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DEVELOPMENT CHARGE CREDIT REQUEST DUKE OF RICHMOND DEVELOPMENTS INC. – DUKE WEST BATHURST STREET AT TOWER HILL ROAD AND HEARTHSIDE INTERSECTIONS TOWN OF RICHMOND HILL

The following report, March 27, 2006, from the Commissioner of Finance, is submitted to Council without a committee recommendation:

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize a development charge (“DC”) credit in the amount of \$393,522 (76.5%) for the growth-related component (development charges) of proposed roadworks undertaken by Duke of Richmond Developments Inc. 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 roadwork improvements performed by Duke of Richmond Developments Inc. on Bathurst Street at Tower Hill Road and Hearthside Avenue intersections in the Town of Richmond Hill in advance of the construction timing projected in the Regional Roads Capital Program.

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, Duke of Richmond Developments Inc., has forwarded a request for the consideration of DC credits for road intersection improvements on Bathurst Street at

Tower Hill Road and at Hearthside Avenue in the Town of Richmond Hill (Attachment 1).

4. ANALYSIS AND OPTIONS

4.1 Development Charge Credit Request

Duke of Richmond Developments Inc. is currently developing a residential subdivision in the Town of Richmond Hill. In order to proceed with the development of the lands, the developer was required to undertake roadwork improvements at the intersections of Bathurst Street at Tower Hill Road and at Hearthside Avenue in the Town of Richmond Hill in advance of the planned reconstruction program at an estimated cost of \$654,993.62.

The initial request for the development charge credit was received in June 2004. Ongoing discussions as to the Development Charge agreement amount were carried out between the client and Regional staff until an agreement was reached. The applicant is now in a position to proceed with the DC credit review process.

5. FINANCIAL IMPLICATIONS

Development Charge Credit

The subject subdivision (19T-99014) is comprised of approximately 1,770 residential units. Buildout of the Duke West subdivision would result in Regional development charges payable totalling approximately \$23.7 million, of which \$7.3 million pertains to the roads component of the charge.

The Regional Transportation and Works Department has reviewed the request submitted by Duke of Richmond Developments Inc. in accordance with the approved DC credit policy, and has determined that \$514,408.21 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 (development charges) of the works in the amount of \$393,522 (76.5%). 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 developer is responsible for the non-growth component of the works as the construction of the works is not included in the Region's 10 year capital program. The developer has been contacted and is in agreement with the credit amount.

6. LOCAL MUNICIPAL IMPACT

The proposed road improvements will benefit the Town of Richmond Hill in terms of improving traffic flow along Bathurst Street at Tower Hill Road and at Hearthside Avenue. These improvements also facilitate the buildout of the subdivision in the Town of Richmond Hill.

7. CONCLUSION

The DC credit request submitted by Duke of Richmond Developments Inc. 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 \$393,522 (76.5%) to be funded from Regional roads DC otherwise payable at the time of subdivision registration.

The Senior Management Group has reviewed this report.

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