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DEVELOPMENT CHARGE CREDIT REQUEST TRANSIT BUS PADS-WISMER COMMONS TOWN OF MARKHAM

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 \$14,579 (76.5%) for the growth-related component and a recovery of \$4,479 (23.5%) for the non-growth component (tax levy) of the proposed transit bus pads/road works undertaken by Wismer Commons Development Group in the Town of Markham, 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 \$14,579 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 transit bus pads/road works performed by Wismer Commons Development Group on Castlemore Avenue and Bur Oak Avenue in the Town of Markham 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

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).

Wismer Commons Development Group has forwarded a request for the consideration of DC credits for transit bus pads/road work improvements on Castlemore Avenue and Bur Oak Avenue in the Town of Markham (Attachment 1).

4. ANALYSIS AND OPTIONS

4.1 Development Charge Credit Request

Wismer Commons Development Group has developed a residential subdivision in the Town of Markham. In order to proceed with the development of the lands, the developer group was required to undertake transit bus pads/road improvements along Castlemore Avenue and Bur Oak Avenue in the Town of Markham in accordance with the planned reconstruction program at an estimated cost of \$72,512.

5. FINANCIAL IMPLICATIONS

The subject subdivisions benefiting from the transit bus pads/road works (19T-95039M, 19T-85087M and 19T-95042M) comprised of a total of 1,259 residential units. Buildout of these phases of the subdivisions has resulted in regional development charges received of approximately \$17.8 million of which \$5.8 million pertains to the roads component of the charge.

The Regional Transportation and Works Department has reviewed the request submitted by Wismer Commons Development Group in accordance with the approved DC credit policy, and has determined that \$19,058 of the total value of the transit bus pads/road works is eligible for DC credit (Attachment 2).

It is proposed that a DC credit be permitted for the growth-related component of the works in the amount of \$14,579 and \$4,479 for the non-growth component. 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 (development charges) of the DC credit is to be funded from development charges collected from the developer prior to approval of these road DC credits.

Since the transit bus pads/road works were carried out in accordance with its planned construction timing in the Region's capital 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 2007 Roads Capital Budget. The developer 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 \$ 130,465.

6. LOCAL MUNICIPAL IMPACT

The proposed transit bus pads/road improvements will benefit the Town of Markham in terms of improving traffic flow within the Wismer Commons Community. These improvements also facilitate the buildout of the subdivisions within the Town of Markham.

7. CONCLUSION

The DC credit request submitted by Wismer Commons Development Group has been reviewed in accordance with the approved DC credit policy. It is proposed that, subject to satisfactory completion of the transit bus pads/road works along Castlemore Avenue and Bur Oak Avenue, the developer be eligible for a roads DC credit of \$14,579 funded from the Regional roads DC previously collected and a non-growth cost recovery of \$4,479 from tax levy.

The Senior Management Group has reviewed this report.

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