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DEVELOPMENT CHARGE CREDIT REQUEST FIELDGATE DEVELOPMENTS LTD. YONGE STREET EAST METER CHAMBER TOWN OF EAST GwillIMBURY

The Finance and Administration Committee recommends the adoption of the recommendations contained in the following report from the Commissioner of Finance.

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize a development charge (“DC”) credit in the amount of \$583,391 (95%) for the growth-related component (development charge) and a payment of \$30,705 (5%) for the non-growth component (user rate) of the proposed water meter chamber works undertaken by Fieldgate Developments Ltd. in the Town of East Gwillimbury.
2. The Regional Treasurer be authorized to fund the growth component of the development charge credit regarding the noted works totalling \$583,391 from credits to be funded from future Regional water DC credits otherwise payable at the time of subdivision registration in the amount of \$273,831 and from Regional water DC’s collected from development to date of \$309,560.

2. PURPOSE

The purpose of this report is to authorize a development charge credit for water meter chamber works performed by Fieldgate Developments Ltd. for the Yonge Street East Meter Chamber, located on the east side of Yonge Street south of Green Lane in the Town of East Gwillimbury in advance of the completion of the water works carried out by the Region. This report also seeks authorization for the Regional Treasurer to provide a payment in the amount of \$340,265 to Fieldgate Developments Ltd. This payment is comprised of \$309,560 for the total amount of Regional Water DC’s paid to date for this development and \$30,705 for the non-growth share.

3. BACKGROUND

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).

Fieldgate Developments Ltd has forwarded a request to the Regional Environmental Services Department for the consideration of DC credits for the water meter chamber located on the east side of Yonge Street south of Green Lane in the Town of East Gwillimbury (Attachment 1).

4. ANALYSIS AND OPTIONS

Fieldgate Developments Ltd has requested a DC Credit of \$640,334

Fieldgate Developments Ltd has developed a retail site plan in the Town of East Gwillimbury. As part of the site plan approval process, the developer was required to undertake water works that included the construction of the Yonge Street East Meter Chamber located on the east side of Yonge Street south of Green Lane in the Town of East Gwillimbury in accordance with the planned capital program at an estimated cost of \$640,334. These conditions were imposed as part of the site plan and were carried out by the developer group with the understanding that the works undertaken would become eligible for DC credits upon the DC by-law update. At the time of construction, these works were carried out in advance of the Region's Water Master Plan, beyond the Ten Year Water Capital plan and were built to the ultimate location and Regional specification.

Discussions as to the development charge credit amount were carried out between the applicant and Regional staff and the applicant has agreed to the amount.

Fieldgate Developments Ltd has requested amendment to re-designate site to urban area

The site located at the northeast corner of Yonge Street and Green Lane is designated "Agricultural Policy Area" in the Regional Official Plan. The site is approximately 18 hectares (44.6 acres) in area. The applicant (Fieldgate Developments Ltd.) has applied for an Amendment to the Regional Official Plan to re-designate the property "Urban Area" to permit a full range of retail commercial uses, including restaurants, entertainment facilities and financial institutions.

A portion of the site previously received approval of a minor variance application that permitted development of a Lowe's Home Improvement store. Approval from a Regional planning perspective was not required as the existing local zoning by-law permitted the construction of the current Lowe's building. The balance of the site requires both amendments to the Regional and Local Official Plans to permit the proposed uses.

The applicant filed a site plan application in 2006 covering the complete site of approximately 45 acres to facilitate the first phase of development and the issuance of a building permit for the Lowe's building. A site plan agreement was entered into in April 2007 between the Town of East Gwillimbury and the applicant for the entire site. The improvements to the Regional Roads were carried out as part of site plan approval stage.

It is important to acknowledge that the various drafts of East Gwillimbury's new Official Plan reflects future urban land uses for this area, and these land use designations are being proposed in the context of the Regional "Places to Grow" projections.

The Amendments to the Regional Official Plan and the Local Official Plan are currently being reviewed for future development and have yet to be approved. A public meeting was held at Regional Planning and Development Committee on February 4, 2009 to inform the public about this and receive comments regarding Regional Official Plan Amendment No. 62 and to identify Regional interests and issues. On December 16, 2009, a new Regional Official Plan was adopted by Regional Council and is awaiting approval by the Minister of Municipal Affairs. The new Regional Official Plan did not include urban boundary expansions, but provided the general location of where urban boundaries would be considered. The lands covered by Regional Official Plan Amendment 62 were identified as part of the area to be considered for urban boundary expansion.

It is anticipated that Regional Amendment 62 will be considered in conjunction with the broader "Places to Grow" Regional Plan Amendment 1 (ROPA 1) to expand the existing urban boundary in East Gwillimbury. Consideration by East Gwillimbury Council of its "Places to Grow" Official Plan conformity amendment is scheduled for May 2010 which will provide the more detailed local policy context for the development of the lands. Timeframes may need to be adjusted based on the approval timeframe of the Minister of Municipal Affairs and Housing or in the event that there is an appeal(s) to the Region's conformity exercise, or to the Town's Official Plan exercise.

When the Regional Official Plan and Local Official Plan urban boundary expansion approvals are in place, the actual timing of "development" will largely be at the discretion of the developer. The developer will be responsible for seeking approval for rezoning, and any related additional site plan approvals. In the event that the lands do not proceed through the planning process, the developer may seek Council consideration for payment of the remaining credit.

5. FINANCIAL IMPLICATIONS

Current phase of development has been built out

The subject site plan benefiting from the water meter chamber works is comprised of a total of 44.6 acres, of which approximately 142,000 square feet has been developed. The

water meter chamber works completed do not specifically relate to a subdivision and the lands benefiting from the works comprises of a greater area than the lands owned by Fieldgate Developments Ltd. Buildout of this phase of the development has resulted in Regional development charges of approximately \$1.6 million of which \$309,560 pertained to the water component of the charge. As indicated in Section 4 above, the current planning status of this development phase indicates that these lands have been built out, and the water DC's for these lands have been paid in full.

The Regional Environmental Services Department has reviewed the request submitted by Fieldgate Developments Ltd in accordance with the approved DC credit policy, and has determined that \$614,096 of the total value of the water meter chamber works is eligible for DC credit (Attachment 2).

It is recommended that Regional Council approve immediate payment of \$309,560

As the current phase of development has been built out, it is proposed that a payment of \$309,560 be approved to Fieldgate Developments Ltd. The payment is comprised of the Regional water component of the Regional DC's paid by the applicant and forms part of the total growth component of the DC credit of \$583,391 for the water meter chamber works.

Regional water DC Credits of \$273,831 to be applied to future phases of development

Regional staff recommends that a Regional water DC credit of \$273,831 be made available, to Fieldgate Developments Ltd, to be applied against future phases of their development. When the planning approvals have been granted for the urban boundary expansion, the development of the site can proceed, at which time Fieldgate Developments Ltd can achieve the above mentioned water DC credit. It is estimated that upon the necessary planning approvals, Fieldgate Development Ltd will generate approximately \$5.4 million in Regional Development charges, of which \$700,000 will be for the water component of the charge. In the event that the lands are not granted the necessary approvals to proceed, the developer may seek Council consideration for payment of the remaining credit.

The water meter chamber works on the east side of Yonge Street south of Green Lane in the Town of East Gwillimbury were not yet included in the Region's 10 Year Capital Plan or the Region's Water Master Plan. In accordance with the DC Credit Policy, in order to advance the water works from the planned construction timing, the developer may be responsible for a share of the non-growth component cost of the works.

As these works were not included in the 10 Year Capital Plan and the Region's Water Master plan at the time of construction, and were built to the ultimate location, Fieldgate

Developments Ltd is entitled to recover the non-growth component \$30,705 of the works. The developer has been contacted and is in agreement with the credit amount.

6. LOCAL MUNICIPAL IMPACT

The proposed water meter chamber works will benefit the Town of East Gwillimbury in terms of supporting growth within the municipality. This water meter chamber works will also facilitate the buildout of lands in the Town of East Gwillimbury.

7. CONCLUSION

The DC credit request submitted by Fieldgate Developments Ltd has been reviewed in accordance with the approved DC credit policy. It is proposed that subject to completion of the water meter chamber works, the developer be eligible for a total water DC credit for the growth component of \$583,391. A total payment of \$340,265 is to be paid; \$309,560 to be funded from the Regional water DC's previously collected and \$30,705 from user rates for the non-growth cost recovery. In addition, Fieldgate Developments Ltd is entitled to a water DC credit of \$273,831 to be applied against future development of lands.

For more information on this report, please contact Kelly Strueby, Director of Business Planning and Budgets at ext. 1611 or Beth Kodama, Manager of Capital and Development Financing at ext. 1699.

The Senior Management Group has reviewed this report.

(The two attachments referred to in this clause was included in the agenda for the April 8, 2010 Committee meeting.)



Attachment 1
SCHAEFFERS
CONSULTING ENGINEERS

February 23, 2009

Our File: 2986

6 Ronrose Drive, Concord, Ontario L4K 4R3
Tel: (905) 738-6100 Fax: (905) 738-6875
Tor. Line: (416) 213-5590 Email: general@schaeffers.com

Region of York
Transportation and Works Department
17250 Yonge Street
Newmarket, Ontario
L3Y 6Z1

Attention: Mr. S. Fung, P. Eng.

Dear Sir:

RE: Meter chamber on East side of Yonge Street
Town of East Gwillimbury/Town of Newmarket

On behalf of our clients Fieldgate Developments Ltd., we are submitting 3 copies of the Development Charge Credit Application for the meter chamber on east side of Yonge Street for your review and approval.

Please contact the undersigned if you have any questions regarding this matter.

Yours truly,
SCHAEFFER & ASSOCIATES LTD.

Hacik Tozcu, P. Eng.
Associate Director

HT/mp

Encl:

Cc: Fieldgate Developments Ltd.

Attention: Mr. Matt West

SCHAEFFER & ASSOCIATES LTD.

Schaeffers Consulting Engineers
Yonge Street East Meter Chamber - Feildgate Developments Ltd.
Town of East Gwillimbury

	Total Cost	Regional Cost (DC Credit)	Developer Cost
a) Total estimated cost of works	\$640,334		
b) Amount of works not in ultimate Regional location	\$26,238		\$26,238
c) Amount eligible for Development Charge Credit (per Development Charge Credit Policy)	\$614,096		
- development charge component	\$583,391	\$583,391	
d) Non-growth summary			
- non-growth component	\$30,705		
Developer share of non-growth costs			
- present value of works constructed (works included in 10 year capital forecast)	\$0		\$0
Regional share of non-growth costs	\$30,705	\$30,705	
Total Share of Capital Costs		\$614,096	\$26,238

Developer Recovery Summary:

Total growth-related credit -	\$583,391
Total non-growth reimbursement -	\$30,705
	<u>\$614,096</u>

Summary:

Total Estimated Cost of Works	\$640,334
Regional Share (DC Credit)	\$614,096
Developer Share	\$26,238