

Township of Southgate

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Staff Report PL2023-033

Title of Report: Flato Dundalk Meadows Inc. East Phase 11

Subdivision Agreement Approval Report

Department: Planning

Council Date: July 5, 2023

Council Recommendation:

Be it resolved that Council receive staff report PL2023-033 as information; and

That Council approved the subdivision agreement subject to preliminary acceptance being received for all phase 11 works to the satisfaction of the Township Engineers, and

That Council consider approval of the final Flato Dundalk Meadows Inc., Flato East Phase 11 Subdivision Agreement by By-law 2023-070 at the July 5, 2023 Council meeting; and

That the agreement be executed following preliminary acceptance of the phase 11 works and the posting of the required securities to the satisfaction of the Township and its engineers.

Background:

A Subdivision Agreement (SDA) is required by the Township of Southgate for all residential development projects a significant number of lots where the lands being developed often have no roads and require the normal municipal services (lighting, sidewalks, stormwater, wastewater, and water) and public servicing (cable TV, electricity, internet, natural gas, telephone, etc.) infrastructure. A SDA is a robust document that deals with issues to manage the project and the municipal risk associated with these types of developments. The following are the main sections within the SDA document:

- Interpretation (Definitions)
- Subject Lands and Preconditions for Servicing and Registration
- Special Provisions
- Conveyances and Payments to be Made
- Construction of Services
- Phasing Plan
- Drainage
- Acceptance and Ownership of Services
- Deadline for Completion of Services
- Financial Assurances
- Indemnification and Liability Insurance

- Developer's Additional Obligations during Servicing
- Driveway Locations, Mailboxes, and Roads
- Building Deposit Requirements
- Building Permit Requirements
- Occupancy Requirements
- Building Construction
- Covenants to be Registered on Title
- Lapsing of Agreement
- Stop Work Orders
- Breaches of Agreement
- Arbitration
- General Provisions

The following are Schedules and Forms included in the Subdivision document:

- Legal Description
- Conditions of Draft Plan Approval
- Variations and Exceptions from Standards Provisions of Agreement
- Lands to be Conveyed to the Township
- Easement to be Conveyed to the Township
- Form of Agreement for Easements
- Payments to be made to the Township
- Municipal Services to be provided by the Developer
- Covenants and Restrictions in every Contracts for the sale of lands & registration on titles
- List of Approved Plans
- Final Lot Grading and Drainage Certificate Form
- Letter of Credit requirements form

Southgate's lawyer Stephen Christie from Stutz Brown & Self provided the legal review and Township Engineer from Triton completed the Engineering review work to develop the Flato Agreement as a template for the Township to use for all future residential developments.

Staff Comments:

This Subdivision Agreement applies to Phase 11 of the Flato East development which can be seen in Attachment #3 to this report. After Phase 11 is complete only Phase 9 remains of the Flato East draft plan to be developed and a Subdivision Agreement entered into.

For this agreement (Phase 11), the Township Engineers from Triton Engineering have provided the technical review of the document, including Schedule E titled "Easements to be Conveyed", Schedule F titled "Securities to the Township" and Schedule I titled "List of Approved Plans" for this project approval of the Flato East Phase 11 Subdivision Agreement. Triton have reviewed the securities and any

adjustment of the securities based on the inspection of project(s) works completed and for security reductions for accepted works prior to Council approval of this subdivision agreement.

The SDA includes a Schedule "K" titled, "Project Phase Mplan", that reflects the specific layout drawing information for this development phase. The SDA for Flato East Phase 11, includes the Mplan layout as part of the agreement and when approved will allow the registration of 197 residential units comprising 96 single detached units, 101 townhouse units, one commercial block and numerous blocks for park and stormwater management.

The next steps in this process will be to approve by municipal by-law the SDA (Schedule A to By-law 2023-070) for the Flato East Phase 11 project. The Execution of the agreement will take place following the posting of the required securities as per the agreement (Attachment #2).

Financial Impact or Long-Term Implications

There is no financial impact to the municipality as a result of this report as all legal and engineering costs to review and finalize the Flato East Phase 11 agreement and the development will be charged to the developer.

The Township has created a securities grid to provide developers with our expectations of what the Township's security requirements are for all residential development projects at every stage of the construction phases (site alteration, pre-servicing, and subdivision agreements). A copy of this document is included as part of this staff report as Attachment #1.

Flato Developments at the present time has posted \$4,745,670.99 to secure all of their projects except to cover Flato East Phases 11, and the Phase 9 Site Alteration Agreement as calculated in the attached current Flato Dundalk Meadows Securities Summary document (Attachment #2). The new posted securities requirement with the addition of Flato East Phase 11 and Site Alteration Agreement will now increase as outlined in Attachment #2. The Engineers are inspecting all completed works in all Flato projects to assess for addition preliminary and final acceptance to confirm a more accurate securities summary report prior to Council approval of this subdivision agreement.

Flato Developments Inc. have numerous different projects in various stages of development or in the 2-year warranty phase. Those developments include Flato West Phase 1, Flato West Block 75 Seniors Apartments, Flato North Phases 2A & 3, Flato North Phases 4, 5 & 6, Flato East Phase 2B, Flato East Phases 7, 8 & 10, Flato East Phase 11, and Flato Glenelg Carriage House Phase 1. Flato has requested that with the large sum of the securities they have provided they will aggregate access to all of their Letters of Credit (LC) securities to provide total assurance for any of

their projects in Dundalk. As a result they have requested that the Township consider their total security requirements be calculated at 80% of the sum of all their individual projects. The other factor is with so many active projects at varying stages of development, much of their Southgate approved work has been completed waiting for engineering inspection of the project infrastructure and is in the preliminary stage of acceptance approval or in the final acceptance warranty period. Flato West for example has been accepted and the last portion of their securities will be released to use in other phases.

Communications & Community Action Plan Impact:

This report has been written and presented to Council to communicate accurate information to the public.

Goal 3 - Promoting Health Services and Housing Choices

Action 3: The residents and businesses of Southgate envision a caring community which meets the needs of all ages and incomes for a healthy and comfortable life, even as our population grows and changes.

Strategic Initiatives 3-A (2019-2023): By means of appropriate policies, incentives and development partners, the Township will facilitate a significant increase in the supply and comfortable life, even as our population grows and changes.

Concluding Comments:

1. That Council receive this staff report as information.
2. That Council consider approval of the Flato East Phase 11 Subdivision Agreement for residential and commercial development by Township municipal By-law 2023-070 at the July 5, 2023 meeting.
3. Once the Agreement is registered the Township will issue a clearance letter once all of the required agency signoffs have been received. This Clearance letter is then forwarded on to the County of Grey for final approval and registration of the subdivision.
4. The final step is to lift the Holding condition which is conditional on servicing allocation and the subdivision agreement being registered. This is usually initiated following the posting of the securities for the subdivision agreement.

Respectfully Submitted,

Municipal Planner: Original Signed By
Clinton Stredwick, BES, MCIP, RPP



CAO approval: Original Signed By

Dina Lundy

Attachments:

- Attachment 1 – Southgate Securities Grid
- Attachment 2 – Current Flato Dundalk Meadows Securities Summary
- Attachment 3 - Phasing Plan