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DEVELOPMENT CHARGE CREDIT REQUEST LESLIE STREET NORTH OF ELGIN MILLS ROAD TOWN OF RICHMOND HILL

The Finance and Administration Committee recommends the adoption of the recommendations contained in the following report, May 12, 2008, from the Commissioner of Finance:

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize a development charge (“DC”) credit in the amount of \$1,247,131 (88%) for the growth-related component and a recovery of \$170,063 (12%) of the proposed road works undertaken by Trinity Developments in the Town of Richmond Hill, subject to completion of the works to the satisfaction of the Commissioner of Transportation Services.
2. Staff be authorized to fund the growth component of the development charge credit totalling \$1,247,131 from Regional Roads Development Charges previously collected through the buildout of the surrounding residential subdivisions prior to the approval of the road credits.

2. PURPOSE

The purpose of this report is to authorize a development charge credit for road works performed by Trinity Developments on Leslie Street – North of Elgin Mills Road in the Town of Richmond Hill 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 collected from the developer prior to approval of the road DC credits.

3. BACKGROUND

Details of the development charge credit policy approved by Regional Council

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).

Trinity Developments has forwarded a request for the consideration of Development Charge credits for road work improvements on Leslie Street – North of Elgin Mills Road in the Town of Richmond Hill (Attachment 1).

4. ANALYSIS AND OPTIONS

Trinity Developments development charge credit request

Trinity Developments has developed a non-residential subdivision in the Town of Richmond Hill. In order to proceed with the development of the lands, the developer group was required to undertake road improvements along Leslie Street – North of Elgin Mills Road in the Town of Richmond Hill in accordance with the planned reconstruction program at an estimated cost of \$1,816,119.

5. FINANCIAL IMPLICATIONS

Subdivision lands benefiting from road works totals 15.72 hectares

The subject subdivision benefiting from the road works (19T-02003R) comprised of a total of 15.72 hectares or 41,600 square metres of retail Gross Floor Area. Buildout of this phase of the subdivision has resulted in regional development charges received of approximately \$5 million of which \$2 million pertains to the roads component of the charge.

The Regional Transportation and Works Department has reviewed the request submitted by Trinity Development in accordance with the approved DC credit policy, and has determined that \$1,417,194 of the total value of the road works is eligible for DC credit (Attachment 2).

Proposed total payment of \$1.4 million be permitted

It is proposed that a payment of \$1,417,194, \$1,247,131 for the growth-related component of the works and \$170,063 for the non-growth component, be permitted. As the subdivisions have been built out, and the road DC for these subdivisions have been paid in full, it is recommended that the growth-related component of the DC credit be funded from development charges collected from the developer prior to approval of the road DC credits.

Since the Leslie Street – north of Elgin Mills Road works were carried out in accordance with the Region's Road Master Plan beyond the Ten Year Roads Program, the developer

will not be responsible for a share of the non-growth component of the works. The non-growth component (tax levy) of the works is provided for in the 2008 Roads Capital Budget. The developer has been contacted and is in agreement with the credit amount. The combined year to date (for 2008) cumulative impact on tax levy (non-growth component) of DC Credits proposed and/or approved by Finance and Administration Committee and Council is \$189,774.

6. LOCAL MUNICIPAL IMPACT

The proposed road improvements will benefit the Town of Richmond Hill in terms of improving traffic flow along the roadway of Leslie Street – north of Elgin Mills Road. These improvements also facilitate the buildout of the subdivision in the Town of Richmond Hill.

7. CONCLUSION

The DC credit request submitted by Trinity Developments has been reviewed in accordance with the approved DC credit policy. It is proposed, subject to satisfactory completion of the Leslie Street – north of Elgin Mills Road works, the developer be eligible for a roads DC credit of \$1,247,131 funded from the Regional roads DC previously collected and a non-growth cost recovery of \$170,063 from tax levy.

For more information on this report, please contact Kelly Strueby, Director of Business Planning and Budgets at ext. 1611 or Fabrizio Filippazzo at ext. 1696.

The Senior Management Group has reviewed this report.

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