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DEVELOPMENT CHARGE CREDIT REQUEST JOFIAN HOLDINGS LTD. MAJOR MACKENZIE DRIVE AND OLD MAJOR MACKENZIE DRIVE CITY OF VAUGHAN

The Finance and Administration Committee recommends the adoption of the recommendations contained in the following report from the Commissioner of Finance.

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize a development charge (“DC”) credit in the amount of \$323,894 (88%) for the growth-related component (development charges) and a payment of \$44,167 (12%) for the non-growth component (tax levy) of the proposed intersection works undertaken by Jofian Holdings Ltd. in the City of Vaughan, subject to completion of the works to the satisfaction of the Commissioner of Transportation Services, and
2. The Regional Treasurer be authorized to fund the growth component of the development charge credit regarding the noted works totalling \$323,894 from Regional road DC collected to date from the development at subdivision registration.

2. PURPOSE

The purpose of this report is to authorize a development charge credit for road works performed by Jofian Holdings Limited for the intersection improvements at Major Mackenzie Drive and Old Major Mackenzie Drive in the City of Vaughan in accordance with the construction timing 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 Credit.

3. BACKGROUND

At its May 9th and May 23rd, 1996 meetings, Regional Council approved a detailed DC 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 DC By-law No. DC-0005-2003-050).

Jofian Holdings Limited has forwarded a request to the Regional Transportation Services Department for the consideration of DC credits for the intersection improvements at Major Mackenzie Drive and Old Major Mackenzie Drive in the City of Vaughan (Attachment 1).

4. ANALYSIS AND OPTIONS

Jofian Holdings Limited DC Credit request

Jofian Holdings Limited has developed a residential subdivision in the City of Vaughan. In order to proceed with the development of the lands, the developer was required to undertake intersection improvements at Major Mackenzie Drive and Old Major Mackenzie Drive in the City of Vaughan in accordance with the planned reconstruction program at an estimated cost of \$571,238. These works were carried out in accordance of the Region's Transportation Master Plan and were built to the ultimate location.

Discussions as to the development charge credit amount were carried out between the applicant and Regional staff. The applicant has agreed to the amount and now is in a position to proceed with the DC credit process.

5. FINANCIAL IMPLICATIONS

Subdivision lands benefiting from intersection improvements totals 60 residential units

The subject subdivision benefiting from the road works is comprised of a total of 60 residential units, of which all have been built. Buildout of this subdivision has resulted in regional development charges of approximately \$1.4 million, of which \$0.4 million pertained to the roads component of the charge.

The Regional Transportation Services Department has reviewed the request submitted by Jofian Holdings Limited in accordance with the approved DC credit policy, and Regional staff have determined that \$368,061 of the total value of the intersection improvements is eligible for consideration through the DC credit process (Attachment 2).

Proposed total DC Credit of \$368,061 be permitted

It is proposed that a payment of \$368,061 be permitted to Jofian Holdings Limited. The payment is comprised of \$323,894 (88%) for the growth component of the works and of the works and \$44,167 (12%) for the non-growth component. As the subdivision has been built out, and the road DC for this subdivision has been paid in full, it is recommended that the growth-related component DC credit be funded from Regional road DC's collected from the developer prior to approval of the road DC credits.

These works were included in the Region's 10 Year Capital Program in the year 2009 and were constructed in same the same year. As these works were constructed in the scheduled year in the 10 Year Capital Program and were built to the ultimate location, Jofian Holdings Limited is entitled to recover \$44,167 of the non-growth component of the works.

It is proposed that a reimbursement for the growth-related component of the works in the amount of \$323,894 (88%) and \$44,167 (12%) for the non-growth component be permitted. The developer has been contacted and is in agreement with the credit amount.

As the subdivision has been built out, and the road DC's for this subdivisions have been paid in full, it is recommended that the growth-related component of the DC credit be funded from Regional roads DC's collected from the developer prior to approval of the road DC credit, subject to completion of the intersection works to the satisfaction of the Commissioner of Transportation Services.

The non-growth component (tax levy) of the works is provided for in the 2009 Roads Capital Budget. The developer is entitled to recover the non-growth component of \$44,167 for the works. The combined year to date (for 2009) cumulative impact of the non-growth component of DC Credits proposed and/or approved by Finance and Administration Committee and Council is \$554,301.

6. LOCAL MUNICIPAL IMPACT

The proposed road intersection improvements will benefit the City of Vaughan in terms of improving traffic flow along the roadway of Major Mackenzie Drive and Old Major Mackenzie Drive. These intersection improvements also facilitate the buildout of the subdivision in the City of Vaughan.

7. CONCLUSION

The DC credit request submitted by Jofian Holdings Limited has been reviewed in accordance with the approved DC credit policy. It is proposed that subject to completion of the intersection works to the satisfaction of the Commissioner of Transportation Services, the developer be eligible for a roads DC credit of \$323,894 (88%) for the growth component and the non-growth cost recovery of \$44,167 (12%) from tax levy.

For more information on this report, please contact Kelly Strueby, Director of Business Planning and Budgets at ext. 1611 or Beth Kodama, Manager of Capital and Development Financing at ext. 1699.

Report No. 7 of the Finance and Administration Committee
Regional Council Meeting of October 22, 2009

The Senior Management Group has reviewed this report.

(Attachment 1 referred to in this clause was included in the agenda for the October 8, 2009 meeting.)

(Attachment 2 referred to in this clause is attached to this report.)



Engineers
Planners
Project Managers

File: 203141
November 26, 2003

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Regional Municipality of York
Transportation & Works Department
17250 Yonge Street
Newmarket, Ontario
L3Y 6Z1

Attention: Mr. Robert Partridge
Development Review Technologist

Dear Sir:

Re: Application for Development Charge Credit
Major Mackenzie Dr.(Y.R. 25) and Old Major Mackenzie Dr.
Klein Ridge Estates, 19T-98V04
Jofian Holdings Ltd.
D19 02.014.V
Kleinburg, City of Vaughan

On behalf of our client, Jofian Holdings Ltd., we are pleased to enclose the following documentation requesting consideration for development charge (DC) credit for the above noted works:

- ▶ Intersection Improvement Drawings (Civil & Electrical) 2 sets
- ▶ Civil Cost Estimate (EMC Proj. 202141)
- ▶ Civil DC Credit Calculation (EMC Proj. 202141)
- ▶ Electrical Cost Estimate (Datom Group Ltd.)
- ▶ Electrical DC Credit Calculation (Datom Group Ltd.)
- ▶ Red-Line Region Comments

We note that the DC credit calculations are based on the Region's 2003 unit prices.

With regards to our design, we note that, after lengthy discussions with City of Vaughan staff and representatives of the local ratepayers association, the alignment of the proposed sidewalk between Islington Avenue and Old Major Mackenzie Drive has been adjusted, and the proposed sidewalk west of Old Major Mackenzie Drive has been deleted as per their request. In addition, the walkway connection from the Klein Ridge Estates Park to Major Mackenzie Drive has been deleted as per their request. We note that the electrical drawings have been updated to reflect the sidewalk revisions.

The plans also include minor revisions to address your enclosed red-line comments.

With regards to the driveway entrance to the WEA District Park we note that we have forwarded our plans to the City's consultant, SRM Associates, for their reference.

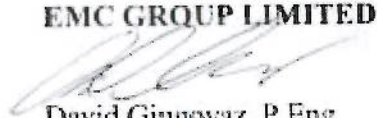
203141-Submissions(2011-4) Region Works Dept.

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November 26, 2003
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We look forward to receiving your final approval of the plans and the DC credit application. Should you have any questions or require additional information, please do not hesitate to contact our office.

Yours truly,

EMC GROUP LIMITED



David Giugovaz, P.Eng.
Project Manager

Encl.

c. Jofian Holdings Ltd.

EMC Group Limited
Major Mackenzie Drive and Old Major Mackenzie Drive
City of Vaughan

		Total Cost	Regional Cost (DC Credit)	Developer Cost
a)	Total estimated cost of works	\$571,238		
b)	Amount of works not in ultimate Regional location	(\$203,177)		\$203,177
c)	Amount eligible for Development Charge Credit (per Development Charge Credit Policy)	\$368,061		
	- development charge component 88.00%	\$323,894	\$323,894	
d)	Non-growth summary			
	- non-growth component 12.00%	\$44,167		
	<u>Developer share of non-growth costs</u>			
	- present value of works constructed <i>(works included in 10 year capital forecast)</i>	(\$0)		(\$0)
	<u>Regional share of non-growth costs</u>	\$44,167	\$44,167	
Total Share of Capital Costs			\$368,061	\$203,177

Developer Recovery Summary:

Total growth-related credit -	\$323,894
Total non-growth reimbursement -	\$44,167
	<u>\$368,061</u>

Summary:

Total Estimated Cost of Works	\$571,238
Regional Share (DC Credit)	\$368,061
Developer Share	\$203,177