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DEVELOPMENT CHARGE CREDIT REQUEST
CLD INVESTMENTS CORP.
LANGSTAFF ROAD WIDENING, CITY OF VAUGHAN

The Finance and Administration Committee recommends the adoption of the recommendations contained in the following report, January 5, 2005, from the Commissioner of Finance:

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize a development charge ("DC") credit in the amount of $121,123 for the growth-related component (development charges) and a recovery of $30,445 for the non-growth component (tax levy) of proposed road works undertaken by CLD Investments Corp. in the City of Vaughan, 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 regarding the south side of Langstaff Road west of Dufferin Street totalling $121,123 from the Regional Roads Development Charges previously collected through the buildout of the CLD Investments industrial subdivision and surrounding area.

2. PURPOSE

The purpose of this report is to authorize a development charge credit for road works performed by CLD Investments Corp., on the south side of Langstaff Road west of Dufferin Street in the City of Vaughan 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 previously collected from the developer through buildout of the developer's subdivision and surrounding area.

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).

CLD Investments Corp. has forwarded a request for the consideration of DC credits for road work improvements on the south side of Langstaff Road west of Dufferin Street in the City of Vaughan (Attachment 1).

4. ANALYSIS AND OPTIONS

4.1 Development Charge Credit Request

CLD Investments Corp. has developed an industrial subdivision in the City of Vaughan. In order to proceed with the development of the lands, the developer was required to undertake road improvements along the south side of Langstaff Road west of Dufferin Street in the City of Vaughan. These road improvements have been incorporated in year 2010 of the Region's 10 year Capital Program.

All road improvements were required in advance of the planned reconstruction program at an estimated cost of $ 429,304.

5. FINANCIAL IMPLICATIONS

5.1 Development Charge Credit

The subject industrial subdivision (19T-75117) is comprised of a total of approximately 8,500 square metres in gross floor area and is fully built out.

The Regional Transportation and Works Department has reviewed the request submitted by CLD Investments Corp. in accordance with the approved DC credit policy, and has determined that $ 158,331 of the total value of the road works is eligible for DC credit (Attachment 2).

In accordance with the DC credit policy, in order to advance the road works from its planned construction timing in year 2010 of the Region's 10 year capital program, the developer will be responsible for a share of the non-growth component of the works. It is proposed that a development charge credit of $151,568 be permitted. This provides for a discounting of the non-growth component of the works due to the construction of the works in advance of the timing proposed in the Region's 10 year capital program. Attachment 3 outlines the non-growth discounting methodology associated with this request.

It is proposed that a DC credit be permitted for the growth-related component of the works in the amount of $121,123 and $ 30,445 for the non-growth component. As the industrial subdivision has been fully built out, it is recommended that the growth-related component (development charges) of the DC credit is to be funded from development charges collected through the buildout of the industrial subdivision and surrounding area. The non-growth component (tax levy) of the works is provided for in the proposed 2005 Roads Capital Budget. The developer has been contacted and is in agreement with the credit amount.

6. LOCAL MUNICIPAL IMPACT

The proposed road improvements will benefit the City of Vaughan in terms of improving traffic flow along the south side of Langstaff Road west of Dufferin Street. These improvements also facilitate the buildout of the subdivision in the City of Vaughan.

7. CONCLUSION

The DC credit request submitted by CLD Investments Corp. has been reviewed in accordance with the approved DC credit policy. It is proposed that, subject to the satisfaction of the Commissioner of Transportation and Works, the developer be eligible for a roads DC credit of $121,123 and a non-growth cost recovery of $ 30,445 from tax levy.

The Senior Management Group has reviewed this report.

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