

File: 03-05

November 8, 2024

DELIVERED BY E-MAIL

(clerks@durham.ca)

Region of Durham

Re: Stevenson Road North from Taunton Road West to Conlin Road West, Agreement Request (Ward 2)

Oshawa City Council considered the above matter at its meeting of October 28, 2024 and adopted the following recommendation of the Economic and Development Services Committee:

“That, pursuant to Report ED-24-116 dated October 2, 2024, concerning the design and construction of Stevenson Road North from Taunton Road West to Conlin Road West:

1. That staff be authorized to advance the detailed design of Stevenson Road North, as outlined in Section 4.4 of Report ED-24-116; and,
2. That staff include the cost to advance the detailed design of Stevenson Road North in the Mayor’s 2025 Budget for consideration; and,
3. That staff include the estimated cost for the reconstruction of Stevenson Road North in the Mayor’s 2026 Budget for consideration; and,
4. That the Region of Durham be requested to advance the required funds within their 2025 and future Budgets for the purpose of providing serving works on Stevenson Road North in coordination with the City; and,
5. That the Manager, Procurement be authorized to negotiate a contract extension to Gannett Fleming Canada ULC not to exceed the approved 2025 budget for design services.”

Your consideration of Part 4 of the above resolution is requested. Please find attached a copy of Report ED-24-116 for information.

If you need further assistance concerning the above matter, please contact Anthony Ambra, Commissioner, Economic and Development Services Department at the address listed below or by telephone at 905-436-3311.



Mary Medeiros
Director, Legislative Services/City Clerk

/fb

- c. Economic and Development Services Department
Corporate and Finance Services Department
Office of the Mayor

To: Economic and Development Services Committee

From: Anthony Ambra, P.Eng., Commissioner,
Economic and Development Services Department

Report Number: ED-24-116

Date of Report: October 2, 2024

Date of Meeting: October 7, 2024

Subject: Stevenson Road North from Taunton Road West to Conlin
Road West, Agreement Request

Ward: Ward 2

File: 03-05

1.0 Purpose

On June 24, 2024, City Council considered Correspondence ED-24-85 from Hans Jain, Atria Development Corp., concerning the Stevenson Road North Developer Commitment to Site Servicing and referred it to staff for a report.

The purpose of this Report is to provide staff's response to ED-24-85, a request from Atria Development Corporation (see Attachment 1) to advance the design and construction work associated with the provision of roadway improvements, adequate sanitary, water and storm services for Stevenson Road North from Taunton Road West to Conlin Road West.

Attachment 1 is a letter dated May 24, 2024 from Atria Development Corporation, expressing their interest to advance the reconstruction work for Stevenson Road North.

Attachment 2 is a letter dated August 26, 2024 from Region of Durham, confirming that the Region is considering advancing the budget for Stevenson Road widening and servicing to 2025.

Attachment 3 is a letter dated September 3, 2024 from Gurundwara Sahib Durham Region Group, requesting the advancement of servicing and roadwork for Stevenson Road North to facilitate the construction of their new community centre.

2.0 Recommendation

That the Economic and Development Services Committee recommend to City Council:

That, pursuant to Report ED-24-116 dated October 2, 2024, concerning the design and construction of Stevenson Road North from Taunton Road West to Conlin Road West:

1. That Council authorize staff to advance the detailed design of Stevenson Road North, as outlined in Section 4.4 of Report ED-24-116;
2. That staff include the cost to advance the detailed design of Stevenson Road North in the Mayor's 2025 Budget for consideration;
3. That staff include the estimated cost for the reconstruction of Stevenson Road North in the Mayor's 2026 Budget for consideration;
4. That the Region of Durham be requested to advance the required funds within their 2025 and future Budgets for the purpose of providing serving works on Stevenson Road North in coordination with the City; and,
5. That the Manger, Procurement be authorized to negotiate a contract extension to Gannett Fleming Canada ULC not to exceed the approved 2025 budget for design services.

3.0 Input From Other Sources

The following have been consulted in the preparation of this Report:

- Commissioner, Corporate and Finance Services Department
- Finance Services

4.0 Analysis

4.1 Existing Conditions

Stevenson Road North is a Type 'C' Arterial road extending from Taunton Road West to Conlin Road West and falls within the Northwood Business Park's policy boundary. As documented in the 2015 Integrated Transportation Master Plan ("I.T.M.P."), the road is currently a two-lane rural north-south street with a posted speed limit of 50 km/hr. Other existing road characteristics include:

- Pavement Condition: The current Pavement Condition Index ("P.C.I.") assessment rating is 40 P.C.I., highlighting an immediate need for full reconstruction. The P.C.I. is rated on a scale from 0 to 100, with 100 representing a new or perfect condition.
- Active Transportation: Currently, there are no dedicated bike lanes or sidewalks along Stevenson Road North.

4.2 Future Needs

The I.T.M.P. recommends upgrading Stevenson Road North from to a two-lane urban arterial road including integrating a complete streets approach into its design. To implement these recommendations, an Environmental Assessment (“E.A.”) was required to confirm the need and identify the environmental impacts of the proposed upgrades.

The City retained Gannett Fleming Canada ULC to undertake the E.A. for Stevenson Road North. The E.A. is currently underway and expected to be completed by the end of 2024. The purpose of the study includes investigating upgrades to the roadway infrastructure, active transportation services, and municipal services. These improvements aim to enhance the overall function of Stevenson Road North, support adjacent land development, and boost economic and job creation opportunities for the City.

The current preferred solution includes reconstructing Stevenson Road North to a two-lane arterial road within the existing 20.1 metre (65.94 ft.) right-of-way, with no additional property required at this time. However, the study confirmed the need to protect a 30 metre (98.43 ft.) right-of-way for long-term needs beyond 2051. The E.A. also contemplates the potential need for Stevenson Road to be expanded to four lanes by 2051, dependant upon further analysis associated with the airport lands, to accommodate further growth and ensure efficient transportation.

4.3 Northwood Development Interest along Stevenson Road North

Significant development interest is emerging along Stevenson Road North, with three recent development projects submitted to the City poised to transform the area. The Gurundwara Sahib Durham Region Group is planning a new community center at 1410 Stevenson Road North, envisioning a central hub for cultural and social activities. Atria Development Corporation has submitted a proposal for two industrial developments at 1645 and 1707 Stevenson Road North, totaling approximately 29,636 square metres (319,000 sq. ft.). The larger development at 1645 Stevenson Road North would encompass three industrial units, while the site at 1707 Stevenson Road North is planned for one to two units. The completion timing of these developments is proposed by 2026 and is subject to the advancement of servicing and road improvements. In addition to these developments the City has received several requests from landowners, developers and prospective buyers/investors who have interest in advancing the servicing and road improvements on Stevenson Road North between Taunton Road West and Conlin Road East to facilitate development activity.

These projects directly align with the City’s economic development goals of attracting new investment, expanding employment opportunities, and enhancing the Northwood Business Park’s vitality. However, the anticipated servicing needs and traffic associated with these developments underscores the urgency for infrastructure improvements. The existing two-lane rural road design, with its lack of servicing, paved shoulders and sidewalks, is inadequate to handle the proposed developments and increased traffic/pedestrian volumes safely and efficiently. Therefore, advancing the Stevenson Road North servicing and reconstruction project is essential to accommodate this growth, prevent congestion, and ensure safe access for all road users, including pedestrians, cyclists, and transit users.

4.4 Correspondence from Development Community

- May 24, 2024: Atria Development Corporation sent a letter to the City (on behalf of 2865259 Ontario Corp. and 1000042400 Ontario Corp.) requesting the City of Oshawa to advance the design and construction of sanitary, water, and storm services for Stevenson Road North, to facilitate developments at 1645 and 1707 Stevenson Road North. Proposed development is slated to be completed by 2026, and Atria requires all related servicing to be functional as soon as possible.
- July 16, 2024: The Gurundwara Sahib Durham Region Group met with City staff to discuss their planned development of the Guru Nanak Sewa Community Centre at 1410 Stevenson Road North. They inquired about the City's road improvement timeline, which staff indicated is currently planned for 2029-2033, pending the completion of the Environmental Assessment. The group requested the City consider advancing the work to support their new community centre.
- August 26, 2024: A letter from John Henry, Regional Chair and C.E.O. of Durham Region, acknowledging Satwinder Singh's request to prioritize advancing the budget for regional servicing, including water and sanitary services, to 2025, pending Council approvals.
- September 3, 2024: A letter from the Gurundwara Sahib Durham Region Group requesting the City to advance roadwork and servicing to assist in the timely construction of their community centre, ensuring it meets the community's needs without delays.

There are strong economic benefits of these developments, including job creation and increased competitiveness within the Region. The Region's report highlights the importance of market-ready employment lands in attracting new investments and supporting economic growth.

4.4 Detailed Design and Utility Relocations

The E.A. is expected to be finalized by the end of 2024, providing a preliminary design for an interim and ultimate service solution.

To expedite the design and ensure a seamless and timely reconstruction process in 2026, it is recommended that the City single source a contract extension to Gannett Fleming Canada ULC (who is currently completing the E.A. process) to complete the detailed design of Stevenson Road North from Taunton Road West to Conlin Road East to support the advancement of potential utility relocations in 2025 and in preparation for the possibility of reconstruction in 2026.

Expanding the scope of work for Gannett Fleming Canada ULC to include the detail design assignment could result in both time and cost efficiencies as it would allow the detailed design to advance immediately following the E.A. completion. Gannett Fleming Canada ULC would have background information specific to the project location owing to them completing the E.A. process and preliminary design and have the expertise to complete the detailed design process. Advancing the design assignment through traditional

methods would delay the process and would push the possibility of construction activity beyond 2026.

The detailed design process will be comprehensive and will focus on road geometry, servicing, drainage, active transportation, and utility relocation, while ensuring a safe, efficient, and sustainable road environment for all users. The City will require Gannett Fleming Canada ULC to work closely with the Region of Durham to ensure seamless coordination of design for water and sanitary sewer services, minimizing potential delays and disruptions during the construction process.

4.5 Next Steps

The next steps include staff advancing a project in the Mayor's 2025 Budget for consideration, in order to coordinate the necessary support for the development of these sites and others on Stevenson Road, in conjunction with the Region's servicing plans. This initiative aims to align the City's infrastructure improvements with the planned developments, ensuring timely and efficient progress for all projects in the area.

It is also recommended that staff continue to explore opportunities to advance the reconstruction work to 2026 in collaboration with the Region and developers. This includes investigating various types of Development Agreements to assist with the cash flow of capital expenditures, such as service emplacement agreements (which are broadly referred to as Front Funding Agreements). These agreements, as per the Development Charges Act, 1997, S.O. 1997, are ideal when a landowner or developer performs work related to a City-covered service on the City's behalf. The City then reimburses the Developer either through Development Charge Credits or payment.

5.0 Financial Implications

Advancing the design and utility work is estimated at \$880,000 funded through the Transportation Roads Development Charge Reserve, and the Growth-Related Non-Development Charge Reserve, submitted for consideration in the Mayor's 2025 Budget.

Future needs beyond 2025, including construction costs, will be refined through the detailed design process and included in the Mayor's 2026 Budget for consideration.

6.0 Relationship to the Oshawa Strategic Plan

This Report responds to the Oshawa Strategic Plan Priority Areas:

“Belong: Inclusive and Healthy Community” with the goal to invest in infrastructure and assets that meet the needs for sustainable growth.

“Lead: Governance and Service Excellence” with the goal to provide transparent, efficient, and responsible fiscal stewardship and use of resources.

A handwritten signature in black ink that reads "Greg Hardy". The signature is fluid and cursive, with a long horizontal stroke at the end.

Greg Hardy, P.Eng., Director,
Engineering Services

A handwritten signature in blue ink that reads "Anthony Ambra". The signature is stylized and cursive, with a prominent initial "A".

Anthony Ambra, P.Eng., Commissioner,
Economic and Development Services Department

May 24, 2024

**Item: ED-24-116
Attachment 1**

Attention: Anthony Ambra, Commissioner

Economic and Development Services
The Corporation of the City of Oshawa
50 Centre Street South
Oshawa, ON
L1H 3Z7

Dear Mr. Ambra,

**RE: 1645 and 1707 Stevenson Road North, Oshawa
Developer Commitment to Site Servicing**

Atria Development Corp. ('Atria') is pleased to provide this letter of request on behalf of 2865259 Ontario Corp. and 1000042400 Ontario Corp. to enter into an agreement with the City of Oshawa to take responsibility for the design, tendering and construction work associated with the provision of adequate sanitary, water and storm services for Stevenson Road North, inclusive of 1645 and 1707 Stevenson Road North (the 'Sites'). It is important to note that it is our preference that the Region of Durham complete the above noted works, so please advise anticipated timing.

The Sites currently contemplate separate/independent one-storey industrial facilities, as summarized below:

1. 1645 Stevenson Road North
 - Approximately 209,000 sq.ft.;
 - Three units; and
 - 19 trailer parking spaces, 141 parking spaces and 27 loading spaces.
2. 1707 Stevenson Road North
 - Approximately 110,000 sq.ft.;
 - One to two units; and
 - 36 parking spaces and 15 loading spaces.

*Please note that the above noted development statistics are subject to amendment through the approval process.

As you are aware, portions of both Sites are currently subject to a Hold Zone Provision ("h-71"), as per the City of Oshawa's Zoning By-Law 60-94, to ensure that the sites are not developed until such time that they are compliant with applicable provisions, including site servicing:

Atria Development Corporation
5000 Yonge St, Suite 1706
Toronto, ON M2N 7E9

T 416.466.2144
info@atria.ca
atriadevelopment.ca



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3.5.7(71)

- (b) *Appropriate arrangements are made for the provision of adequate sanitary, water and storm services to the satisfaction of the City, the Region of Durham and the Central Lake Ontario Conservation Authority.*

Atria is currently in the process of completing the City's 3-Stage Pre-Application Consultation (PAC) process, with the submission of a 'Technical' Stage-2 application for 1645 Stevenson in April 2024, followed by same for 1707 Stevenson Road in the coming months. We anticipate the conditional approval of a Site Plan Control (SPA) application and H-Lifting application by the end of 2024 (including Committee of Adjustment approval for Minor Variances, if necessary), for 1645 Stevenson Road North (followed by 1707 Stevenson Road North).

As the first proposed development is slated to be completed by 2026, Atria requires all related servicing be functional as soon as possible in the interest of public safety and tenant requirements. Atria will manage the works but will require a guaranteed compensation for project costs (inclusive of all hard and soft costs). A preliminary estimate provided by Crozier & Associates Consulting Engineers estimates a budget of approximately \$2 million plus contingency for sewer upgrades and restoration.

If agreed to, Atria will proceed with the design and coordination with the City of Oshawa to guarantee that said work is completed in a timely manner.

I trust that the foregoing is in order. Please contact the undersigned should you have any questions or require further information. Thank you.

Yours Truly,
Atria Development Corp.



Hans Jain
President and CEO

Sent by Email



August 26, 2024

Satwinder Singh
President, Gurudwara Sahib Durham Region (GSDR)
satwinder.virdi@gmail.com

**The Regional
Municipality of
Durham**

Office of the Regional
Chair

605 Rossland Rd. E.
Level 5
PO Box 623
Whitby, ON L1N 6A3
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905-668-7711
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john.henry@durham.ca
durham.ca

John Henry
Regional Chair and
CEO

Re: 1410 Stevenson Road North Development

Dear Mr. Singh,

Thank you for your letter dated August 21, 2024 on the above subject matter.

Further to our meeting at the Regional Headquarters on May 27, Regional and City staff continue to discuss and assess your request on a priority basis. Specifically, considering your request and other development interests in the area, the City of Oshawa (City) is looking to advance the budget for the Stevenson Road widening to 2025, with the Regional Municipality of Durham (Region) simultaneously advancing the budget for servicing works to 2025. The budgets will be subject to City and Regional Councils on respective project elements.

As mentioned at the meeting, the City is in the process of completing an Environmental Assessment for Stevenson Road, which is anticipated to be completed by year end. That will be a significant milestone in advancing infrastructure on Stevenson Road. Regional staff meet quarterly with City staff to review and align projects, providing further opportunities to assess servicing options for properties in the Stevenson Road North area.

Sincerely,

A handwritten signature in blue ink, appearing to read 'John Henry', written over a printed name.

John Henry
Regional Chair and CEO

- c. Mayor Dan Carter
MPP Lorne Coe
Anthony Ambra, Commissioner, Economic & Development Services, City
of Oshawa



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ਗੁਰਦੁਆਰਾ ਸਾਹਿਬ ਡੁਰਹਮ ਰੀਜਨ

Gurudwara Sahib Durham Region
Guru Nanak Sewa Community Centre

P.O. Box No. 80063, 3100 Garden Street- Unit #1- Whitby L1R 0H1
durhamsikh.ca - 289-991-1410



Item: ED-24-116
Attachment 3

Date: September 03, 2024

Subject: Follow-Up on Water & Sewer Connections Request at 1410 Stevenson Road North, Oshawa

Dear Mayor Carter,

I hope this message finds you well. I am writing to follow up on my email from August 21, 2024, regarding the urgent need for coordination on the water and sewer connections for the Gurudwara Sahib Durham Region's new site at 1410 Stevenson Road North, Oshawa.

As highlighted in my previous message, the timely advancement of this project is critical to the successful development of our new community center, which will serve as an essential hub for our growing community. We understand that the Region's Employment Land Servicing Policy provides a framework for the financing and construction of these necessary services. However, we are concerned about potential delays that could significantly impact our timeline.

I kindly request an update on the status of this matter and any actions that have been taken or are planned to facilitate the coordination and installation of the required infrastructure. Your support in advancing this project would greatly assist us in moving forward with the construction of our community center, ensuring that we can meet the needs of our community without unnecessary delays.

Please let me know if there is any further information you require from our end or if a meeting would be beneficial to discuss this matter in more detail.

Thank you for your continued attention and support. I look forward to your response.

Sincerely,

Satwinder S Virdi

Satwinder S. Virdi
President, (GSDR)
Gurudwara Sahib Durham Region

647 937 8410