5
DEVELOPMENT CHARGE CREDIT REQUEST THE INTERCHANGE DEVELOPMENT HWY 407 & 400 CITY OF VAUGHAN

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 $104,167 (76.5%) for the growth-related component (development charges) of proposed roadworks undertaken by 2748355 Canada Inc. in the City of Vaughan, subject to completion of the works to the satisfaction of the Commissioner of Transportation and Works; and,

2. Development Charge credits for the non-residential plan of subdivision will be funded from future Regional roads DC credits otherwise payable at the time of building permit issuance.

2. PURPOSE

The purpose of this report is to authorize a development charge credit for roadwork improvements performed by 2748355 Canada Inc. for the Interchange Development Hwy 407 & 400 south of Highway 7, east of Hwy 400, north of Hwy 407, and west of Jane St. in the City of Vaughan 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, 2748355 Canada Inc., has forwarded a request for the consideration of DC credits for road intersection improvements south of Highway 7, east of Hwy 400, north of Hwy 407, and west of Jane St. in the City of Vaughan (Attachment 1).

4. ANALYSIS AND OPTIONS

4.1 Development Charge Credit Request

2748355 Canada Inc. is currently developing a mixed use non-residential site in the City of Vaughan. In order to proceed with the development of the lands, the developer group was required to undertake roadwork improvements along Highway 7 east of Edgeley Blvd. and Jane St. north of Peelar Rd. in the City of Vaughan in advance of the planned reconstruction program at an estimated cost of $433,047.

The initial request for the development charge credit was received in February 1999. Ongoing discussions as to the Development Charge agreement amount were carried out between the client and Regional staff until an agreement was reached. During this process, the real estate manager, Beutel Goodman Real Estate Group, was replaced with Bentall Real Estate Services resulting in further delays. The applicant is now in a position to proceed with the DC credit review process.

5. FINANCIAL IMPLICATIONS

Development Charge Credit

The subject non-residential development is comprised of approximately 1.1 million square feet of gross floor area. Buildout of the site plan would result in Regional development charges payable totalling approximately $4.5 million, of which $2.1 million pertains to the roads component of the charge.

The Regional Transportation and Works Department has reviewed the request submitted by 2748355 Canada Inc. in accordance with the approved DC credit policy, and has determined that $136,166 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 $104,167 (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 building permit issuance. 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 City of Vaughan in terms of improving traffic flow in the vicinity of Highway 7 & Highway 400. These improvements also facilitate the buildout of the development in the City of Vaughan.

7. CONCLUSION

The DC credit request submitted by 2748355 Canada 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 $104,167 (76.5%) to be funded from Regional roads DC otherwise payable at the time of building permit issuance.

The Senior Management Group has reviewed this report.

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