

Clause 6 in Report No. 12 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on June 25, 2015.

6

**Development Charge Credit Request
King North Developments Inc.**

Committee of the Whole recommends adoption of the recommendation contained in the report dated June 3, 2015 from the Commissioner of Finance:

1. Recommendations

It is recommended that:

1. Council authorize a development charge (“DC”) credit of \$4,506,541 for road works undertaken and completed to the satisfaction of the Commissioner of Transportation Services by King North Developments Inc. in the Township of King.
2. The Regional Treasurer be authorized to fund the growth-related component of the development charge credit totalling \$4,055,887 from the Regional Roads DC Reserve and the non-growth component totalling \$450,654 from the Roads Capital Reserve.

2. Purpose

This report is to authorize a development charge credit for urbanization and road works performed by King North Developments Inc. at King Road and Dufferin Street in the Township of King. This report also seeks authorization to fund credits approved by Council from the Regional Roads DC reserve and Roads Capital Reserve.

3. Background

The Region adopted a Development Charge Credit Policy in 1996

At its May 9th and 23rd, 1996 meetings, Regional Council approved a DC credit policy to reimburse developers for capital works undertaken in advance of the planned capital program (subsequently amended June 18, 2007 as part of the passing of Regional DC By-law No. DC-0007-2007-040).

A revised Development Charge Credit Policy was approved in November 2013

On November 21, 2013, Council approved changes to the Development Charge Credit Policy. The revised Development Charge Credit Policy contains provisions to protect the Region from potential financial risks associated with advancing infrastructure and providing development charge credits.

This DC Credit Request was submitted prior to the approval of the new policy and is being dealt with under the old DC Credit policy

On November 21, 2013, Council also approved a transitional policy allowing applications received before November 21, 2013 to proceed by way of the old DC Credit policy.

King North Developments Inc. forwarded a request to the Regional Transportation Services Department for consideration of DC credits for the intersection improvements at King Road and Dufferin Street in the Township of King (see Attachment 1) on October 31, 2013.

As this DC credit request was made prior to November 21, 2013, it is being treated as a transitional DC credit and being processed by way of the previous DC Credit policy.

4. Analysis and Options

King North Developments Inc. has requested a Development Charge Credit of \$4,858,911

King North Developments Inc. developed a mixed use subdivision in the Township of King. To proceed with the development of the lands, the developer was required to undertake works at King Road and Dufferin Street in advance of the planned Regional reconstruction program at a cost of \$4,858,911.

Link to key Council-approved plans

The collection of development charges in accordance with the policies of the DC Bylaw supports the 2015 to 2019 Strategic Plan's priority area of Good Government.

5. Financial Implications

Development benefiting from these improvements generates DCs of approximately \$14.9 million

The residential subdivisions benefiting from these roads and intersection works have approximately 425 units. The non-residential lands have the potential to accommodate approximately 14,000 m² of retail space. The build out of these lands resulted in Regional development charges of approximately \$14.9 million, including \$5.9 million for the roads component.

It is proposed that a total DC Credit of \$4,506,541 be permitted

The Transportation Services Department has reviewed the request submitted by King North Developments Inc. in accordance with the former DC credit policy, and has determined that \$4,506,541 of the total value of the improvements is eligible.

Therefore, it is recommended that a payment of \$4,506,541 to King North Developments Inc. be authorized. The payment consists of \$4,055,887 for the growth component of the works and \$450,654 for the non-growth component. As the subdivisions have been built out, and the road DCs for the subdivisions have been paid in full, the growth-related component of the DC credit will be funded from the Regional Roads DC reserve.

These road works were not included in the Region's 2012 10 Year Capital Program, but the eligible portion of the works were built to the ultimate configuration and location. In accordance with the former DC credit policy, King

Development Charge Credit Request King North Developments Inc.

North Developments Inc. is entitled to recover the full \$450,654 non-growth component of the works.

The developer has been contacted and is in agreement with the credit amount.

These payments can be accommodated within the 2015 budget.

6. Local Municipal Impact

The road works benefit the Township of King by improving traffic flow along King Road and Dufferin Street. These road works also facilitate the buildout of other subdivisions in the Township of King.

7. Conclusion

The DC credit request submitted by King North Developments Inc. has been reviewed in accordance with the former DC credit policy. The works have been completed to the satisfaction of the Commissioner of Transportation Services and there are no future phases to this development. The reimbursement for the urbanization and road works improvements at King Road and Dufferin Street in the Township of King consists of \$4,055,887 for the growth component to be funded from the Regional Roads DC reserve and \$450,654 for the non-growth component to be funded from the Roads Capital Reserve.

For more information on this report, please contact Warren Marshall, Director, Controllershship Office, at ext. 71601, or Karen Whitney, Director, Community Planning, at ext. 71505.

The Senior Management Group has reviewed this report. June 3, 2015

Attachment (1)

Accessible formats or communication supports are available upon request

File: 209111
October 31, 2013

Regional Municipality of York
Transportation & Works Department
17250 Yonge Street
Newmarket, Ontario
L3Y 6Z1

Attention: Mr. Dan Terziewski P.Eng.

**Re: Application for Development Charge Credits
King Road & Dufferin Street Urbanization
King North Developments CR Inc.
Township of King**

On behalf of our client, King North Developments CR Inc, and per our previous meetings and discussions wherein the Region confirmed the principles of the Development Charge Credits regarding the King Road and Dufferin Street Urbanization project, we are pleased to formally request Development Charge Credits for the project.

This project has included the following :

- The complete reconstruction of King Road from west of Alex Campbell Crescent to east of Dufferin Street, and Dufferin Street from south of King Road to north of Tatton Court including grading , storm sewers , curbs , road widenings, guardrails , asphalt strips , restoration , etc
- Boulevard tree planting
- Complete pulverization and base and top course paving and line works
- King Road /Dufferin Street intersection reconstruction with signals and lighting
- Intersection construction including civil works , lighting and provision for future signals at the intersections of Alex Campbell /Warren Road /King Road , Stan Roots /Springhill Drive /King Road and the commercial entrance , and Tatton Court .Dufferin Street .

We note that the DC credit calculations are based on the Region's 2012 unit prices.

We can summarize the estimated costs as follows including 10%Contingenct and 10% Engineering .

1. King Road and Dufferin Street reconstruction	\$ 2,541,459.00
2. Intersection –Alex Campbell /Warren	\$ 709,792.00
3. Intersection –Stan Roots /Springhill &commercial	\$ 674,774.00
4. Intersection –King Road .Dufferin Street	\$ 523,500.00
5. Intersection –Tatton Road /Dufferin Street	\$ 409,386.00


TOTAL	\$ 4,858,911.00

We look forward to receiving your final approval of the DC credit application.

Should you have any questions or require additional information, please do not hesitate to contact our office.

Yours truly,

EMC GROUP LIMITED



Henry A. Verbruggen P.Eng
Senior Project Manager
Encl.

c. King North Developments CR Inc.