

August 18, 2006

**Fiscal Impact Analysis**  
**Highway 404 North Secondary Plan – OPA 149**  
**Town of Markham**

In accordance with the Financial Growth Management Policies adopted in the Regional Official Plan, the following analysis highlights financial impacts of the proposed development of the Highway 404 North Secondary Plan in the Town of Markham. The Regional Finance Department, in conjunction with the Regional Transportation and Works Department and the Regional Planning Department has prepared this financial review.

Amendment No. 149 to the Town of Markham Official Plan designates the Highway 404 North Secondary Plan lands as primarily “Industrial”, “Urban Residential” and “Commercial”. Secondary Plan boundaries include the Markham and Whitchurch-Stouffville boundary to the north, Highway 404 to the west, Woodbine Avenue to the east and the Community of Victoria Square and Cathedral Town to the south. The proposed amendment would permit a mix of community uses which includes approximately 303 acres of employment land generating approximately 9,000 jobs, and 320 dwelling units comprised of approximately 1,240 persons. These details are shown in Table 1.

**Table 1**  
 Highway 404 North Secondary Plan – OPA 149  
 Growth Projections

| Communities       | Additional Employment | Additional Population | Residential Dwelling Units |
|-------------------|-----------------------|-----------------------|----------------------------|
| Highway 404 North | 9,090                 | 1,240                 | 320                        |

**REGIONAL ROADS/TRANSPORTATION**

The Regional Planning and Development Services and Transportation and Works Departments have reviewed Amendment No.149 (Highway 404 North Secondary Plan) and has provided the following comments. The infrastructure required within the Secondary Plan is part of the broader system of Regional service improvements that have been identified in long term servicing master plans. The cost of these

Regional works are scheduled to be recovered through the uniform Region wide development charge, based on the growth anticipated to occur within the Region.

#### Major Capital Roads Projects

There are a number of road improvements included in the Region's 2006 – 10 Year Roads Capital Program in the vicinity of the Highway 404 North Secondary Plan area, and there are additional road improvements that have been identified as being required in the short term (i.e. 2006-2015). Other road improvements are noted in the Region's Development Charge By-law as being required after 2015 to year 2031. Woodbine Avenue from Major Mackenzie Drive to 19<sup>Th</sup> Avenue reconstruction and widening is the largest road construction improvement in the area, at an estimated cost of \$20.5 million, and will be commenced in 2007. The total cost of the road improvements required to the year 2021 to service traffic demand in the Highway 404 North Secondary Plan and other areas of the Region is estimated at \$47.3 million, with approximately \$26.8 million in capital works required outside of the current 10 year timeframe, as shown in Attachment 1.

It should be noted that traffic related to development in the Highway 404 North Secondary Plan area is not the sole contributor to the future need for these major transportation improvements. Planned and/or approved development elsewhere in the Town of Markham and other areas within the Region also contribute to the requirement for certain transportation improvements.

#### Other Road Improvements

Other road improvements that have not been specifically identified in the Region's 2006 – 10 Year Roads Program may be required to support future traffic volumes generated by the specific development of the Highway 404 North Secondary Plan area. These may include an interchange at 19<sup>Th</sup> Avenue and Highway 404, 3 signalized intersections and various intersection improvements, in the vicinity of Highway 404 North Secondary Plan Area. The total cost of the improvements required from 2016 to 2031 is estimated at \$32.5 million.

The Transportation Planning Branch has indicated that it supports the potential of a mid-block crossing of Highway 404 and a proposed interchange at 19<sup>Th</sup> Avenue and Highway 404.

Based on development charge rates approved in accordance with Regional Development Charge By-law No. DC-0005-2003-050, development proposed in the Highway 404 North Secondary Plan area should generate roads development charge revenues of approximately \$12.4 million.

#### Transit

Vision 2026, the Region's Transportation Master Plan and the Region's 25-year strategic plan have visions of creating strong communities. The Transportation Master plan, in particular, has identified that by the year 2031 the Region will have to

invest \$5.6 - \$7.3 billion in transit in order to achieve the Region's transportation goals.

The transit improvements included in the Region's current long term capital program have been identified as supporting traffic demand created from growth areas, such as the Highway 404 North Secondary Plan area. The Highway 404 North Secondary Plan area and vicinity will require 3 new buses, passenger standing areas, shelter pads and other infrastructure in order to be functional, estimated at a total cost of \$1.7 million.

It is proposed that service from the Route 24D/224D service be extended into the Highway 404 North community in a phased approach, based on development. This service will provide transportation opportunities for residents and businesses in the Highway 404 North community.

It should be noted that the update to the Regional development charge by-law will include significant enhancements to the proposed capital requirements of the York Region Transit System.

Based on development charge rates approved in accordance with Regional Development Charge By-law No. DC-0005-2003-050, development proposed in Highway 404 North Secondary Plan area should generate transit development charge revenues of approximately \$3.1 million.

## WATER/SEWER CAPITAL INFRASTRUCTURE

### Water Supply

An update of the Region's Long Term Water Supply Master Plan was completed in 2004. An update to this Master Plan has been scheduled for 2007-2008. In order to accommodate the full build out of the proposed development within the Highway 404 North Secondary Plan area and other area of the Region, additional water supply will be required from the City of Toronto and/or Peel Region. The cost of the water supply from Toronto and/or Peel Region may include the Markham By-pass watermain and Pumping Station with an anticipated 2011 construction completion at an estimated cost of \$39 million, the Toronto Cost Shared Work anticipated to be completed 2021 and estimated to cost \$218.2 million, and the Peel Cost Shared Works scheduled for completion in 2021 at an estimated cost of \$291.8 million (including a final buy-in payment scheduled in 2011 of \$17.5 million). The total cost of the above mentioned works is estimated to be \$548.9 million. Based on the projected water demand generated from the proposed development, the proportionate share of this infrastructure attributable to the Highway 404 North Secondary Plan area is approximately \$3.7 million.

Additional capital infrastructure required to service growth in the Highway 404 North area and other area of the Region, may consist of the construction of the following Regional infrastructure:

1. Bayview Avenue watermain (Elgin Mills to 19<sup>Th</sup>),
2. Elgin Mills watermain (Bathurst to Bayview Avenue),
3. Pugsley/Enford Road watermain (Richmond Hill PS to Elgin Mills Road) and Major Mackenzie Drive watermain (Richmond Hill PS to Bayview Avenue),
4. Bathurst watermain (Elgin Mills to Jefferson Reservoir),
5. North Bayview Reservoir,
6. Bayview Avenue watermain (19<sup>Th</sup> Avenue to North Bayview Reservoir).

The total estimated cost of the above mentioned works is \$21.7 million. Based on the projected water demand generated from the proposed development, the proportionate share of this infrastructure attributable to the Highway 404 North Leslie Plan Area is estimated at \$4.2 million. The total water capital infrastructure attributed to the Highway 404 North Secondary Plan area is estimated to be \$7.9 million.

Based on development charge rates approved in accordance with Regional Development Charge By-law No. DC-0005-2003-050, development proposed in the Highway 404 North Secondary Plan area should generate water development charge revenues of approximately \$6.4 million.

#### Sewage Servicing

As outlined in the 2002 York Durham Sewage System (“YDSS”) Master Plan Update, the Highway 404 North Secondary Plan area is to be serviced by the YDSS.

Based on the YDSS Master Plan Update, key parts of the existing YDSS are near or at full capacity. Accordingly, the construction of the parallel sewers and treatment plant expansion will provide capacity throughout the YDSS service area. Sanitary sewage servicing to the Highway 404 North Secondary Plan area is dependent on completion of the 16<sup>Th</sup> Avenue Trunk Sewer Phase 2, Southeast Collector and the Duffin Creek WPCP Phase 3 Expansion. The cost of the sewer works is estimated at \$413.4 million. However, it should be noted that the sewer infrastructure mentioned is not the sole requirement of the Highway 404 North Secondary Plan area and that planned and/or approved development elsewhere in the Town of Markham and other areas also contribute to the requirement for certain wastewater improvements. Based on projected flows from the Highway 404 North Secondary Plan area, the proportionate share of this infrastructure is estimated at \$4.5 million.

Based on development charge rates approved in accordance with Regional Development Charge By-law No. DC-0005-2003-050, development proposed in the Highway 404 North Secondary Plan area should generate wastewater development charge revenues of approximately \$6.2 million.

### OPERATING – TAX IMPACTS

At full build-out, the Highway 404 North Secondary Plan development proposal will increase the existing employment of the Town of Markham by approximately 9,090 jobs, and increase population by approximately 1,240 persons. A preliminary review of operating (tax levy) impacts indicates that the proposed development will not adversely impact the Regional tax rate. Further analysis is required to determine the impact of the build out on Human Services requirements. It should be noted that buildout of the employment lands in the Town of Markham is important to ensure the area has a balanced residential/non-residential assessment mix.

### CONCLUSION

A summary fiscal impact review of the Highway 404 North Secondary Plan area indicates that the proposed development within the plan will not adversely impact the Regional tax rate (tax levy). The infrastructure required within the Secondary Plan is part of the broader system of Regional service improvements that have been identified in long term servicing master plans. The cost of these Regional works are scheduled to be recovered through the uniform Region wide development charge, based on the growth anticipated to occur within the Region.

The Regional Planning Department - Infrastructure Planning Branch has identified several capital projects that are required in the vicinity of Highway 404 North Secondary Plan area. These include construction of several road widenings, a potential mid-block crossing of Highway 404 and an interchange at 19<sup>Th</sup> Avenue and Highway 404. The total cost of the road improvements required to the year 2031 to service traffic demand in the Highway 404 North Secondary Plan and other areas of the Region is estimated at \$47.3 million, with approximately \$20.5 million in capital works required within the current 10 year timeframe. The development proposed within the Highway 404 North Secondary Plan area should generate road development charge revenues of approximately \$12.4 million.

Transit improvements included in the Region's current long term capital program for the Highway 404 North Secondary Plan area and vicinity are estimated at \$1.2 million. The proposed development should generate transit development charge revenues of approximately \$3.1 million.

To provide water servicing capacity for the full build out of the Highway 404 North Secondary Plan, additional water supply will be required from the City of Toronto and/or Peel Region. Based on the Highway 404 North development demands, the proportionate share of the infrastructure attributable to the area is estimated at \$3.7 million. Additional capital infrastructure required in the Highway 404 North area consists of the Bayview Avenue watermain, Elgin Mills watermain, Pugsley

Avenue/Enford Road watermain, Bathurst watermain, North Bayview Reservoir, and the Bayview Avenue watermain, at an estimated cost of \$21.7 million of which approximately \$4.2 million is attributable to the proposed development. The total water capital infrastructure attributed to the Highway 404 North Secondary Plan area is estimated to be \$7.9 million. The proposed development should generate water development charge revenues of approximately \$6.4 million.

Based on the YDSS Master Plan Update, key parts of the existing YDSS are near or at full capacity. Accordingly, the construction of the parallel sewers and treatment plant expansion will provide capacity throughout the YDSS service area. The cost of 16<sup>th</sup> Avenue Trunk Sewer Phase 2, the Southeast Collector and the Duffin Creek WPCP Phase 3 Expansion are estimated at \$413.4 million and will service Highway 404 North lands as well as other development within the Region. Based on projected flows from the Highway 404 North Secondary Plan area, the proportionate share of this infrastructure is estimated at \$4.5 million. The proposed Highway 404 North development should generate wastewater development charge revenues of approximately \$6.2 million.

**Attachment 1**  
**Road Improvements**  
**Highway 404 North Secondary Plan – OPA 149**

| <u>Regional Road</u> | <u>Location</u>                                  | <u>Description</u>          | <u>Est.<br/>Cost</u> | <u>Proposed<br/>Completion<br/>Timing</u> |
|----------------------|--------------------------------------------------|-----------------------------|----------------------|-------------------------------------------|
| • Woodbine Avenue    | Major Mackenzie Drive to 19 <sup>th</sup> Avenue | Widen to 4 lanes            | \$20.5M              | 2012                                      |
| • Woodbine Avenue    | Highway 7 to Major Mackenzie Drive               | Widen to 6 lanes            | \$9.4M               | 2021                                      |
| • Woodbine Avenue    | 19 <sup>th</sup> Avenue to Bloomington Road      | Widen to 4 lanes            | \$12.4M              | 2031                                      |
| • Midblock crossing  | Highway 404 north of Elgin Mills                 | Assuming 1/3 Regional Share | \$5M                 |                                           |
|                      | <b>TOTAL</b>                                     |                             | <b>\$47.3M</b>       |                                           |