
Report of the Commissioner of Finance

Development Charge Credit Update - York Downs

1. Recommendation

1. Council authorize a development charge credit increase of \$1,002,275, for eligible road works undertaken and completed to the satisfaction of the Commissioner of Public Works, by Metropia Minto (Sixteenth) Holdings Inc. & KP Limited Partnership (York Downs Landowners) in the City of Markham.
2. The Commissioner of Finance and Regional Treasurer be authorized to fund this development charge credit from the Regional Roads Development Charges Reserve.

2. Purpose

The purpose of this report is to authorize a development charges (DC) credit increase for eligible road works performed by York Downs Landowners at 16th Avenue and Kennedy Road in the City of Markham. The credit increase would be funded from the Regional Roads DC reserve.

Key Points:

- On [April 25, 2022](#), Council approved an intersections and road improvement DC credit of \$8,650,972 for works on 16th Avenue to the satisfaction of the Commissioner of Public Works
- Subsequently, the York Downs Landowners were required to undertake additional works increasing the costs of the works eligible for DC credit to \$9,653,247, or \$1,002,275, as approved by the Commissioner of Public Works

3. Background

The York Downs (York Downs Landowners) development is responsible for improvements along the frontage of their development on 16th Avenue

As part of the conditions of draft plan approval for the York Downs development, road improvements were required to support their development. This included, but was not limited to, intersections and road improvements along with the extension of turn lanes. These improvements were identified and supported through the completion of a traffic impact study that was submitted along with the draft plans of subdivision.

In 2022, York Downs Landowners incurred costs related to road works on 16th Avenue

York Downs Landowners are developing a mixed-use subdivision in the City of Markham. To proceed with development of the lands, the landowners were required to undertake works on 16th Avenue between Yorkton Boulevard and Kennedy Road in advance of the planned Regional reconstruction program. At the time [Council](#) authorized a total DC credit amount of \$8,650,972.

4. Analysis

The Region has a planned road improvement project on 16th Avenue in this location scheduled for construction in 2028

The work that the York Downs Landowners is undertaking will support the Region's 16th Avenue project scheduled for construction in 2028. The work completed by the York Downs Landowners will be used to the greatest extent possible in the ultimate design of 16th Avenue. This ensures the Region will not pay twice for infrastructure in this corridor and minimizes disruption to residents caused by construction. Allowing for completion of these works by York Downs Landowners also minimizes the temporary nature of them and reduces waste.

Due to additional project requirements the York Downs Landowners incurred increased costs associated with the 2022 DC Credit request

There are circumstances where the developer encounters unanticipated site issues and / or requests from the Region to enhance the works to address the site issues. In these cases, the additional works being considered and / or requested are pre-approved by the Region, and then the developer undertakes the works. All works must be completed to the satisfaction of the Commissioner of Public Works and meet Regional requirements and standards.

This intersection experienced both unanticipated site issues and additional road works requested by the Region. As a result, the York Downs Landowners undertook the additional road works. The following factors attributed to the increase in costs of just over \$1 million:

- Aboveground work: Removal of concrete / asphalt, and additional asphalt for road makeup
- Underground work: Demolition of abandoned sewer, removal of earth fill, and extended dewatering required
- Additional costs: New pavement markings, streetlighting, traffic signals, and the relocation of overhead utilities

These works were reviewed and confirmed by staff before York Downs landowner undertook the works.

Development Charge Credit Policy reimburses eligible growth-related costs approved by the Region

The DC Policy provides that the developer is entitled to recover the eligible growth-related cost of the works based on the standard Regional unit rates in the year the works are approved with the understanding that the DC credit amount would reflect these additional costs.

Staff review this request and approve the eligible reimbursement amount, and then the developer proceeds with the works. In accordance with the DC Credit Policy, while staff determine the costs of the works eligible for DC credit, because the total amount of the DC credit payable to the York Downs Landowners for the entirety of the project is greater than \$5 million, Council must approve any increases to the DC credit and authorize its payment, following staff's determination of the eligibility of the cost of the works.

5. Financial Considerations

This report does not present current or anticipated financial changes to the Region's budget or fiscal position.

It is proposed that a total DC Credit of \$9,653,247 be permitted

The Public Works Department has reviewed the request submitted by the York Downs Landowners in accordance with the DC Credit Policy for intersections and road improvements. The Commissioner of Public Works has determined that a total DC credit of \$9,653,247 for the works be permitted, which represents an increase of \$1,002,275. This is to be funded from the Regional Roads DC Reserve and this payment can be accommodated within the 2025 budget.

6. Local Impact

The road works benefit the City of Markham by improving traffic flow and reducing traffic congestion along 16th Avenue and Kennedy Road and the entire Region. These road works also facilitate buildout of other subdivisions in the City of Markham.

7. Conclusion

The DC credit request submitted by York Downs Landowners has been reviewed in accordance with the DC Credit Policy for intersections and road improvements. The additional eligible works result in an increase of \$1,002,275 to the DC credits, previously approved by Council in 2022. As a result, the DC credit for the improvements at 16th Avenue and Kennedy Road in the City of Markham will total \$9,653,247, and the growth component is to be funded from the Regional Roads DC Reserve.

For more information on this report, please contact David Cohen, Director (A), Treasury Office at 1-877-464-9675 ext. 71660. Accessible formats or communication supports are available upon request.

Recommended by:


Laura Mirabella
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Approved for Submission: **Erin Mahoney**
Chief Administrative Officer

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