.
Salem Veterans to Reservoir	C	11235	469,000	469,000	11,725							35,175	422,100										0%	100%		0	469,000		PPB updated.
Roads, AT & Drainage Projects																													
McKay Interchange	C	2128	23,260,438	22,892,129	572,303		1,716,910		0	3,433,819	17,169,097												15%	85%		3,433,819	19,458,310		
McKay Hwy 400 to west boundary of interchange	C	2210	11,955,500	7,395,936	151,759	455,277		1,060,459	910,554	4,817,886													15%	85%		1,109,390	6,286,545		Assume 33% of structure and civil costs for crossing are MTO Grant (\$4.48 million) subtracted from total cost
McKay Hwy 400 to east boundary of interchange	C	2211	1,611,790	1,696,912	29,869	89,607		401,723	179,214	996,499													15%	85%		254,537	1,442,375		
Huronia McKay to City Limits	C	2308-2	4,182,437	3,303,914	77,546																		15%	85%		495,587	2,808,327		\$25/m2 land costs, 30m ROW and reduced per linear meter costs (rural two lane cross section). Revised Project limits.
Salem Road - West of Highway 400 to Veterans Drive	C	2215	5,837,635	6,194,466	97,461						292,382	1,836,835	584,763	3,383,026									15%	85%		929,170	5,265,296		
Salem/Veterans Hwy Crossing	C	2101	12,125,584	11,923,930	264,350						793,050	1,079,949	1,586,099	8,200,483									15%	85%		1,788,590	10,135,341		
Lockhart Road - East of Highway 400 to Bayview Drive	C	2214	3,036,060	3,342,899	58,440						175,321	804,229	350,642	1,954,267									15%	85%		501,435	2,841,484		
Lockhart Road - Bayview Drive to Yonge Street	C	2203	33,573,327	35,992,784	665,258						1,995,774	7,505,970	3,991,548	21,834,234									15%	85%		5,398,918	30,593,867		
Lockhart Road - Yonge Street to Prince William Way	C	2209	30,160,661	30,901,008	696,101								2,088,304	2,445,559	4,176,609	21,494,434							15%	85%		4,635,151	26,265,857		
Storm Pond Retrofits																													
Retrofit existing SWM to offset Phosphorus	C		14,500,000	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%	100%		0	0		Retrofits removed from front ending

**Infrastructure Implementation Plan
May 12, 2014**



Date	Built Dev. or City	MP ID Number	MP \$	Revised \$	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	BTE %	Gwth %	Other %	BTE \$	Growth \$	Other \$	Comments	
Phase 2 & 3																														
Wastewater Projects																														
	C		9,000,000	9,000,000													675,000	8,325,000					0%	100%		0	9,000,000			
	C	21301	1,374,000	1,374,000													103,050	1,270,950					0%	100%		0	1,374,000			
	C	21302	261,000	261,000													19,575	241,425					0%	100%		0	261,000			
	C	22302	1,320,000	1,320,000													99,000	1,221,000					0%	100%		0	1,320,000			
	C	22303	1,058,000	1,058,000													79,350	978,650					0%	100%		0	1,058,000			
Water Projects																														
	D	11201	93,000	93,000									6,975	86,025									0%	100%		0	93,000		PPB updated.	
	D	11204	111,000	111,000									8,325	102,675									0%	100%		0	111,000		PPB updated.	
	C		3,800,000	4,800,000	1,000,000												360,000	3,440,000					0%	100%		0	4,800,000			
	D	11301	335,000	335,000													25,125	309,875					0%	100%		0	335,000		PPB updated.	
	D	11303	96,000	96,000													7,200	88,800					0%	100%		0	96,000		PPB updated.	
	D	11308	198,000	376,235													28,218	348,017					0%	100%		0	376,235		Increase costs due to alignment along existing McKay (increased surface restoration)	
	D	11309	501,000	949,809													71,236	878,573					0%	100%		0	949,809		Increase costs due surface restoration	
Roads, AT & Drainage Projects																														
	D	2127	3,276,860	0										0	0	0	0	0					15%	85%		0	0		Removed from program. Watermain assumed along existing McKay.	
	D	2309	2,084,938	2,380,842						43,545	130,635	511,236	261,270	1,434,157									15%	85%		357,126	2,023,715			
	D	2310	1,638,092	1,835,785										34,000	102,000	380,632	203,999	1,115,154					15%	85%		275,368	1,560,417			
	D	2305	2,261,404	2,721,602						55,736	167,208	393,726	334,417	1,770,515									15%	85%		408,240	2,313,362			
	C	2042	393,088	393,088														29,482	363,606				15%	85%		58,963	334,125			
	C	2052-53	2,282	2,282														171	2,111				15%	85%		342	1,940			
	D	2903	241,300	241,300																18,098	223,203		15%	85%		36,195	205,105			
	D	2904	614,287	614,287																46,072	568,215		15%	85%		92,143	522,144			
	D	2905	297,976	297,976																22,348	275,627		15%	85%		44,696	253,279			
	D	2906	498,448	498,448																37,384	461,064		15%	85%		74,767	423,680			
	D	2907	477,302	477,302																35,798	441,504		15%	85%		71,595	405,706			
	D	2914	281,354	281,354																21,102	260,252		15%	85%		42,203	239,151			
	D	2915	137,938	137,938																10,345	127,593		15%	85%		20,691	117,248			
	D	2918	218,892	218,892																16,417	202,475		15%	85%		32,834	186,058			
	D	2919	417,560	417,560																31,317	386,243		15%	85%		62,634	354,926			
	D	2921	266,701	266,701																20,003	246,698		15%	85%		40,005	226,696			
	D	2923	343,002	343,002																25,725	317,276		15%	85%		51,450	291,551			
	D	2925	434,923	434,923																32,619	402,304		15%	85%		65,238	369,685			
	D	2926	9,861	9,861																740	9,122		15%	85%		1,479	8,382			
					Wastewater Total	91,918,243	309,638	8,058,829	3,802,284	35,483,675	15,604,518	14,917,974	0	0	0	0	975,975	12,093,050	672,300	0	0	0				52,952,866	351,486,599	10,129,228		
					Water Total	48,889,274	1,722,725	3,293,087	6,557,921	3,239,898	5,656,819	0	1,385,931	1,599,450	19,467,025	291,375	0	0	491,778	5,074,116	109,150	0	0							
					Road Total	266,900,485	5,333,002	5,503,268	21,404,719	12,520,804	47,901,568	13,424,560	47,161,456	14,686,887	12,598,216	41,897,771	8,738,313	24,158,498	203,999	2,029,850	5,098,030	317,966	3,921,578	0					407,708,002	
					Total	407,708,002	7,365,365	16,855,185	31,764,924	51,244,376	69,162,905	28,342,533	48,547,387	16,286,337	32,065,241	42,189,146	8,738,313	24,158,498	1,671,753	19,197,016	5,879,480	317,966	3,921,578	0						

Footnote:
 1) All amounts in 2012 Dollars
 2) Total project acquisition costs is shown in the IIP cost staging table however only 50% of this amount has been included in the total project costs for IIP cash flow modeling
 3) Watermain construction costs have been reduced in some cases under the assumption that the watermain would be constructed with the road works
 4) Former Barrie Cost Estimates were based on the following:
 a) No increase in granular depth. Granular depth based on existing standards (600mm Granular B)
 b) No new drainage system. It was assumed that the existing drainage system would be used.
 c) No reconstruction of the existing road base. Costs include removing and replacing existing asphalt but removing, replacing and upgrading the existing road base was not included
 5) In the Annexation Area Cost Estimates were based on the following unless otherwise noted:

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D = Dev EA / Pre D Design Property Utility Construction
C = City

Date	Built Dev. or City	MP ID Number	MP \$	Revised \$	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	BTE %	Gwth %	Other %	BTE \$	Growth \$	Other \$	Comments
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- a) No increase in granular depth. Granular depth based on existing standards (600mm Granular B)
- b) Proposed drainage system was included but sizing/cost to be reviewed/updated during ESR or during design.
- c) Reconstruction of the existing road base. Costs include removing and replacing existing asphalt and road base.
- 6) The McKay interchange costs are \$35M plus approximately \$1.5M in land costs. A Provincial Grant of \$4.48 million has been assumed for the McKay Interchange Project.
- 7) The costs for the McKay/Huronian sanitary sewer reflect the Master Plan preferred solution discharging to the Lovers Trunk System. Flow monitoring will be undertaken to determine if there is any temporary capacity available in the Huronia Trunk System, and if there is then the design will be reviewed to identify the best servicing solution with the lowest net present value, including the use of interim works and/or upgrades to proposed works. The cost of the flow monitoring is included in the project costs shown in the IIP.

Schedule "B"

developed in the City's designated Greenfield areas within the former City of Barrie, while approximately 15,700 units will be accommodated in the Salem and Hewitt's Secondary Plan Areas. These units will accommodate the population forecast in the Growth Plan and will be subject to monitoring and review throughout the life of this Plan."

7. deleting the second last sentence in Section 3.1.2.4 and replacing it with the following:

"The Settlement Area boundary is shown on Schedule A- Land Use of this Plan. The Settlement Area boundary generally follows the City boundary except in the Salem and Hewitt's Secondary Plan Areas where it follows a boundary which will accommodate forecasted growth to the year 2031 as identified on Schedule "A"."

8. adding to Section 4.2.2.2 (a):

- i) After the phrase "Greenfield areas," in the third sentence, the phrase "the *Growth Plan*"; and
- ii) After the word "density" in the third sentence the phrase "target of 50 residents and jobs combined per hectare".

9. modifying Section 4.2.2.7 (a) by :

- i) deleting the word "twelve" and replacing it with the word "fourteen";
- ii) adding at the end of the section the following:

- 13. Salem Secondary Plan (See Section 8 of the Plan)
- 14. Hewitt's Secondary Plan (See Section 9 of the Plan)".

10. adding to Section 4.2.2.7 after subsection (c) a new subsection (d) as follows, and changing subsection (d) to subsection (e):

"Development in the Salem and Hewitt's Secondary Plan Areas as identified on Schedule A shall proceed in accordance with the Salem and Hewitt's Secondary Plans in Sections 8 and 9 respectively of this Plan."

11. The addition of a new section 4.10 as follows:

"4.10 SPECIAL RURAL AREA

The policies for this designation are found in Section 8, Salem Secondary Plan and Section 9, Hewitt's Secondary Plan."

12. The addition of the following new sentence at the end of Section 5.4.1 (c):

"Public transit would be a first priority for transportation infrastructure planning and major transportation investments where financially feasible."

13. modifying Section 6.1.3 by:

- (i) deleting the title "DEVELOPMENT AGREEMENTS" and replacing it with "DEVELOPMENT REVIEW AND GROWTH MANAGEMENT";

- (ii) adding new subsections as follows:

"6.1.3.1 Growth Management Requirements Prior to Development

In order to implement the policies of the Official Plan, in particular Section 3 Growth Management, and apply the principle of financial sustainability and the principle that growth pays for growth to the greatest extent possible within the law, applications for development can be processed, but shall only be finally approved including the

registration of subdivisions, and development shall only proceed in accordance with the phasing policies of Section 3.1.2.2, and when:

- a) Council for the City of Barrie has satisfied itself that future growth can proceed in a financially sustainable manner as demonstrated in its Long-Term Fiscal Impact Assessment of Growth, 2014 (FIA) prepared by Watson & Associates Economists Ltd. as adopted by Council, or as updated through the City's Long Range Financial Plan (LRFP). The purpose of the FIA is to establish an affordable and sustainable financing plan for development in all areas of the City over the planning period. Development must be consistent with the assumptions and findings of the FIA as it provides the City with the financial tools to ensure that the required infrastructure and community services can be delivered in a timely and fiscally responsible manner. As such, it is an essential requirement that all such development applications be evaluated and found to be consistent with the assumptions of the FIA. In the event that Council determines at any time during a development review process that the assumptions of the FIA are not being adhered to, it is understood that the Council may determine that it is premature to grant approvals until suitable funding is put in place which is consistent with the assumptions of the FIA. Notwithstanding the provisions of this section, once a landowner(s) has entered into an agreement with the City in accordance with this subsection 6.1.3.1 c), their application shall be deemed to be consistent with the assumptions of the FIA and will not be deemed to be premature;
- b) The City has in full force and effect, and not subject to appeal, a Development Charges By-law(s) enacted under the *Development Charges Act, 1997* or any successor legislation, identifying and imposing charges applicable to the lands which are the subject of the application;
- c) The landowner(s) has entered into an agreement or agreements with the City or shall be required to enter into an agreement or agreements with the City including development agreements in accordance with Section 6.1.3 of the Official Plan, or have made other satisfactory arrangements with the City for the provision of funds or the provision of services or both in accordance with the policies of this Plan, recognizing that:
 - i) in order to reflect particular circumstances that may apply to an individual phase or phases of development, the City may require a separate agreement or agreements with the landowner(s) within each phase or phases; and,
 - ii) landowners who are not parties to the original agreements referred to in subsections c) and c)i) herein shall enter into agreements assuming all the rights and obligations of the agreements as applicable, as if they had been original signatories to that agreement;

Notwithstanding the provisions of this Section such agreements shall not be required to be entered into prior to approval of draft plans of subdivision and rezoning, provided that a condition of approval has been imposed requiring such agreements to be entered into prior to final approval;

- d) Any additional requirements of the City are satisfied.

6.1.3.2 Development Coordination

The City will plan the provision of municipal services in a coordinated manner with land use approvals including plans of subdivision, plans of condominium and site plans, as well as with the City's LRFP and Infrastructure Master Plan, to ensure services are available prior to occupancy. In particular, final development approvals shall only be issued in accordance with the requirements of Section 6.3.1.1 of this Plan, and in accordance with the requirements for the provision of services established in any required Functional Servicing Plans. To achieve the objectives in this subsection, the City

9.7 DEVELOPMENT REVIEW AND GROWTH MANAGEMENT

9.7.1 PURPOSE

All development applications in the Hewitt's Secondary Plan Area shall be subject to review in accordance with the policies of this section and the other applicable policies of the Hewitt's Secondary Plan. Development shall also be subject to the growth management policies of this section.

9.7.2 DEVELOPMENT APPLICATION SUBMISSION REQUIREMENTS

In order for a development application to be considered complete, reports and studies shall be prepared in accordance with Section 6.11 of the Official Plan and in addition, the City may require the following reports or studies be prepared to the City's satisfaction:

- a) A Subwatershed Impact Study in accordance with the provisions of Section 9.6.5 and which also takes into consideration the Master Plan;
- b) An area design plan in accordance with the provisions of Section 9.4.2;
- c) A pedestrian circulation plan in accordance with the provisions of Section 9.4.4.4 b);
- d) Delineation of the Regulatory floodplain, to be completed at the planning/design stages of development and supplemented with a detailed topographic survey of the watercourse and floodplain;
- e) Geotechnical study for natural hazards including slope and soil stability;
- f) Waste Disposal Impact Assessment for any lands designated "Waste Disposal Assessment Area".

The requirement to prepare studies in accordance with this policy shall be satisfied when the relevant studies are submitted to the City, addressing all matters set out in approved terms of reference where applicable, but shall not require such studies to be reviewed or approved by staff or Council in order for a development application to be considered complete.

In accordance with Section 6.11, the need for any or all of the studies listed in this section or Section 6.11 shall be determined by the City of Barrie following consultation between the City and the applicant.

In addition, development and site alteration shall not be permitted in significant habitat of endangered or threatened species and the City will require an Environmental Impact Statement prepared to the City's satisfaction to determine the location of significant habitat of endangered and threatened species. Development and site alteration shall not be permitted in significant wildlife habitat unless it has been demonstrated that there is no negative impacts on the natural features and their ecological functions based on an Environmental Impact Statement required by the City and prepared to the City's satisfaction.

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9.7.3 GROWTH MANAGEMENT

9.7.3.1 Requirements Prior to Development

In order to implement the policies of the Hewitt's Secondary Plan, and apply the principle of financial sustainability and the principle that growth pays for growth to the greatest extent possible within the law, applications for development in the Hewitt's Secondary Plan Area can be processed, but shall only be finally approved including the registration of subdivisions, and development shall only proceed in accordance with the phasing policies of Section 9.7.3.2, and when:

- a) Council for the City of Barrie has satisfied itself that future growth can proceed in a financially sustainable manner, as demonstrated in its Long-Term Fiscal Impact Assessment of Growth, (FIA) prepared by Watson & Associates Economists Ltd. as adopted by Council, or as updated through the City's Long Range Financial Plan (LRFP). The purpose of the FIA is to establish an affordable and sustainable financing plan for development in all areas of the City, including the Hewitt's Secondary Plan, over the planning period. Development must be consistent with the assumptions and findings of the FIA as it provides the City with the financial tools to ensure that the required infrastructure and community services can be delivered in a timely and fiscally responsible manner. As such, it is an essential requirement that all such development applications be evaluated and found to be consistent with the assumptions of the FIA. In the event that Council determines at any time during a development review process that the assumptions of the FIA are not being adhered to, it is understood that the Council may determine that it is premature to grant approvals until suitable funding is put in place which is consistent with the assumptions of the FIA. Notwithstanding the provisions of this section, once a landowner(s) has entered into an agreement with the City in accordance with this subsection 9.7.3.1 c), their application shall be deemed to be consistent with the assumptions of the FIA and will not be deemed to be premature;
- b) The City has in full force and effect, and not subject to appeal, a Development Charges By-law(s) enacted under the *Development Charges Act, 1997* or any successor legislation, identifying and imposing charges applicable to the lands in the Salem and Hewitt's Secondary Plan Areas;
- c) Landowners in the Hewitt's Secondary Plan Area have entered into an agreement or agreements with the City or shall be required to enter into an agreement or agreements with the City including development agreements in accordance with Section 6.1.3 of the Official Plan, or have made other satisfactory arrangements with the City for the provision of funds or the provision of services or both in accordance with the policies of this Plan, recognizing that:
 - i) in order to reflect particular circumstances that may apply to an individual phase or phases of development within the Secondary Plan Area, the City may require a separate agreement or agreements with the landowners within each phase or phases; and,
 - ii) landowners who are not parties to the original agreements referred to in subsections c) and c)i) herein shall enter into agreements assuming all the rights

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and obligations of the agreements as applicable, as if they had been original signatories to that agreement;

Notwithstanding the provisions of this Section such agreements shall not be required to be entered into prior to approval of draft plans of subdivision and rezoning, provided that a condition of approval has been imposed requiring such agreements to be entered into prior to final approval;

- d) Landowners have entered into a Master Parkland Agreement for the Hewitt's Secondary Plan Area with the City where required in accordance with the provisions of Section 9.6.7.3 of this Plan;
- e) Landowners in the Hewitt's Secondary Plan Area have entered into a cost sharing agreement, prior to the approval of any draft plan of subdivision or condominium or rezoning by the City, to establish the means by which each developer/owner will share in the provision of community facilities and services as well as common amenities (e.g. collector roads, municipal water and wastewater services, parkland) for the Secondary Plan Area; and,
- f) Any additional requirements of the City are satisfied including consideration of provisions for the public ownership of the Natural Heritage System where it forms part of lands proposed for development.

9.7.3.2 Phasing

- a) Development in the residential and mixed areas of the Hewitt's Secondary Plan Area shall proceed in three phases as designated on Schedule 9E. Prior to the commencement of development in each phase, the policies of Section 9.7.3.1 shall be satisfied, required Subwatershed Impact Studies shall be completed, the availability of water and wastewater services confirmed and the City shall be satisfied that development can be undertaken in a financially responsible manner in conformity with the principle that growth pays for growth to the greatest extent possible within the law. In addition, commencing with Phase 2, 60% of the land which is available for development in the previous phase must be in draft plans of subdivision or approved site plans prior to commencement of development in the subsequent phase; and,
- b) Notwithstanding the foregoing, in no case will one owner or group of owners be allowed to unreasonably delay the normal progression of growth. Where unreasonable delay is occurring, as determined at the City's sole discretion, the phasing may be re-evaluated to the satisfaction of the City and having regard for the policies of the Hewitt's Secondary Plan. In such circumstances, the City may, at its sole discretion, through an amendment to this Plan, revise the phasing provided that the City has determined that there will be no unacceptable impacts to the City.
- c) The City will plan the provision of municipal services in a coordinated manner with land use approvals including plans of subdivision, plans of condominium and site plans, as well as with the City's LRFP and Infrastructure Master Plan, to ensure services are available prior to occupancy. In particular, final development approvals shall only be issued in accordance with the requirements of Section 9.7.3.1 and 9.7.3.2

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of this Plan, and, in accordance with the requirements for the provision of services established in any required Functional Servicing Plans. In particular, development approvals in the Hewitt's Secondary Plan Area will require that the following criteria, in addition to any other requirements, are satisfied:

- i) Stormwater management facilities shall be constructed and dedicated as a condition of draft plan approval or site plan approval, provided that the City may approve the use of temporary stormwater facilities where it is not possible or financially feasible to construct the permanent facilities, and provided that provision has been made, to the satisfaction of the City through the payment of financial securities or other safeguards, for the construction of the permanent facilities;
- ii) Lands required for large utility structures shall be shown as block(s) on a draft plan of subdivision and the location shall be confirmed as a condition of draft plan approval or site plan approval, to the satisfaction of the utility provider and the City; and,
- iii) Any required Community Parks, Neighbourhood Parks and Village Squares are prepared to an acceptable base condition as determined through the City's Parkland Standards and conveyed to the City, prior to the occupancy of development serviced by such parks.

To achieve the objectives in this subsection, the City may where necessary use mechanisms such as holding zones and conditions in subdivision agreements including staging of development within plans of subdivision.

- d) Notwithstanding the foregoing, the boundary of Phase 1 south of Maplevue Drive East may be adjusted southerly and/or easterly no further than the boundary of the Natural Heritage System on the lands described as Part Lot 19, Concession 11, formerly Town of Innisfil without an amendment to the Plan. However, such an adjustment will only be permitted provided that it can be demonstrated to the satisfaction of the City that the lands can be serviced without the construction of a pumping station and in accordance with City of Barrie Design Standards.
- e) Notwithstanding the foregoing, the boundary of Phase 1 east of the proposed north/south collector road north of Maplevue Drive East may be adjusted easterly on the lands designated Neighbourhood Mixed Use Node Area, described as Part of the South Half of Lot 19, Concession 12, formerly Town of Innisfil without an amendment to the Plan. However, such an adjustment will only be permitted provided that it can be demonstrated to the satisfaction of the City that the lands can be serviced without the construction of a pumping station and in accordance with City of Barrie Design Standards.

9.7.3.4 Public Facilities

Notwithstanding the foregoing policies of Section 9.7.3:

- a) Federal, Provincial, County and City owned and/or operated public infrastructure and services such as, but not limited to, parks, emergency response services (.e.g ambulance, fire, police), stormwater management facilities, water and waste water

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facilities including pumping stations and above or below ground utilities such as gas lines or telecommunications facilities may proceed in any designation, at any time even if the precise requirements of Section 9.7.3 above have not been met; and,

- b) The City may, at its sole discretion, but subject to confirmation of available water and wastewater servicing, determine that a regionally or locally-significant employment development proposal within the Secondary Plan that falls outside of Phase 1 can proceed, even if the precise requirements of Section 9.7.3 above are not fully met, if it can be demonstrated to the City that such a proposal is in accordance with the general purpose and intent of the general goal and objectives of the Hewitt's Secondary Plan, and if there are no unacceptable negative impacts to the City as determined by Council at its sole discretion.

9.7.4 MONITORING

All development shall be monitored to ensure that:

- a) The overall progression is in accordance with the Vision and Planning Principles of the Plan;
- b) The forecasts and targets of the Plan are being achieved;
- c) The health of the Natural Heritage System is being maintained and enhanced; and,
- d) The implementation of the Plan is being carried out in an appropriate, fiscally prudent manner in accordance with the principles of the FIA.

Reports to City Council outlining the results of the monitoring program and updates on the Long Range Financial Plan (LRFP) will be submitted to Council on an annual basis. The reporting will include the status of the Development Charges fund, variances between planned and actual, and recommendations to address issues of concern. Notwithstanding the annual monitoring reports, once a landowner(s) has entered into an agreement with the City in accordance with subsection 9.7.3.1 c), their application shall be deemed to be consistent with the assumptions of the FIA and may not be deemed to be premature.

8.7 DEVELOPMENT REVIEW AND GROWTH MANAGEMENT

8.7.1 PURPOSE

All development applications in the Salem Secondary Plan Area shall be subject to review in accordance with the policies of this section and the other applicable policies of the Salem Secondary Plan. Development shall also be subject to the growth management policies of this section.

8.7.2 DEVELOPMENT APPLICATION SUBMISSION REQUIREMENTS

In order for a development application to be considered complete, reports and studies shall be prepared in accordance with Section 6.11 of the Official Plan and in addition, the City may require the following reports or studies be prepared to the City's satisfaction:

- a) A Subwatershed Impact Study in accordance with the provisions of Section 8.6.5 and which also takes into consideration the Master Plan;
- b) An area design plan in accordance with the provisions of Section 8.4.2;
- c) A pedestrian circulation plan in accordance with the provisions of Section 8.4.4.4 b);
- d) Delineation of the Regulatory floodplain, to be completed at the planning/design stages of development and supplemented with a detailed topographic survey of the watercourse and floodplain;
- e) Geotechnical study for natural hazards including slope and soil stability;
- f) Waste Disposal Impact Assessment for any lands designated "Waste Disposal Assessment Area".

The requirement to prepare studies in accordance with this policy shall be satisfied when the relevant studies are submitted to the City, addressing all matters set out in approved terms of reference where applicable, but shall not require such studies to be reviewed or approved by staff or Council in order for a development application to be considered complete.

In accordance with Section 6.11, the need for any or all of the studies listed in this section or Section 6.11 shall be determined by the City of Barrie following consultation between the City and the applicant.

In addition, development and site alteration shall not be permitted in significant habitat of endangered or threatened species and the City will require an Environmental Impact Statement prepared to the City's satisfaction to determine the location of significant habitat of endangered and threatened species. Development and site alteration shall not be permitted in significant wildlife habitat unless it has been demonstrated that there is no negative impacts on the natural features and their ecological functions based on an Environmental Impact Statement required by the City and prepared to the City's satisfaction.

8.7.3 GROWTH MANAGEMENT

8.7.3.1 Requirements Prior to Development

In order to implement the policies of the Salem Secondary Plan, and apply the principle of financial sustainability and the principle that growth pays for growth to the greatest extent possible within the law, applications for development in the Salem Secondary Plan Area can be processed, but shall only be finally approved including the registration of subdivisions, and development shall only proceed in accordance with the phasing policies of Section 8.7.3.2, and when:

- a) Council for the City of Barrie has satisfied itself that future growth can proceed in a financially sustainable manner, as demonstrated in its Long-Term Fiscal Impact Assessment of Growth, (FIA) prepared by Watson & Associates Economists Ltd. as adopted by Council, or as updated through the City's Long Range Financial Plan (LRFP). The purpose of the FIA is to establish an affordable and sustainable financing plan for development in all areas of the City, including the Salem Secondary Plan, over the planning period. Development must be consistent with the assumptions and findings of the FIA as it provides the City with the financial tools to ensure that the required infrastructure and community services can be delivered in a timely and fiscally responsible manner. As such, it is an essential requirement that all such development applications be evaluated and found to be consistent with the assumptions of the FIA. In the event that Council determines at any time during a development review process that the assumptions of the FIA are not being adhered to, it is understood that the Council may determine that it is premature to grant approvals until suitable funding is put in place which is consistent with the assumptions of the FIA. Notwithstanding the provisions of this section, once a landowner(s) has entered into an agreement with the City in accordance with this subsection 8.7.3.1 c), their application shall be deemed to be consistent with the assumptions of the FIA and will not be deemed to be premature;
- b) The City has in full force and effect, and not subject to appeal, a Development Charges By-law(s) enacted under the *Development Charges Act, 1997* or any successor legislation, identifying and imposing charges applicable to the lands in the Salem and Hewitt's Secondary Plan Areas;
- c) Landowners in the Hewitt's Secondary Plan Area have entered into an agreement or agreements with the City or shall be required to enter into an agreement or agreements with the City including development agreements in accordance with Section 6.1.3 of the Official Plan, or have made other satisfactory arrangements with the City for the provision of funds or the provision of services or both in accordance with the policies of this Plan , recognizing that:
 - i) in order to reflect particular circumstances that may apply to an individual phase or phases of development within the Secondary Plan Area, the City may require a separate agreement or agreements with the landowners within each phase or phases; and,
 - ii) landowners who are not parties to the original agreements referred to in subsections c) and c)i) herein shall enter into agreements assuming all the rights

and obligations of the agreements as applicable, as if they had been original signatories to that agreement;

Notwithstanding the provisions of this Section such agreements shall not be required to be entered into prior to approval of draft plans of subdivision and rezoning, provided that a condition of approval has been imposed requiring such agreements to be entered into prior to final approval;

- d) Landowners have entered into a Master Parkland Agreement for the Salem Secondary Plan Area with the City where required in accordance with the provisions of Section 8.6.7.3 of this Plan;
- e) Landowners in the Salem Secondary Plan Area have entered into a cost sharing agreement, prior to the approval of any draft plan of subdivision or condominium or rezoning by the City, to establish the means by which each developer/owner will share in the provision of community facilities and services as well as common amenities (e.g. collector roads, municipal water and wastewater services, parkland) for the Secondary Plan Area; and,
- f) Any additional requirements of the City are satisfied including consideration of provisions for the public ownership of the Natural Heritage System where it forms part of lands proposed for development.

8.7.3.2 Phasing

- a) Development in the residential and mixed areas of the Salem Secondary Plan Area shall proceed in three phases as designated on Schedule 8E. Prior to the commencement of development in each phase, the policies of Section 8.7.3.1 shall be satisfied, required Subwatershed Impact Studies shall be completed, the availability of water and wastewater services confirmed and the City shall be satisfied that development can be undertaken in a financially responsible manner in conformity with the principle that growth pays for growth to the greatest extent possible within the law. In addition, commencing with Phase 2, 60% of the land which is available for development in the previous phase must be in draft plans of subdivision or approved site plans prior to commencement of development in the subsequent phase; and,
- b) Notwithstanding the foregoing, in no case will one owner or group of owners be allowed to unreasonably delay the normal progression of growth. Where unreasonable delay is occurring, as determined at the City's sole discretion, the phasing may be re-evaluated to the satisfaction of the City and having regard for the policies of the Salem Secondary Plan. In such circumstances, the City may, at its sole discretion, through an amendment to this Plan, revise the phasing provided that the City has determined that there will be no unacceptable impacts to the City.
- c) The City will plan the provision of municipal services in a coordinated manner with land use approvals including plans of subdivision, plans of condominium and site plans, as well as with the City's LRFP and Infrastructure Master Plan, to ensure services are available prior to occupancy. In particular, final development approvals shall only be issued in accordance with the requirements of Section 8.7.3.1 and 8.7.3.2 of this Plan,

and in accordance with the requirements for the provision of services established in any required Functional Servicing Plans. In particular, development approvals in the Salem Secondary Plan Area will require that the following criteria, in addition to any other requirements, are satisfied:

- i) Stormwater management facilities shall be constructed and dedicated as a condition of draft plan approval or site plan approval, provided that the City may approve the use of temporary stormwater facilities where it is not possible or financially feasible to construct the permanent facilities, and provided that provision has been made, to the satisfaction of the City through the payment of financial securities or other safeguards, for the construction of the permanent facilities;
- ii) Lands required for large utility structures shall be shown as block(s) on a draft plan of subdivision and the location shall be confirmed as a condition of draft plan approval or site plan approval, to the satisfaction of the utility provider and the City; and,
- iii) Any required Community Parks, Neighbourhood Parks and Village Squares are prepared to an acceptable base condition as determined through the City's Parkland Standards and conveyed to the City, prior to the occupancy of development serviced by such parks.

To achieve the objectives in this subsection, the City may where necessary use mechanisms such as holding zones and conditions in subdivision agreements including staging of development within plans of subdivision.

8.7.3.4 Public Facilities

Notwithstanding the foregoing policies of Section 8.7.3:

- a) Federal, Provincial, County and City owned and/or operated public infrastructure and services such as, but not limited to, parks, emergency response services (.e.g ambulance, fire, police), stormwater management facilities, water and waste water facilities including pumping stations and above or below ground utilities such as gas lines or telecommunications facilities may proceed in any designation, at any time even if the precise requirements of Section 8.7.3 above have not been met; and,
- c) The City may, at its sole discretion, but subject to confirmation of available water and wastewater servicing, determine that a regionally or locally-significant employment development proposal within the Secondary Plan that falls outside of Phase 1 can proceed, even if the precise requirements of Section 8.7.3 above are not fully met, if it can be demonstrated to the City that such a proposal is in accordance with the general purpose and intent of the general goal and objectives of the Salem Secondary Plan, and if there are no unacceptable negative impacts to the City as determined by Council at its sole discretion.

8.7.4 MONITORING

All development shall be monitored to ensure that:

- a) The overall progression is in accordance with the Vision and Planning Principles of the Plan;
- b) The forecasts and targets of the Plan are being achieved;
- c) The health of the Natural Heritage System is being maintained and enhanced; and,
- d) The implementation of the Plan is being carried out in an appropriate, fiscally prudent manner in accordance with the principles of the FIA.

Reports to City Council outlining the results of the monitoring program and updates on the Long Range Financial Plan (LRFP) will be submitted to Council on an annual basis. The reporting will include the status of the Development Charges fund, variances between planned and actual, and recommendations to address issues of concern. Notwithstanding the annual monitoring reports, once a landowner(s) has entered into an agreement with the City in accordance with subsection 8.7.3.1 c), their application shall be deemed to be consistent with the assumptions of the FIA and may not be deemed to be premature.

APPENDIX "B"

Background

Consultation

1. As outlined in Staff Report IGM001-14, the consultation process began with a Public Information Meeting that was held at the MacLaren Art Centre on January 31, 2014.
2. A second Public Information Meeting was held in the Council Chambers on April 24, 2014, at which time updates were provided on the Secondary Plans (SP's), the Infrastructure Implementation Plan (IIP), the ongoing discussion with the representatives of the Salem and Hewitt's Landowner Groups and the plan to report back to Council.
3. Representatives of the Salem and Hewitt's Landowner Groups and the City's team met regularly in February, March and April on a 'without prejudice' basis to exchange information and discuss issues. In addition to these formal sessions, numerous other meetings and conference calls involving the various technical experts were also held.
4. During the month of April, the meetings and discussions focused on developing a forecast cash flow model based on the IIP and assumptions of number of units to be developed each year. Using this model, various funding tools were explored to develop a financial strategy that is consistent with the City's Financial Policy Framework.

Land Use Planning

5. Under the Province's Places to Grow Plan, the City of Barrie is forecasted to grow to 210,000 people and 101,000 jobs over the 20 year planning period from 2012 to 2031. The City is required to plan for 40% of this growth as infill and intensification in Former Barrie and 60% in the Annexed Area. As outlined in Staff Report IGM002-14, the Hewitt's SP and the Salem SP have been revised to respond to comments received from stakeholders since updated drafts were released in December 2013. The SP's have also been updated to reflect the results of negotiations with the Annexed Area Landowner Groups as outlined in the MOU.

Infrastructure Planning

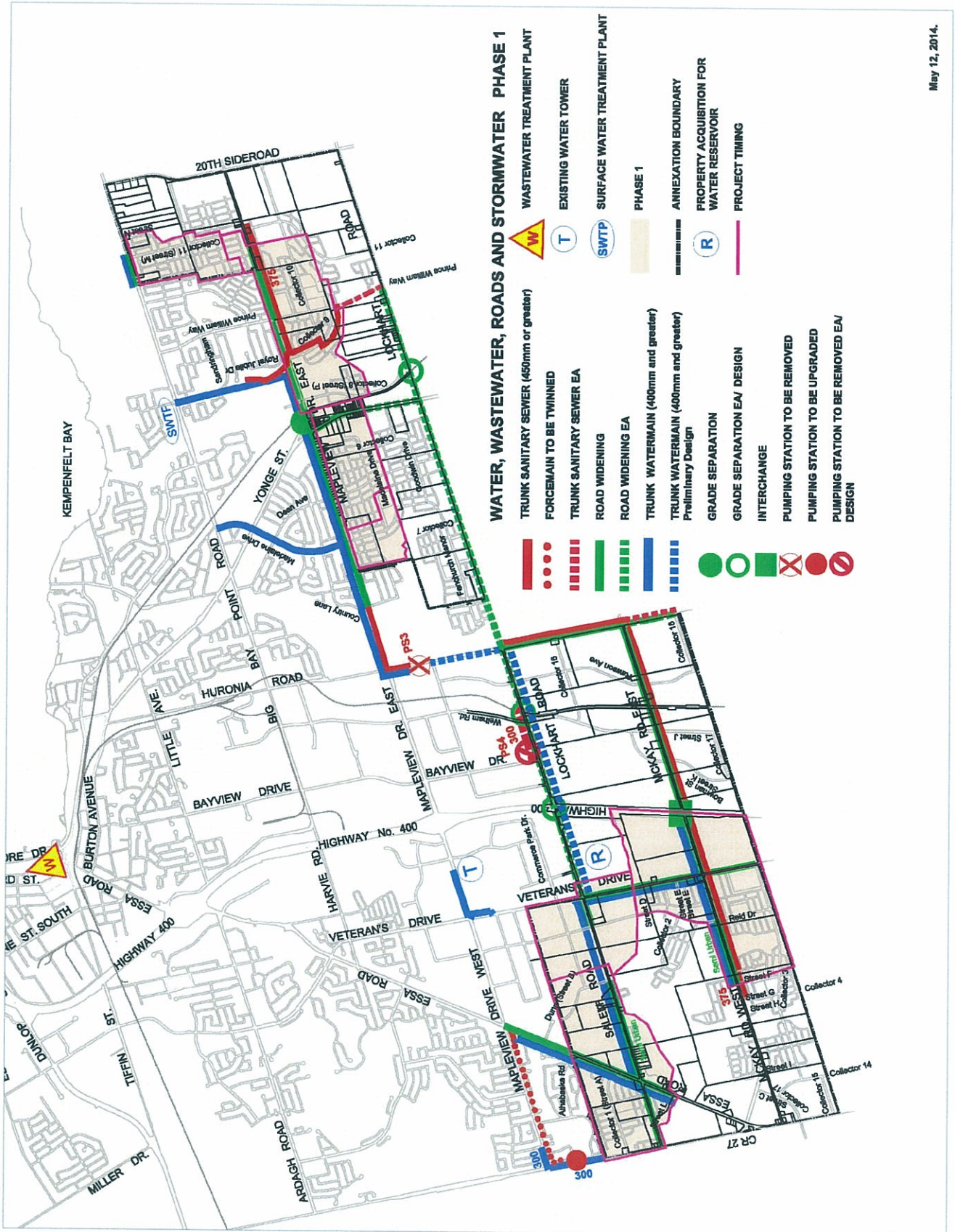
6. The six Infrastructure Master Plans that were completed in February 2014 provided the basis for forecasting the requirements for the hard services (water, wastewater and roads) required to service growth in the City to the year 2031.
7. The City's master planning documents for soft services such as Parks, Recreation, Libraries, Police and Fire were used to forecast the requirements for these services.
8. The City's Asset Management Plan was used to forecast the requirements for replacement of existing assets at the end of their useful life.

Financial Planning

9. On December 2, 2013, Council per Motion 13-A-144 approved an update to the City's Financial Policies Framework to minimize the financial impact of municipal growth on existing taxpayers by including the use of new development financing tools, including:
 - a) Accelerating the timing of payment of development charges
 - b) Front-ending of capital project costs by developers
 - c) Capital contribution payments by developers for growth-related capital infrastructure needs that are not currently funded by Development Charges

-
10. Also, on December 2, 2013, Council per Motion 13-A-144 approved, as a high level forecast, the FIA by Watson & Associates Economists Limited (Watson). The FIA provides a comprehensive analysis of not only the costs associated with managing growth, but also the financing methods and revenue sources required to pay for those costs with consideration for the City's fiscal thresholds for debt, rates and taxes.
11. At its meeting of March 31, 2014, per Motion 14-G-080, Council directed the Growth Management team to evaluate proposed strategies to reduce the use of debt to fund work associated with existing assets in the preferred scenario identified in the FIA, including but not limited to the following strategies, and provide preliminary comments regarding the effectiveness of these strategies as part of the report to General Committee regarding the Secondary Plans:
- a) Increasing the amount and timing of contributions to the capital plan from the operating budget
 - b) Reinvesting savings from debt retirements into annual asset management spending;
 - c) Contributing up to 50% of PowerStream dividends to the capital plan
 - d) The use of Infrastructure Ontario construction financing to defer debt and reduce interest rates in the short term
 - e) Including a prudent forecast of Federal and Provincial infrastructure grants under the new Building Canada program and related programs
 - f) Examining 25 and 30 year scenarios for replacement and management of existing assets, to allow for a ramp-up of funding and more projects to be "pay-as-you-go"

APPENDIX "C" Map of Hard Services for Annexed Lands Phase 1



APPENDIX "D"

Growth Management Process

Land Use Planning

1. By-laws for Official Plan Amendments 38, 39 and 40 to Council: June 16, 2014
2. Notice of Decision issued within 15 days and 20-day appeal period begins
3. Implementation Program (zoning, urban design, conditions of subdivision approval, etc.) initiated

Infrastructure Planning

1. Funding agreements for monies for EA and Design work to be prepared
2. EA and Design work for Annexed Area initiated in accordance with the Infrastructure Implementation Plan
3. Developer build model (purchasing by-law/protocol, procurement process) investigated

Financial Planning – Development Charges (DC) Update

1. Statutory Public Meeting: June 23, 2014
2. Public review/comment period ends: July 4, 2014
3. Staff Report & accompanying DCBS/Bylaw presented to General Committee: August 11, 2014
4. DC By-law presented to Council for approval: August 25, 2014

Financial Planning – Other Elements

1. Fiscal Impact Analysis updated to after approval of DC By-law to incorporate new DC and results of debt financing analysis
2. Fiscal Impact Analysis to Council for approval
3. Long Range Financial Plan updated to reflect final Fiscal Impact Analysis
4. 2015 Business Plan including 10-year capital plan
5. Annual Monitoring Program initiated

APPENDIX "E"

Debt Reduction Options



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e-mail: info@watson-econ.ca

MEMORANDUM

To: **Debbie McKinnon, Director of Finance** Fax
Jacqueline Weston, Director of Engineering
Lyn Townsend
From: **Gary Scandlan** Courier
Date: **May 11, 2014** Mail
Re: **General Committee Questions** e-mail

In follow-up to our recent discussions, you asked if we could review the following matters from Council and provide a response. By way of this memo we are providing our comments.

At its meeting of March 31, 2014, per Motion 14-G-080, Council directed the "Growth Management team to evaluate proposed strategies to reduce the use of debt to fund work associated with existing assets in the preferred scenario identified in the Fiscal Impact Analysis prepared by Watson & Associates, including but not limited to the following strategies, and provide preliminary comments regarding the effectiveness of these strategies as part of the report to General Committee scheduled for May 6, 2014 regarding the Secondary Plan and Fiscal Impact Analysis:

- a) Increasing the amount and timing of contributions to the capital plan from the operating budget
- b) Reinvesting savings from debt retirements into annual asset management spending;
- c) Contributing up to 50% of PowerStream dividends to the capital plan
- d) The use of Infrastructure Ontario construction financing to defer debt and reduce interest rates in the short term
- e) Including a prudent forecast of Federal and Provincial infrastructure grants under the new Building Canada program and related programs
- f) Examining 25 and 30 year scenarios for replacement and management of existing assets, to allow for a ramp-up of funding and more projects to be "pay-as-you-go"

Our response to these questions are as follows:

a) Increasing the amount and timing of contributions to the capital plan from the operating budget

The suggestion provides that by using more transfers from the operating budget to pay for capital expenditures, you can reduce the amount of debt. As well, by reducing the debt charges you can use the money which you would have used for interest to fund more of the capital expenditure. We are in

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SERVICES

- Demographics, Pupil Forecasting, Industrial/Commercial Forecasts
- Land Needs and Market Studies
- School Board Planning and Financing
- Development/Education Development Charge Policy
- Long Range Financial Planning for Municipalities
- Servicing Cost Sharing
- Financial Analysis of Municipal Restructuring Options
- Municipal Management Improvement
- Tax Policy Analysis
- Fiscal Impact of Development
- OMB Hearings – Financial, Market, Demographic
- Waste Management Rate Setting, Valuation and Planning

Watson & Associates Economists Ltd.

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total agreement. When we undertook the FIA, we were attempting to balance annual expenditure needs and debt capacity with levels of annual tax increases which were within a acceptable range. Debt charges can be reduced by either 1) reducing annual capital expenditures or 2) higher tax increases (at least in the early part of the forecast). In regard to 1), staff would need to assess the potential of delaying the capital replacement program further. In regard to 2), an extra 1% increase in the tax levy in the first year would add \$2 million per year over the 2015-2031 forecast reduced the amount of debt issued by \$34 million. Any further annual increases would further reduce debt levels.

b) Reinvesting savings from debt retirements into annual asset management spending

This suggestion provides that, as debt charges are paid off, that the freed up tax room be used to fund capital. We have included this within our analysis. However, we would point out that in the early half of the forecast, when the debt charges were dropping down, we have used that tax room to pay for more capital expenditures by issuing more debt to keep the capital program funded (i.e. replacing the drop in debt charges with new debt charges). Towards the latter half of the forecast, we used the savings to fund the capital program and reduce debt. This can be seen by the steady drop in the debt capacity levels in the last half of the forecast.

c) Contributing up to 50% of PowerStream dividends to the capital plan

As we understand, PowerStream pays to the City \$1.3 million per year in dividends. At the present time, these dividends are being used for investing in electrical generation projects for PowerStream however these programs are to finish in 2016 and the dividend can then be made available for other City uses. Within the FIA, no dividend revenue was used, hence making available \$650,000 per year for the 2017-2031 period will save \$9.75 million in debt financing.

d) The use of Infrastructure Ontario construction financing to defer debt and reduce interest rates in the short term

We did assume that any debt issued would be issued at the prevailing Infrastructure Ontario interest rate. Note that we did not assume the short term interest costs for financing during the construction of the project. This would actually increase the costs of the projects however we had assumed that any interim financing could be cash flowed by the City's financial resources.

e) Including a prudent forecast of Federal and Provincial infrastructure grants under the new Building Canada program and related programs

We had not included this recent announcement in the FIA as it was not known at the time. As we understand, the program criteria is yet to be defined however if the City is eligible and successful in attaining grant funding, it would have the effect of lowering the debt needs and perhaps, the impact of the capital program on the tax levy.

f) Examining 25 and 30 year scenarios for replacement and management of existing assets, to allow for a ramp-up of funding and more projects to be "pay-as-you-go"

The above suggestion provides that the replacement capital program be deferred/reduced until the tax base can be built up to a level where all capital spending is met directly from direct tax revenues. This may be possible however an assessment needs to be undertaken to determine the ability of the capital replacement plan to be further delayed until non-debt funding is sufficient to finance the program. To some extent, this assessment would also need to include a risk assessment to ensure that the City does not reduce performance levels or create potential liabilities as a result of the deferred capital spending. Consideration also needs to be given to whether operating costs need to be increased in order to keep an asset (which is passed its useful life) performing.

Watson & Associates Economists Ltd.

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We trust this is satisfactory for your responding to Council.