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DEVELOPMENT CHARGE CREDIT REQUEST GREENSBOROUGH DEVELOPER'S GROUP 16TH AVENUE RECONSTRUCTION WORKS – MINTLEAF GATE TO 9TH LINE TOWN OF MARKHAM

The Finance and Administration Committee recommends the adoption of the recommendations contained in the following report, July 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 \$482,439 (76.5%) for the growth-related component (development charges) of proposed road works to be undertaken by Greensborough Developer’s Group in the Town of Markham, subject to completion of the works to the satisfaction of the Commissioner of Transportation and Works; and,
2. Staff be authorized to fund the growth component of the development charge credit regarding 16th Avenue totalling \$482,439 from the Regional roads Development charges previously collected from the developer group through the buildout of the residential subdivision in the Greensborough area.

2. PURPOSE

The purpose of this report is to authorize a development charge credit for road improvements performed by Greensborough Developer’s Group on 16th Avenue from Mintleaf Gate to 9th Line in the Town of Markham in advance of the completion of the road works carried out by the Region.

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, Greensborough Developer’s Group, has forwarded a request for the consideration of DC credits for road improvements on 16th Avenue from Mintleaf Gate to 9th Line in the Town of Markham (Attachment 1).

4. ANALYSIS AND OPTIONS

4.1 Development Charge Credit Request

Greensborough Developer's Group is currently completing the buildout of 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 on 16th Avenue from Mintleaf Gate to 9th Line in the Town of Markham in advance of the planned reconstruction program at an estimated cost of \$736,359.82. The road improvements in the Town of Markham have not been incorporated in the Region's 10 Year Capital Program.

5. FINANCIAL IMPLICATIONS

The subject subdivision (19T-95013) is comprised of approximately 2,600 residential units. Buildout of the subdivision would result in regional development charges payable of approximately \$22 million of which \$9 million pertains to the roads component of the charge. The majority of the subdivision has been built out.

The Regional Transportation and Works Department has reviewed the request submitted by Greensborough Developer's Group in accordance with the approved DC credit policy, and has determined that \$630,639.57 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 \$482,439. The growth-related component (development charges) of the DC credit is to be funded from the Regional roads DC collected previously through subdivision registration. The developer is responsible for the non-growth component of the works in the amount of \$148,201 as the construction of the works is not included in the Region's 10 year capital program. The developer has been contacted and is in agreement with the credit amount.

6. LOCAL MUNICIPAL IMPACT

The proposed road improvements will benefit the Town of Markham in terms of improving traffic flow along 16th Avenue from Mintleaf Gate to 9th Line. These improvements also facilitate the buildout of the subdivision in the Town of Markham.

7. CONCLUSION

The DC credit request submitted by Greensborough Developer's Group 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

\$482,439, to be funded from the Regional roads DC previously collected through buildout of the residential subdivision in the Greensborough area.

The Senior Management Group has reviewed this report.

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