4
DEVELOPMENT CHARGE CREDIT REQUEST
HIGHWAY 27 AND MILANI BOULEVARD
CITY OF VAUGHAN

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 $144,546 (88%) for the growth-related component and a recovery of $19,711 (12%) of the proposed road works undertaken by 611428 Ontario Limited in the City Of Vaughan, 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 $144,546 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 611428 Ontario Limited for the Highway #27 and Milani Boulevard Intersection in the City of Vaughan 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).

611428 Ontario Limited has forwarded a request for the consideration of Development Charge credits for intersection improvements on Highway #27 and Milani Boulevard in the City of Vaughan (Attachment 1).

4. ANALYSIS AND OPTIONS

611428 Ontario Limited development charge credit request

611428 Ontario Limited has developed a non-residential subdivision in the City of Vaughan. In order to proceed with the development of the lands, the developer group was required to undertake intersection road improvements on Highway #27 and Milani Boulevard in the City of Vaughan in accordance with the planned reconstruction program at an estimated cost of $317,655.

5. FINANCIAL IMPLICATIONS

Subdivision lands benefiting from intersection works totals 56 acres

The subject subdivision benefiting from the road works (19T-90018V) comprised of a total of 56 acres of developable non-residential land. Buildout of this phase of the subdivision has resulted in regional development charges received of approximately $2.8 million of which $1.1 million pertains to the roads component of the charge.

The Regional Transportation and Works Department has reviewed the request submitted by 611428 Ontario Limited in accordance with the approved DC credit policy, and has determined that $164,257 of the total value of the road works is eligible for DC credit (Attachment 2).

Proposed total payment of $164,257 be permitted

It is proposed that a payment of $164,257, $144,546 for the growth-related component of the works and $19,711 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 Highway #27 and Milani Boulevard 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 City of Vaughan in terms of improving traffic flow along the intersection of Highway #27 and Milani Boulevard. These improvements will also facilitate the buildout of the neighbouring subdivision in the City of Vaughan.

7. CONCLUSION

The DC credit request submitted by 611428 Ontario Limited has been reviewed in accordance with the approved DC credit policy. It is proposed, subject to satisfactory completion of the Highway #27 and Milani Boulevard intersection works, the developer be eligible for a roads DC credit of $144,546 funded from the Regional roads DC previously collected and a non-growth cost recovery of $19,711 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.)