



Town of
East Gwillimbury

**REGION OF YORK
CLERK'S OFFICE**

FILE No.

PO4
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Corporate Services Department

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April 25, 2008

The Regional Municipality of York
17250 Yonge Street
Newmarket, Ontario
L3Y 6Z1

Attention: Denis Kelly, Regional Clerk

Dear Mr. Kelly:

Re: York Region Prepaid Development Charge Credit Agreement
York Durham Sewage System



At its regular Committee of the Whole Council Meeting held on April 21, 2008, the Municipal Council of the Town of East Gwillimbury enacted as follows:

“BE IT RESOLVED THAT Development and Legal Services Report P2008-34, dated April 21st, 2008, regarding the Prepaid Development Charge Credit Agreement for the Holland Landing, Queensville and Sharon Communities, be received;

THAT Council endorse the revised Town of East Gwillimbury Principles for York Durham Sewage System (YDSS) Development Charge Credit Agreement attached as Appendix 1.

THAT staff continue to work on policies and protocols for development phasing related to complete communities, the linkage between residential and non-residential development, fiscal (capital and operating analysis) impact, and servicing allocation and report further to Council prior to finalizing the YDSS Development Charge Credit Agreement.

THAT, prior to the execution of a YDSS Development Charge Credit Agreement, staff report further to Council and make recommendations pertaining to the details of the agreement.

THAT staff be directed to forward this report and the Town of East Gwillimbury Principles for YDSS Development Charge Credit Agreement to the Regional Municipality of York and the respective developer groups.”

Enclosed please find a copy of Development and Legal Services Report P2008-34, as directed by Council. If you have any further questions with regard to the above, please do not hesitate to contact the undersigned.

Yours truly,

Hajnalka Hartwick
Technical Clerk

Enclosure

c.c.: Don Sinclair, General Manager, Development & Legal Services

“Our town, Our future”

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Town of East Gwillimbury

DEVELOPMENT & LEGAL SERVICES REPORT P2008-34

To: Committee of the Whole Council

Date: April 21st, 2008

Subject: York Region Prepaid Development Charge Credit Agreement
Holland Landing, Queensville and Sharon Communities
Town of East Gwillimbury Principles

Origin: Development and Legal Services, Community Planning and Development Branch

RECOMMENDATIONS

1. THAT Development and Legal Services Report P2008-34, dated April 21st, 2008, regarding the Prepaid Development Charge Credit Agreement for the Holland Landing, Queensville and Sharon Communities, be received;
2. THAT Council endorse the revised Town of East Gwillimbury Principles for York Durham Sewage System (YDSS) Development Charge Credit Agreement attached as Appendix 1.
3. THAT staff continue to work on policies and protocols for development phasing related to complete communities, the linkage between residential and non-residential development, fiscal (capital and operating analysis) impact, and servicing allocation and report further to Council prior to finalizing the YDSS Development Charge Credit Agreement.
4. THAT, prior to the execution of a YDSS Development Charge Credit Agreement, staff report further to Council and make recommendations pertaining to the details of the agreement.
5. THAT staff be directed to forward this report and the Town of East Gwillimbury Principles for YDSS Development Charge Credit Agreement to the Regional Municipality of York and the respective developer groups.

PURPOSE

A Development Charge Credit Agreement is required to advance the York Durham Sewage System expansion to service approved development within East Gwillimbury. The Regional staff, Town staff and representatives of participating front-ending partners have been in discussions to finalize principles for this Agreement. The Region sewer extension is estimated to cost in the range of ±\$40 million and combined with other Region/Town phased infrastructure requirements will result in a considerable financial commitment from the development industry.

The purpose of this report is to provide Council with information and request Council endorsement of principles reflecting the Town's interests which are to be incorporated into the YDSS Development Charge Credit Agreement.

BACKGROUND

Municipal sewage servicing through the extension of the York Durham Sewage System (YDSS) into East Gwillimbury has been anticipated since the approval of the Holland Landing – River Drive Park Community Plan, the Queensville Community Plan and the Sharon Community Plan. This is a critical piece of infrastructure which has been subject to a very extensive environmental assessment process. This extension of the YDSS into East Gwillimbury will service the first phase of development within our existing Community Plans and will also form part of the overall servicing plans to accommodate future growth in the white belt areas within the Town.

Specific downstream infrastructure improvements are required to facilitate the full build-out of the Town's existing growth areas as well as future growth in the lands within the white belt area. These include an expansion to the Duffin Creek Water Pollution Control Plant, the completion of the Southeast Collector and the Upper York Servicing Solution.

The Region has determined that with the extension of the YDSS a $\pm 15,000$ population or 5,000 unit growth could be accommodated prior to the implementation of the Upper York Servicing Solution. This would be in addition to the 465 units already allocated to East Gwillimbury and remaining subsequent to servicing the Harvest Hills subdivision and in addition to the 4,300 persons equivalent currently serviced by the Holland Landing Sewage Treatment Plant.

A report pertaining to principles for the YDSS Development Charge Credit Agreement was received by Committee on March 3rd, 2008. At that time, Committee requested additional information pertaining to the inter-basin water transfer issue related to the extension of the YDSS, certainty with regard to provision of the Upper York Servicing Solution and phasing as it pertains to expected development within the 2010 to 2015 time frame. At its meeting of April 7th, 2008, Committee received presentations concerning these matters from Regional and Town staff. Staff were directed to prepare a subsequent report regarding the principles for the YDSS Development Charge Credit Agreement.

ANALYSIS

Principles for the YDSS Development Charge Credit Agreement have been prepared for Council's review and consideration, attached as Appendix 1. During the preparation of and discussions relating to the YDSS Development Charge Credit Agreement, a number of matters will need to be further addressed and reported on to Council. The 2015 Growth Scenario presentation provided to Council on April 7th, 2008, highlighted such matters as:

- **PHASING POLICIES**

Policies pertaining specifically to phasing will form part of the Town's new Official Plan. Phasing will not just be geographically based. Phasing will also be dependent upon

provision of employment and provision of infrastructure to promote and attain sustainable development.

The provision of complete communities, even on an interim basis, is crucial. The new Official Plan will include policies to establish the essential ingredients to create a complete community. These will address such matters as:

- Natural Heritage System securement and the establishment of connected communities (i.e. trails, bike paths, pedestrian linkages)
- The securement and provision of required transportation and water and waste water infrastructure to ensure connected communities
- The securement and provision of the necessary water and waste water infrastructure to accommodate growth
- The provision of local community facilities to support residential growth and increased population (i.e. community centres, libraries, arenas, operation centres, administration facilities, etc.)
- The provision of economic growth and employment uses to support residential growth and create a suitable live/work relationship.
- Fiscal impact of growth, particularly as it relates to the administrative capabilities of the Town to support and service the increased population.
- The provision of community amenity facilities such as neighbourhood commercial uses, institutional facilities and schools, places of worship, health care facilities.
- The provision of a range and mix of housing types, including affordable housing.
- The provision of recreation facilities, including open space and parkland
- Strategic phasing to reduce the separation of land uses in order to achieve a variety of uses and minimize disruption to local residents and businesses
- Application of Crime Prevention Through Environmental Design (CPTED) principles to improve safety and security within the community
- Meeting or exceeding the Town's green buildings and other environmental standards (eg. Energy Star and LEED)

Staff are in the process of defining the requirements for detailed phasing policies. Preliminary phasing plans have also been submitted by developer groups for Holland Landing, Queensville and Sharon. Review of and discussions regarding such phasing plans will be undertaken concurrently with the preparation of detailed phasing policies. In conducting the review, Town staff will work with the Region, School Boards, Conservation Authority and other relevant external agencies. A subsequent report(s) regarding phasing policies will be prepared and submitted to Council for its consideration.

▪ RESIDENTIAL/NON-RESIDENTIAL LINKAGE

The concept of non-residential development occurring in a lock-step manner with residential development was incorporated into the approval of the Queensville Community Plan. This linkage was only applied to development within the Queensville Community Plan boundaries

and was not reflected in the Holland Landing and Sharon Community Plan approvals. The Queensville Community Plan includes policies requiring the development of a Phasing Program, inclusive of financial objectives and agreements, to ensure that residential development takes place in step with non-residential development. It was anticipated that this would assist in achieving a balanced community in terms of opportunities to live and work as well as ensuring that the overall development of Queensville did not place an undue burden on the financial resources and existing assessment base of the Town.

With the review of the Official Plan, policies will be proposed whereby this type of linkage will be implemented on a Town-wide basis. Policies are required to protect the integrity of the Town's employment lands and to foster the development and improvement of these lands concurrent with the development of lands designated for residential uses. Staff, in consultation with other municipalities and the development industry, are reviewing ways in which this could be accomplished. In addition to the current Queensville requirement for the provision of non-residential floor area as a condition of residential growth, we anticipate that this suite of implementation mechanisms may introduce requirements such as the provision of serviced employment lands as part of first phases of development, contributions to and participation in an overall economic development strategy for the Town, contributions to the development of the Civic Square, and upgrades and redevelopment of Leslie Street through the Community of Sharon and other downtown core area improvements.

While specific Town-wide policies are not currently in place, the concept of residential/non-residential linkages is still crucial to meeting the Town's objectives. Staff recommend including this principle as an acknowledgement that the Town is pursuing mechanisms which are intended to achieve this objective in a phased manner. Further reporting to Council will be required.

- FISCAL IMPACT STUDY

The Town is currently undertaking a Fiscal Impact Study, Development Charge Background Study and Community Capital Contribution Study to ensure that growth pays for growth and that East Gwillimbury delivers sustainable, complete communities. The Fiscal Impact Study will include an assessment of financial requirements based on the Town's proposed phasing policies and ultimate development phasing.

The 2015 Growth Scenario presentation to Council identified a list of community facilities and general infrastructure requirements based on the Development Charge Background Study, to date, as well as the Community Facilities Master Plan of November 2006. Fiscal impact incorporating capital and operating costs of infrastructure, service delivery requirements and community facilities must be assessed relative to anticipated development charge and assessment based revenues.

The agreement will acknowledge that the Town will be preparing a minimum of 10-year capital plans incorporating operating costs, and is reviewing its capital program requirements

specifically as they pertain to this initial period of growth to $\pm$ 2015. The Town will reserve the right to adjust its capital program to ensure the municipality is not exposed to negative financial impacts in the event that Regional infrastructure is delayed, or to properly plan for infrastructure, or for other matters as required. The Holland Landing, Queensville and Sharon Developer Groups will commit to work with the Town to develop a Town infrastructure phasing strategy that is managed and achievable.

▪ TOWN ALLOCATION RESERVE

The proposed YDSS Development Charge Credit Agreement principles introduce the concept of a 750-unit reserve to facilitate projects which meet criteria to be determined by the Town. Significant servicing constraints are anticipated for the first three years of development (2010, 2011 and 2012). Recognizing these constraints, staff propose that a minimum of 750 units of allocation be held in reserve by the Town and that this reserve be phased over a three year period beginning in 2013, acknowledging then that the financing partners would receive the earliest allocations.

Staff anticipate that this allocation reserve would be a mechanism whereby the Town could advance opportunities or facilitate projects such as:

- Infill within the existing community plan areas which could include redevelopment of existing lots to change density, tenure or introduce multi-unit or mixed-use projects - this will help fulfill the Town's obligations to meet the intensification targets of the provincial Growth Plan;
- Lot severances within fully serviced areas;
- Innovative projects submitted to the Town which may exceed the Town's standards or introduce technological advances in design (e.g. new energy conservation techniques or prototype environmental strategies);
- Mixed-use or higher density development in key areas which, at present, may be outside of the existing community plan boundaries (e.g. higher density residential or mixed use in close proximity to the existing GO Station at Green Lane and the 2nd Concession);
- Projects which support the Town's Planning goals (e.g. servicing of employment lands).

Should the Region identify additional capacity, the Town may retain a portion of this capacity in addition to the 750 units. This allocation reserve would be monitored to ensure that servicing allocation is managed and utilized appropriately.

▪ SERVICING ALLOCATION PROTOCOL

The Town adopted a Servicing Allocation Protocol in May 2006. Amendments to the Servicing Allocation Protocol will be required to: consider detailed phasing policies; reflect 10 year capital plans; ensure that development is occurring in a cohesive and complete basis;

and, implement the proposed Town Servicing Allocation Reserve. Further reporting to Council will be required.

NEXT STEPS

As noted previously, a number of matters are still under review and staff will need to report back to Council on such items as:

- Detailed phasing policies and the provision of complete, sustainable communities
- Policies/implementation mechanisms to achieve a linkage between residential and non-residential development
- The Fiscal Impact Study, Development Charge Background Study and Community Capital Contribution Study
- Possible criteria to be used in implementing a Town Allocation Reserve;
- Any consequential amendments required to the Town's current Servicing Allocation Protocol
- The details of the YDSS Development Charge Credit Agreement

Council endorsement of the principles for the YDSS Development Charge Credit Agreement will assist to advance further discussions pertaining to and preparation of this Agreement. Further information regarding the above will be provided to Council prior to the execution of the YDSS Development Charge Credit Agreement.

As noted previously, the preparation of long-range capital investment plans will be essential as the Town plans for and manages growth. Concurrently with preparing phasing policies, assessing financial implications, determining capital programs, etc., the Town should also request that the Region review its 10 year capital plans to ensure that the required Regional infrastructure is in place in a timely manner to support future growth in East Gwillimbury.

FINANCIAL IMPLICATIONS

The major financial implications of the agreement relate to the mandate of the Region of York insofar as the YDSS is regional infrastructure.

The Town is currently undertaking a Fiscal Impact Study, Development Charge Background Study and Community Capital Contribution Study to ensure that growth pays for growth and that East Gwillimbury delivers sustainable, complete communities. The developer group will be required to pay the Town's legal expenses associated with the YDSS Development Charge Credit Agreement.

The Town is undertaking comprehensive Infrastructure Master Plans to ensure that servicing required for the growth that will be a consequence of the YDSS is co-ordinated with and provided by the development proponents.

ALIGNMENT WITH STRATEGIC PLAN

Council endorsed a Strategic Plan for the Town of East Gwillimbury in November 2005. This Strategic Plan represents Council's vision for the future direction of the Corporation and establishes the framework for all projects and plans to be undertaken by the Town. One of the key pillars is that relating to the management of growth to ensure a sustainable community; to manage growth in an efficient, balanced, well planned manner and to ensure growth occurs in a way that benefits the Town and its residents.

NEED FOR PUBLIC CONSULTATION

The Environmental Assessment involved significant public consultation. The negotiation of a YDSS Development Charge Credit Agreement is not subject to a public consultation process. Discussions are ongoing with participating development groups, York Regional staff and Town staff. Further reporting to Council will be undertaken as deemed appropriate and as noted under Next Steps, above.

ATTACHMENTS

Appendix 1 – Town Principles for YDSS Development Charge Credit Agreement

This report has been reviewed by the Senior Management Team.

Prepared & Recommended by:



Carolyn A. Kellington, B.A.
Manager of Community Planning
& Development

Reviewed & Recommended by:



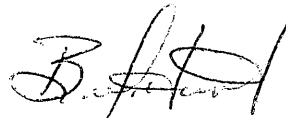
Don Sinclair, General Manager
Development & Legal Services

Reviewed & Recommended by:



Rebecca Mathewson, CGA
Director of Finance/Treasurer

Reviewed & Recommended by:



Wayne Hunt, General Manager
Community Programs & Infrastructure

Approved for Submission:



Thomas R. Webster
Chief Administrative Officer

APPENDIX 1

TOWN OF EAST GWILLIMBURY PREPAID DEVELOPMENT CHARGE CREDIT AGREEMENT HOLLAND LANDING, QUEENSVILLE AND SHARON COMMUNITIES PRINCIPLES

Town of East Gwillimbury

1. Subject to Town of East Gwillimbury Council approval, the Town of East Gwillimbury will be party to the agreement for the purposes of achieving the necessary planning approvals and servicing allocation for the subject lands.
2. The agreement will include an acknowledgement of the Town of East Gwillimbury Official Plan Review process as well as the Town's Development Charge Background Study and By-law Update and the Town's proposed community Capital Contribution, all of which are subject to approval by Town Council.
3. The agreement will acknowledge that, subsequent to appropriate approvals of the Town's new Official Plan, secondary or block plan processes may be required prior to consideration of individual Planning Act applications to facilitate development within the YDSS service area. Existing planning approvals within the Holland Landing – River Drive Park Community Plan, the Queensville Community Plan and the Sharon Community Plan will be recognized.
4. The agreement will acknowledge specific Town-wide growth forecasts determined as part of the Town's Official Plan Review process being, 2016 – 45,000; 2031 – 90,000; and, 2051 – 150,000 and associated employment forecasts, and proposed assignments of allocation/servicing related to projected annual growth rates. The growth forecasts are subject to confirmation by Town and Regional Council through the adoption of the Town's Official Plan and the future adoption of Region-wide forecasts.
5. The agreement will include, as an appendix, a table which outlines allocation to be transferred from the Region to the Town on an annual basis for the period 2010 to 2015. The table will include reference to the following:

“In accordance with the servicing protocols of the Region and the Town, the Region is to allocate at least 5,465 units to the Town. Of this allocation, a minimum of 750 units (approximately 10%) would be allocated to the Town as a ‘Reserve’ to be used over the 2013 to 2015 time period. In addition to the reserve, the agreement will acknowledge allocation on the basis of 500 units per year for 2010 & 2011 and an average of approximately 500 units per year from 2012 to 2015.”

The agreement will identify that, of the allocation transferred from the Region to the Town of East Gwillimbury, the Town will hold a minimum of 750 units in reserve to facilitate innovative projects which meet criteria to be determined by the Town. Such reserve will be phased over the period 2013 to 2015. Should the Region identify additional available

capacity, the Town will require that a portion of such additional capacity will be added to the Town's reserve or reserve allocation will be set aside in advance of the 2013 timeframe.

6. The agreement will acknowledge that residential development within the Town of East Gwillimbury will be linked with the provision of non-residential development and identifying the need to provide infrastructure and/or other means to facilitate non-residential development.
7. The agreement will acknowledge that the Town will manage individual allocations and will establish a detailed allocation policy which will include, but not necessarily be limited to matters such as:
 - Recognition for commitments to front-ending parties
 - Requiring phasing plans subject to the approval of the Town
 - Provision of complete communities, in a phased manner
 - Provision of infrastructure to promote and attain sustainable development and advance environmental initiatives
8. The agreement will include an appendix which will identify other key York Region infrastructure necessary to support future development. The identification of such infrastructure shall be based on the York Region and the Town of East Gwillimbury Master Servicing Plans, as amended from time to time, currently being prepared and updated and subject to Regional Council and Town Council approvals.
9. The agreement will acknowledge that the Town will be preparing a long-range capital plans incorporating operating costs, and is reviewing its capital program requirements specifically as they pertain to this initial period of growth to $\pm$ 2015. The Town will reserve the right to adjust its capital program to ensure the municipality is not exposed to negative financial impacts in the event that Regional infrastructure is delayed, or to properly plan for infrastructure, or for other matters as required. The Holland Landing, Queensville and Sharon Developer Groups will commit to work with the Town to develop a Town infrastructure phasing strategy that is managed and achievable.