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DEVELOPMENT CHARGE CREDIT REQUEST OAK RIDGES FARM CO-TENANCY LTD. TOWN OF RICHMOND HILL

The Finance and Administration Committee recommends the adoption of the recommendations contained in the following report, March 2, 2005, from the Commissioner of Finance:

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize a development charge ("DC") credit in the amount of \$237,467 (76.5%) for the growth-related component (development charges) and a recovery of \$72,947 (23.5%) for the non-growth component (tax levy) of proposed road works to be undertaken by Oak Ridges Farm Co-Tenancy Ltd. in the Town of Richmond Hill, subject to completion of the works to the satisfaction of the Commissioner of Transportation and Works; 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 roads DC credits otherwise payable at the time of subdivision registration.

2. PURPOSE

The purpose of this report is to authorize a development charge credit for road improvements performed by Oak Ridges Farm Co-Tenancy Ltd. on Bathurst Street at Kingshill Drive and Augustine Avenue intersections in the Town of Richmond Hill in advance of the completion of the road works carried out by the Region.

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, Oak Ridges Farm Co-Tenancy Ltd. has forwarded a request for the consideration of DC credits for roadwork improvements on Bathurst Street at Kingshill Drive and at Augustine Avenue intersections in the Town of Richmond Hill (Attachment 1).

4. ANALYSIS AND OPTIONS

4.1 Development Charge Credit Request

Oak Ridges Farm Co-Tenancy Ltd. is currently developing a residential subdivision (McLeod's Landing) in the Town of Richmond Hill. In order to proceed with the development of the lands, the developer is required to undertake roadwork improvements on Bathurst Street at Kingshill Drive and at Augustine Avenue intersections in the Town of Richmond Hill in advance of the planned reconstruction program at an estimated cost of \$497,915

5. FINANCIAL IMPLICATIONS

The subject subdivision (19T-99006) is comprised of approximately 1,068 residential units. Buildout of the McLeod's Landing subdivision results in regional development charges payable of approximately \$10 million of which \$ 3.7 million pertains to the roads component of the charge.

The Regional Transportation and Works Department has reviewed the request submitted by Oak Ridges Farm Co-Tenancy Ltd. in accordance with the approved DC credit policy, and has determined that \$310,414 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 \$237,467 (76.5%), and \$72,947 (23.5%) for the non-growth component. The growth-related component (development charges) 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 and Works. The non-growth component (tax levy) of the works is provided for in the 2005 Roads Capital Budget. The developer has been contacted and is in agreement with the credit amount.

The combined year to date (for 2005) cumulative impact on tax levy (non-growth component) of DC Credits proposed and/or approved by Finance and Administration Committee and Council is \$155,006.

It is proposed that the Regional Solicitor be authorized to include the DC credit in the subdivision agreement regarding the McLeod's Landing subdivision. The DC credit will

be subject to completion of the works to the satisfaction of the Commissioner of Transportation and Works, and will be funded from future Regional roads DC credits otherwise payable at the time of subdivision registration.

6. LOCAL MUNICIPAL IMPACT

The proposed road works improvements will benefit the Town of Richmond Hill in terms of improving traffic flow along Bathurst Street. These improvements also facilitate the buildout of the subdivision in the Town of Richmond Hill.

7. CONCLUSION

The DC credit request submitted by Oak Ridges Farm Co-Tenancy Ltd. 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 \$237,467 (76.5%) and a non-growth cost recovery of \$72,947 (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.)