11
DEVELOPMENT CHARGE CREDIT REQUEST
GRAND LIFE BOULEVARD CORPORATION
TOWN OF MARKHAM

The Finance and Administration Committee recommends the adoption of the recommendations contained in the following report, June 14, 2004, from the Commissioner of Finance:

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize a development charge (“DC”) credit in the amount of $ 42,465 (78%) for the growth-related component (development charges) and a recovery of $ 12,200 (22%) for the non-growth component (tax levy) of proposed road works to be undertaken by Grand Life Boulevard Corporation in the Town of Markham, subject to completion of the works to the satisfaction of the Commissioner of Transportation and Works; and,

2. The Regional Solicitor be authorized to include the development charge credit provisions in the subdivision agreement regarding the Victoria Manor subdivision with credits to be funded from future Regional roads DC credits otherwise payable at the time of subdivision registration.

2. PURPOSE

The purpose of this report is to authorize a development charge credit for road works to be performed by Grand Life Boulevard Corporation on Major Mackenzie Drive at Hazelton Lane in the Town of Markham 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 23, 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, Grand Life Boulevard Corporation, has forwarded a request for the consideration of DC credits for road intersection improvements along Major Mackenzie Drive at Hazelton Lane in the Town of Markham (Attachment 1).

4. ANALYSIS AND OPTIONS

4.1 Development Charge Credit Request

Grand Life Boulevard Corporation is currently developing a residential subdivision in the town of Markham. In order to proceed with the development of the lands, the developer is required to undertake road improvements along Major Mackenzie Drive at Hazelton Lane in the Town of Markham in advance of the planned reconstruction program at an estimated cost of $101,244.

5. FINANCIAL IMPLICATIONS

5.1 Development Charge Credit

The subject subdivision (19T-00007) is comprised of approximately 306 units. Buildout of this sudivision would result in regional development charges received of approximately $3.4 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 Grand Life Boulevard Corporation in accordance with the approved DC credit policy, and has determined that $ 55,509 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 year 2005 of 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 $54,665 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.

It is proposed that a DC credit be permitted for the growth-related component of the works in the amount of $42,465 (78%), and $ 12,200 (22%) for the non-growth component. The growth-related component (development charges) of the DC credit is to be funded from future Regional roads DC credits otherwise payable at the time of subdivision registration, subject to completion of the works to the satisfaction of the Commissioner of Transportation and Works. 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.

It is proposed that the Regional Solicitor be authorized to include the DC credit in the subdivision agreement regarding the Victoria Manor subdivision. The DC credit will be subject to completion of the works to the satisfaction of the Commissioner of Transportation and Works, and will be funded from future Regional roads DC credits otherwise payable at the time of subdivision registration.

6. LOCAL MUNICIPAL IMPACT

The proposed road improvements will benefit the Town of Markham in terms of improving traffic flow along Major Mackenzie Drive. These improvements also facilitate the buildout of the subdivision in the Town of Markham.

7. CONCLUSION

The DC credit request submitted by Grand Life Development Corporation has been reviewed in accordance with the approved DC credit policy. It is proposed that, subject to the satisfaction of the Commissioner of Transportation and Works, the developer be eligible for a roads DC credit of $42,465 (78%) and a non-growth cost recovery of $12,200 (22%) from tax levy.

The Senior Management Group has reviewed this report.

(A copy of the attachments referred to in this Clause is included with this report and is also on file in the Regional Clerk's office.)