



DEVELOPMENT & INFRASTRUCTURE SERVICES/PLANNING & BUILDING
SERVICES
TOWN OF NEWMARKET
395 Mulock Drive
P.O. Box 328
Newmarket, ON L3Y 4X7

www.newmarket.ca
planning@newmarket.ca
905.895.5193

February 1, 2016

**DEVELOPMENT AND INFRASTRUCTURE SERVICES – PLANNING & BUILDING SERVICES
REPORT 2016-01**

TO: Committee of the Whole

SUBJECT: Development Coordination Service Arrangement

ORIGIN: Development & Infrastructure Services – Planning & Building Services

RECOMMENDATIONS

THAT Development and Infrastructure Services – Planning & Building Services Report 2016-01 dated February 1, 2016 regarding the Development Coordination Service Arrangement be received and the following recommendation(s) be adopted:

- 1. THAT the Town continue with the best practice model of the Development Coordination Committee with an outsourced “Development Coordinator” role at a “preferred client discounted rate” for all residential subdivision developments outside of the Urban Centres Secondary Plan area;**
- 2. AND THAT the current Professional Consulting Services Agreement with HBR Planning Centre as the Town’s Development Coordinator be extended for a period of three years, plus two one-year renewal options.**
- 3. AND THAT the following be advised of this action:**
 - Howard Friedman, HBR Planning Centre, 66 Prospect St, Newmarket, ON L3Y 3S9**

COMMENTS

Role of the Development Coordination Committee and the Development Coordinator

The Development Coordination Committee (DCC) is comprised of staff from Planning, Engineering Services, and Legal Services, together with the Town’s engineering checking consultant, RJ Burnside. Staff from other departments, as well as other Town consultants, attend to address specific issues, as needed. The DCC is led by a third party consultant (the Development Coordinator), the duties of which are outlined later in this report.

The DCC takes over the subdivision approval process following draft plan approval by Council and generally undertakes the following technical processes:

- engineering design review and acceptance
- ensuring clearances of draft plan conditions are met and all requirements are satisfied for plan registration
- subdivision agreement preparation

Specific timelines and requirements for both the development community and staff are established to ensure that these overlapping processes are kept on track towards the ultimate goal of plan registration within a maximum of four engineering design submissions. The entire process is outlined in the Town's subdivision process manual titled: "Subdivision Approval Process: Design Submission Requirements and Final Plan Registration Document".

The Development Coordinator oversees and coordinates these overlapping processes and ensures the timelines and requirements established in the subdivision process manual are met by both the Committee members and the development community. Typically the Development Coordinator's role includes:

- receipt and review of engineering design drawings for completion
- dialogue and written correspondence with the developer and its consultants, as well as Town staff and its checking consultant regarding the status of engineering design drawings and timing for completion of outstanding issues
- review of staff comments and coordination for distribution to the developer
- arranging, attending, and overseeing Development Coordination Committee meetings
- developing and coordinating pre-servicing agreements and subdivision agreements

This third party approach to the role helps coordinate staff in all departments given that all staff, including the Town's checking consultant, are responsible to the Development Coordinator. The costs incurred by the Town through the services of the Development Coordinator are forwarded directly to the development community for payment, ensuring that the Development Coordinator position is revenue-neutral to the Town. The total amount billed by the Development Coordinator over the past 5 years is approximately \$108,000.00, which represents an annual average of approximately \$21,600.00 per year. As noted, all of these costs are transferred directly to the appropriate developers through invoices that reflect the time and material costs spent by the Development Coordinator on their individual submissions and work performed on their subdivisions. The DCC process is considered a best practice in York Region by the development community.

HBR was initially hired as the Development Coordinator in 1998 and operated in this role in an informal capacity until 2001 when Council formalized its first formal contract with HBR as the Development Coordinator. This contract was last updated in 2010 and expired at the end of 2015.

Staff has considered three potential options to secure this on-ongoing service. A brief description of the options and the advantages and disadvantages of each is presented below:

Option #1 (Recommended): Extend the Professional Consulting Services Agreement with HBR Planning for a period of three years, plus two one-year renewal options

The land available for typical greenfield or subdivision development is decreasing, with only a few undeveloped parcels remaining. As such, the number of new subdivision applications can be expected to decrease as the Town transitions to a new form of intensified development in the Urban Centres. As a result, it is unadvisable to proceed now with an RFP and risk having a new consultant who is not familiar with the Town's development practices and DCC procedures for a few remaining subdivision developments. The learning curve required for a new consultant at this stage would end up costing the Town and developers significantly, as the transition from one consultant to another is being made.

The extension of the Development Coordinator contract as recommended in this report aligns with the recent extension of the Town's Engineering Checking Consultant (RJ Burnside) as approved by Council (i.e. 3 years plus 2 one-year renewal options), and would ensure the DCC process continues to function in a seamless manner over that time.

Notwithstanding the expected decline in new subdivision applications, the DCC is currently in the midst of processing previously-approved subdivision applications, some which can be expected to continue for a number of years. As the Development Coordinator, HBR is familiar with the history, specific issues, and past decisions made associated with each of these developments.

As the Town transitions to more intensified development along our corridors, an RFP would better serve the development community if it was aimed at new services that would involve high-rise development and site-plan applications. Staff is reviewing this idea as part of the Marketing Davis Drive initiative.

Since 1998 when the DCC was established and HBR was hired as the Development Coordinator, the Town has experienced a large amount of staff turnover whereas HBR's Planning staff (including the Development Coordinator himself), has remained unchanged. HBR therefore has an extensive corporate memory that some new staff does not have. This is particularly helpful given that it can take a number of years for a subdivision to build-out. HBR's history with the Town as the Development Coordinator allows the firm to provide valuable insight as to why certain decisions were made or why certain Town practices are in place, as well as past issues that may have resulted in the current processes or practices (e.g. security reduction requests; landowner agreements; when it is appropriate to accept partial submissions; specific subdivision agreement clauses that have been amended from time-to-time, etc.).

HBR has managed to ensure a balance between the Town's best interests being protected while respecting the challenges that face developers. In doing so, HBR has demonstrated excellent communication skills in terms of the flow and accuracy of information transferred between the developers, peer reviewers and the Town and in keeping the Town informed of all issues that may arise. HBR's problem solving approach has also earned the respect of the development community.

Extending HBR's contract without going to a competitive RFP process is supported by the Town's Procurement Bylaw inasmuch as it meets all four conditions, notwithstanding the requirement to meet only one. The Town's Procurement Bylaw states that "*Single Source*

purchasing may be conducted for the procurement for goods service(s) or construction of any contract value without the competitive Bid process, when any of the following circumstances apply:

- i) For reasons of standardization, warranty, function or service, such as: technical qualifications.* The technical qualifications possessed by HBR are required for this service and relate to the background, knowledge, and history attained by HBR that is required for the work (e.g. the evolution of the Subdivision Manual, preparation of subdivision and pre-servicing agreements, and specific technical knowledge of Town servicing issues and Town, Region, and Provincial requirements related to environmental matters and Town Official Plan requirements).
- ii) Where compatibility with an existing product, equipment, facility or service is a paramount consideration.* In this case, compatibility with the Development Coordination Committee, the development community, and the Town's external checking consultant (RJ Burnside) is essential to ensuring that the service is provided seamlessly, efficiently and in a timely and continual basis without any delays. HBR has proven its functionality and compatibility with the DCC, other senior Town staff and members of Council, as well as developers and RJ Burnside and therefore the service can continue without interruption if HBR's contract is continued.
- iii) Where the contractor possesses the unique and singularly available capability to meet the requirements, such as, skills related to and/or existing knowledge of the nature of the service.* HBR possesses the unique capability to meet these requirements and in particular the "existing knowledge of the nature of the service". HBR prepared the original "Subdivision Manual" for use by the DCC and the development community and has updated it over the years to reflect new information or processes as the DCC requirements have evolved. HBR has developed a unique understanding of the timelines required to prepare agreements, the time required for other departments and external agencies to review and provide information necessary to get a plan registered, and the many other issues the DCC addresses in processing a plan of subdivision, such as insurance requirements, environmental standards and requirements, security reduction requests, financial contributions for parkland development as it relates to Development Charges, and the Town's evolving Low Impact Development (LID) standards. A new consultant would require an extended period of time to reach the level of knowledge attained by HBR regarding the nature of the services and the background required to perform the work, and this in turn would lead to a delay to the development community during which the work would not be done efficiently and in a timely manner. It is anticipated that for some period of time the development community would actually be paying for two consultants through the transition from HBR to another consultant.

- iv) *Ability to deliver at a particular time.* HBR is the only contractor who can deliver continuously and seamlessly due to the reasons outlined above.

Option #2: Proceed to a Request for Proposal (RFP)

In this option, a Request for Proposal (RFP) could be issued seeking a Planning consulting firm to take over the Coordinator role. Staff would review the submissions and provide a report to Council with a recommendation to execute an agreement with the consultant who has provided the best (not necessarily the lowest-cost) proposal.

Going to a RFP process at this stage would not necessarily produce any advantages in terms of processing times or cost savings to the developers. It is expected that during the transition time the development community would likely be paying for both the current Development Coordinator and the new Coordinator while the new Coordinator becomes familiar with the process and expectations of the DCC. The exact costs and length of delays cannot be quantified at this time.

As noted earlier, staff is considering the appropriateness of preparing an RFP related to the processing of intensified developments in its next phase of growth within the Urban Centres.

Option #3: Provide in-house resources to act as the Development Coordinator

This option would require the hiring of additional staff to carry out the duties of the Development Coordinator, or add to the existing workload of staff, which is not currently feasible.

BUSINESS PLAN AND STRATEGIC PLAN LINKAGES

The extension of the Development Coordinator contract with HBR supports the following branches of the Town's Strategic Plan:

Well-equipped and managed: Implementing policy and processes that reflect sound and accountable governance; service excellence.

CONSULTATION

There has been no internal or external consultation as part of this report. The development community has consistently advised staff that the DCC and the use of an external Development Coordinator is a best practice in York Region.

HUMAN RESOURCE CONSIDERATIONS

Not applicable to this report.

BUDGET IMPACT

The Town does not pay for the services rendered by the Development Coordinator. HBR provides the development community with a significantly reduced rate from its normal and usual consulting fees.

Operating Budget (Current and Future)

Based on the recommendation provided in this report, there would be no impact to the Operating Budget.

Capital Budget

Based on the recommendation provided in this report, there would be no impact to the Capital Budget

CONTACT

For more information on this report, contact J. Unger, Assistant Director of Planning at 905 953-5300 or at junger@newmarket.ca.



Jason Unger, Assistant Director of Planning



Rick Nethery, Director of Planning &
Building Services



Peter Noehammer, Commissioner
Development and Infrastructure Services