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DEVELOPMENT CHARGE CREDIT REQUEST MINTO COMMUNITIES INC. AND HARVEST HILLS DEVELOPMENT CORPORATION SOUTH SIDE OF GREEN LANE WEST OF YONGE STREET TOWN OF EAST GWILLIMBURY

The Finance and Administration Committee recommends that Council adopt the recommendations contained in the following report dated December 18, 2008, from the Commissioner of Finance.

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize a development charge (“DC”) credit in the amount of \$847,263 (88%) for the growth-related component and a recovery of \$115,536 (12%) of the proposed road works undertaken by Minto Communities Inc. and Harvest Hills Development Corporation in the Town of East Gwillimbury, subject to completion of the works to the satisfaction of the Commissioner of Transportation Services, and
2. The Regional Solicitor be authorized to include the development charge credit provisions in the subdivision agreement regarding the above-noted subdivision with credits to be funded from future Regional road DC Credits otherwise payable at time subdivision registration.

2. PURPOSE

The purpose of this report is to authorize a development charge credit for roadwork improvements performed by Minto Communities Inc. and Harvest Hills Development Corporation on the south side of Green Lane west of Yonge Street in the Town of East Gwillimbury in advance of the construction timing projected in the Regional Roads Capital Program.

3. BACKGROUND

Details of the DC credit policy approved by Regional Council

At its May 9th and May 23rd, 1996 meetings, Regional Council approved a detailed DC credit policy for capital works undertaken by the developer in advance of the planned reconstruction program (subsequently amended June 23, 2003 as part of the passing of Regional DC By-law No. DC-0005-2003-050).

Minto Communities Inc. and Harvest Hills Development Corporation has forwarded a request for the consideration of DC credits for road work improvements on the south side of Green Lane west of Yonge Street in the Town of East Gwillimbury (Attachment 1).

4. ANALYSIS AND OPTIONS

Minto Communities Inc. and Harvest Hills Development Corporation DC credit request

Minto Communities Inc. and Harvest Hills Development Corporation has developed a residential subdivision in the Town of East Gwillimbury. In order to proceed with the development of the lands, the developer group was required to undertake road improvements on the south side of Green Lane west of Yonge Street in the Town of East Gwillimbury in accordance with the planned reconstruction program at an estimated cost of \$1,287,834.

Discussions as to the development charge agreement amount were carried out between the client and Regional staff. The applicant has agreed to the amount and now is in a position to proceed with the DC credit process.

5. FINANCIAL IMPLICATIONS

Subdivision lands benefiting from road works totals 635 residential units

The subject subdivision benefiting from the road works (19T-04E01) comprises of a total of 635 residential units. Buildout of this phase of the subdivision will result in regional development charges of approximately \$13.3 million of which \$3.8 million pertains to the roads component of the charge.

The Regional Transportation Services Department has reviewed the request submitted by Minto Communities Inc. and Harvest Hills Development Corporation in accordance with the approved DC credit policy, and has determined that \$962,799 of the total value of the road works is eligible for DC credit (Attachment 2).

Proposed total DC Credit of \$962,799 be permitted

It is proposed that a DC credit be permitted for the growth-related component of the works in the amount of \$847,263 (88%). The growth-related component of the DC credit is to be funded from future Regional roads DC credits otherwise payable at the time of

subdivision registration, subject to completion of the works to the satisfaction of the Commissioner of Transportation Services.

The road improvements on the south side of Green Lane west of Yonge Street in the Town of East Gwillimbury were carried out in accordance with the Region's Road Master Plan beyond the Ten Year Roads Program and were built to the ultimate location. As a result, the developer is entitled to recover \$115,536 the non-growth component of the works. As directed by Minto Communities Inc. and to Harvest Hills Development Corporation the Region will distribute the eligible DC credit in accordance with the following split, 53.59% to Minto Communities Inc. and 46.41% to Harvest Hills Development Corporation. The non-growth reimbursement will be provided directly to the Trustee for the developer group. The developer has been contacted and is in agreement with the credit amount.

The non-growth component (tax levy) of the works is provided for in the 2009 Roads Capital Budget. The combined year to date (for 2009) cumulative impact on tax levy (non-growth component) of DC Credits proposed and/or approved by Finance and Administration Committee and Council is \$115,536.

6. LOCAL MUNICIPAL IMPACT

The proposed road improvements will benefit the Town of East Gwillimbury in terms of improving traffic flow along the roadway of Green Lane west of Yonge Street. These improvements also facilitate the buildout of the subdivision in the Town of East Gwillimbury.

7. CONCLUSION

The DC credit request submitted by Minto Communities Inc. and Harvest Hill Development Corporation has been reviewed in accordance with the approved DC credit policy. It is proposed, subject to satisfactory completion of the road improvement works on the south side of Green Lane west of Yonge Street, that the developer be eligible for a roads DC credit of \$847,263 to be funded from the Regional roads DC otherwise payable at the time of subdivision registration and a non-growth cost recovery of \$115,536 from tax levy.

For more information on this report, please contact Kelly Strueby, Director of Business Planning and Budgets at ext. 1611.

The Senior Management Group has reviewed this report.

(The two attachments referred to in this clause are attached to this report.)