

5

DEVELOPMENT CHARGE CREDIT REQUEST PONDLAKE SUBDIVISION, YONGE ST/PERSECHINI DRIVE TOWN OF NEWMARKET

The Finance and Administration Committee recommends the adoption of the recommendations contained in the following report, December 6, 2005, from the Commissioner of Finance:

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize a development charge (“DC”) credit in the amount of \$45,732 (76.5%) for the growth-related component (development charges) and a recovery of \$14,049 (23.5%) for the non-growth component (tax levy) of road works undertaken by Southwest Newmarket Developers Group in the Town of Newmarket, subject to completion of the works to the satisfaction of the Commissioner of Transportation and Works; and,
2. Staff be authorized to fund the growth component of the development charge credit totalling \$45,732 from the Regional Roads Development Charges previously collected through the buildout of the PondLake residential subdivision prior to approval of the road credits.

2. PURPOSE

The purpose of this report is to authorize a development charge credit for road work improvements performed by Southwest Newmarket Developers Group on Yonge St. and Persechini Drive intersection in the Town of Newmarket in advance of the construction timing projected in the Regional Roads Capital Program. This report also seeks authorization to fund credits approved by Council from road development charges collected from the developer prior to approval of the road DC credits.

3. BACKGROUND

3.1 DC Credit Policy

At its May 9th and May 23rd, 1996 meetings, Regional Council approved a detailed development charge 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 Development Charge By-law No. DC-0005-2003-050).

The developer, Southwest Newmarket Developers Group, has forwarded a request for the consideration of DC credits for road intersection improvements on Yonge Street and Persechini Drive in the Town of Newmarket (Attachment 1).

4. ANALYSIS AND OPTIONS

4.1 Development Charge Credit Request

Southwest Newmarket Developers Group has developed a residential subdivision in the Town of Newmarket. In order to proceed with the development of the lands, the developer group was required to undertake roadwork improvements at the intersection of Yonge Street and Persechini Drive intersection in the Town of Newmarket in advance of the planned reconstruction program at an estimated cost of \$111,928.67.

5. FINANCIAL IMPLICATIONS

Development Charge Credit

The subject subdivisions benefiting from the roadworks (19T-20001, 19T-97002, 19T-98002, 19T-98003, 19T-99002, 19T-99005, 19T-99006) is comprised of a total of approximately 1300 residential units. Buildout of this phase of the subdivision has resulted in regional development charges received of approximately \$7.7 million, of which \$2.9 million pertains to the roads component of the charge.

The Regional Transportation and Works Department has reviewed the request submitted by Southwest Newmarket Developers Group in accordance with the approved DC credit policy, and has determined that \$59,781 of the total value of the road works is eligible for DC credit (Attachment 2).

It is proposed that a DC credit be permitted for the growth-related component of the works in the amount of \$45,732 (76.5%), and a recovery of \$14,049 (23.5%) be allowed for the non-growth component (tax levy). As the subdivisions have been built out, and the road DC for these subdivisions have been paid in full, it is recommended that the growth-related component (development charges) of the DC credit is to be funded from development charges collected from the developer prior to approval of these road DC credits.

The combined year to date (for 2006) cumulative impact on tax levy (non-growth component) of DC credits proposed and/or approved by Finance and Administration Committee and Council is \$38,570. An amount of \$950,000 has been provided in the 2006 budget to fund the non growth component of such projects.

6. LOCAL MUNICIPAL IMPACT

The proposed road improvements will benefit the Town of Newmarket in terms of improving traffic flow along Yonge Street and Persechini Drive. These improvements also facilitate the buildout of the subdivision in the Town of Newmarket.

7. CONCLUSION

The DC credit request submitted by Southwest Newmarket Developers Group has been reviewed in accordance with the approved DC credit policy. It is proposed that, subject to satisfactory completion of the works, the developer be eligible for a roads DC credit of \$45,732 (76.5%) funded from the Regional roads DC previously collected and a non-growth cost recovery of \$14,049 (23.5%) from tax levy.

The Senior Management Group has reviewed this report.

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