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DEVELOPMENT CHARGE CREDIT REQUEST
WATERTOWER INVESTMENTS LIMITED
WESTON ROAD-HAWKVIEW BLVD-COMDEL BLVD, CITY OF VAUGHAN

The Finance and Administration Committee recommends the adoption of the recommendations contained in the following report, March 10, 2004, from the Commissioner of Finance:

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize a development charge ("DC") credit in the amount of $124,306 (79%) for the growth-related component (development charges) and a recovery of $33,406 (21%) for the non-growth component (tax levy) of proposed road works to be undertaken by Watertower Investments Limited in the City of Vaughan, subject to completion of the works to the satisfaction of the Commissioner of Transportation and Works.

2. Staff be authorized to fund the growth component of the development charge credit regarding the widening of Weston Road at Hawkview Boulevard, Ashberry Boulevard and Comdel Boulevard totalling $124,306 from the Regional roads DC previously collected through the buildout of the residential subdivision in the Vellore Woods subdivision.

2. PURPOSE

The purpose of this report is to authorize a development charge credit for road works to be performed by Watertower Investments Limited on Weston Road 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, Watertower Investments Limited, has forwarded a request for the consideration of DC credits for road improvements on the widening of Weston Road at Hawkview Boulevard, Ashberry Boulevard, and Comdel Boulevard in the City of Vaughan (Attachment 1).

4. ANALYSIS AND OPTIONS

4.1 Development Charge Credit Request

Watertower Investments Limited has developed a residential subdivision in the City of Vaughan. In order to build out the development of the lands, the developer was required to undertake road improvements on the widening of Weston Road at Hawkview Boulevard, Ashberry Boulevard, and Comdel Boulevard in the City of Vaughan in advance of the planned reconstruction program at an estimated cost of $281,568.

5. FINANCIAL IMPLICATIONS

Watertower Investments Limited (19T-97028), Majorsouth Development Corporation (19T-97029) and Majorwest Development Corporation (19T-97037, 19T-01008) are located within Block 32 West in the City of Vaughan. They are located north of Rutherford Road, East of Weston Road, West of Highway 400 and South of Major Mackenzie Drive West and are comprised of approximately 1,100 residential units, which the majority of these units have been completed. The developer has paid Regional development charges of approximately $8.3 million of which $ 3.5 million pertained to the roads component of the charge.

The Regional Transportation and Works Department has reviewed the request submitted by Watertower Investments Limited in accordance with the approved DC credit policy, and has determined that $162,492 of the total value of the road works is eligible for DC credit (Attachment 2).

In accordance with the DC credit policy, in order to advance the road works from its planned construction timing in the Region's 10 year capital program, the developer will be responsible for a share of the non-growth component of the works. It is proposed that a development charge credit of $157,712 be permitted. This provides for a discounting of the non-growth component of the works due to the construction of the works in advance of the timing proposed in the Region's 10 year capital program. Attachment 3 outlines the non-growth discounting methodology associated with this request.

The development charge application for the Vellore Woods subdivision was received in October, 1999. From this time, extensive discussions with the developer and staff were held regarding the eligible works, which were finalized with the developer in February 2004. By this time, the works were completed and the subdivision substantially built out. It is proposed that a DC credit be permitted for the growth-related component of the works in the amount of $124,306 (79%), and $33,406 (21%) for the non-growth component. The growth-related component (development charges) of the DC credit is to be funded from the Regional road DC previously collected subject to completion of the works to the satisfaction of the Commissioner of Transportation and Works as the subdivision is substantially built out. The non-growth component (tax levy) of the works is provided for in the 2004 Roads Capital Budget. 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 along Weston Road. These improvements also facilitated the buildout of the subdivisions in the City of Vaughan.

7. CONCLUSION

The DC credit request submitted by Watertower Investments Limited has been reviewed in accordance with the approved DC credit policy. It is proposed that, subject to satisfactory completion of the Weston Road at Hawkview Blvd., Ashberry Blvd. and Comdel Blvd. works, the developer be eligible for a roads DC credit of $124,306 (79%) funded from the Regional roads DC previously collected and a non-growth cost recovery of $ 33,406 (21%) from tax levy.

The Senior Management Group has reviewed this report.

(A copy of the attachments referred to in the foregoing is included with this report and is also on file in the Office of the Regional Clerk.)