

5
DEVELOPMENT CHARGE CREDIT REQUEST
FAIRFIELD DRIVE CONNECTION TO DUFFERIN STREET
TOWNSHIP OF KING

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 \$113,805 (76.5%) for the growth-related component and a recovery of \$34,960 (23.5%) of the proposed road works undertaken by Canadian Equity Development in the Township of King, subject to completion of the works to the satisfaction of the General Manager of Roads, and
2. Staff be authorized to fund the growth component of the development charge credit totalling \$113,805 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 road works performed by Canadian Equity Development on Fairfield Drive and Dufferin Street in the Township of King 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).

Canadian Equity Development has forwarded a request for the consideration of DC credits for road work improvements on Fairfield Drive and Dufferin Street in the Township of King (Attachment 1).

4. ANALYSIS AND OPTIONS

4.1 Development Charge Credit Request

Canadian Equity Development has developed a residential subdivision in the Township of King. In order to proceed with the development of the lands, the developer group was required to undertake road improvements along Fairfield Drive and Dufferin Street in the Township of King in accordance with the planned reconstruction program at an estimated cost of \$149,170.

5. FINANCIAL IMPLICATIONS

The subject subdivision benefiting from the roadworks (19T-88030K) comprised of a total of 69 residential units. Buildout of this phase of the subdivision has resulted in regional development charges received of approximately \$722,775 of which \$266,271 pertains to the roads component of the charge.

The Regional Transportation and Works Department has reviewed the request submitted by Canadian Equity Development in accordance with the approved DC credit policy, and has determined that \$148,765 of the total value of the 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 \$113,805 and \$34,960 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 of the DC credit be funded from development charges collected from the developer prior to approval of the road DC credits.

Since the Fairfield Drive and Dufferin Street works were carried out in accordance with the Region's Road Master Plan beyond the Ten Year Roads 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 \$165,425.

6. LOCAL MUNICIPAL IMPACT

The proposed road improvements will benefit the Township of King in terms of improving traffic flow along the intersection of Fairfield Drive and Dufferin Street. These improvements also facilitate the buildout of the subdivision in the Township of King.

7. CONCLUSION

The DC credit request submitted by Canadian Equity Development has been reviewed in accordance with the approved DC credit policy. It is proposed, subject to satisfactory completion of the Fairfield Drive and Dufferin Street works, the developer be eligible for a roads DC credit of \$113,805 funded from the Regional roads DC previously collected and a non-growth cost recovery of \$34,960 from tax levy.

The Senior Management Group has reviewed this report.

(The attachments referred to in this clause were included in the agenda for the November 1, 2007 Committee meeting.)