

2

DEVELOPMENT CHARGE CREDIT REQUEST HARRY WALKER PARKWAY EXTENSION TO MULOCK DRIVE TOWN OF NEWMARKET

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 \$258,198 (76.5%) for the growth-related component and a recovery of \$79,316 (23.5%) for the non-growth component (tax levy) of the proposed road works undertaken by the Town of Newmarket, subject to completion of the works to the satisfaction of the General Manager, Roads, and
2. Staff be authorized to fund the growth component of the development charge credit totalling \$258,198 from Regional Roads Development Charges previously collected through the buildout of the surrounding non- 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 roadwork improvements performed by the Town of Newmarket on the Harry Walker Parkway Extension to Mulock Drive intersections in the Town of Newmarket 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

3.1 DC Credit Policy

A detailed development charge credit policy for capital works undertaken by the developer in advance of the planned reconstruction program is included in the recently approved Development Charge By-law.

The developer, Town of Newmarket, has forwarded a request for the consideration of DC credits for road intersection improvements on Harry Walker Parkway and Mulock Drive in the Town of Newmarket (see Attachment 1).

4. ANALYSIS AND OPTIONS

4.1 Development Charge Credit Request

The Town of Newmarket installed intersection works as per the Region's requirement, in order to service all of the developments in the Harry Walker Parkway Industrial Area, including the Town owned lands. The Town was required to undertake roadwork improvements on Harry Walker Parkway and Mulock Drive intersection in the Town of Newmarket in accordance with the planned reconstruction program at an estimated cost of \$337,514.

5. FINANCIAL IMPLICATIONS

The Regional Transportation and Works Department has reviewed the request submitted by URS Consulting on behalf of the Town of Newmarket in accordance with the approved DC credit policy, and has determined that \$337,514 of the total value of the road works is eligible for DC credit (see Attachment 2).

It is proposed that a DC credit be permitted for the growth-related component of the works in the amount of \$258,198 and \$79,316 for the non-growth component. As the subdivisions have been built out, the road DC for these subdivisions have been paid in full and the Town of Newmarket is not developing the lands as part of a plan of subdivision, it is recommended that the growth-related component of the DC credit is to be funded from DC's collected from the developer prior to approval of these road DC credits.

Since the Harry Walker Parkway Extension and Mulock Drive intersection works were carried out in as planned in the Region's 10 year capital program, the developer will be not 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 2007 Roads Capital Budget. The Town has been contacted and is in agreement with the credit amount.

The combined year to date (for 2007) cumulative impact on tax levy (non-growth component) of DC Credits proposed and/or approved by Finance and Administration Committee and Council is \$ 79,316.

6. LOCAL MUNICIPAL IMPACT

The proposed road improvements will benefit the Town of Newmarket in terms of improving traffic flow along Harry Walker Parkway and Mulock Drive. These improvements also facilitate the buildout of the balance of non-residential lands within the Harry Walker Parkway Industrial area.

7. CONCLUSION

The DC credit request submitted by URS Consulting on behalf of the Town of Newmarket 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 \$258,198 (76.5%) funded from the Regional roads DC previously collected and a non-growth cost recovery of \$ 79,316 (23.5%) from tax levy.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause is attached to this report.)