From: <Clark>, Carol
Date: Wednesday, March 22, 2017 at 1:26 PM
To: Maria Gatzios
Cc: "Raynor, Christopher", "Brown, Lois", "Hughes, Bill", "Rheeder, Sharon", "Jankowski, Paul"
Subject: RE: Council Mtg March 23, 2017 item C.1 DC Background Study & Bylaw

Attached please find a letter submission to Council on this matter, I will be in attendance tomorrow am to speak to it.

Regards, Maria

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## Gatzios Planning + Development Consultants Inc.

March 22, 2017

THE COUNCIL OF THE REGIONAL MUNICIPALITY OF YORK Regional Administrative Centre 17250 Yonge Street Newmarket, Ontario L3Y 6Z1

Attention: Regional Chair Mr. Wayne Emmerson

## Regarding: REVISED DRAFT 2017 DEVELOPMENT CHARGE BACKGROUND STUDY & BYLAW ITEM C.1 ON COUNCIL'S MARCH 23, 2017 AGENDA REPORT No. 1 OF THE COMMISSIONER OF FINANCE

Dear Chairman Emmerson:

I am writing as consultant to Sixteenth Land Holdings Inc., the owner of the former York Downs Golf & Country Club lands in Markham. Planning applications were submitted in October 2016 for the development of this property into a new residential community totalling approximately 2,400 residential units. The City of Markham is currently processing the applications and consulting with the public and agencies.

We have reviewed the various staff reports and studies on the matter of the Region's new DC bylaw, and have serious concerns with the Regional staff's overall approach to funding the capital requirements in the planning period, as outlined below.

## 1. APPROACH TO DC FUNDED PROJECTS

Regional staff are proposing to fund \$3,713 million worth of projects in the proposed new DC, with revenue expected to be generated by an anticipated 136,250 residential units, plus non-residential growth, all in the forecast period of 2016-2031.

Our understanding of staff's overall proposed approach to the new DC project funding is very generally summarized as follows:

Component	DC funded	<b>Contingent Items List</b>	<b>Total Projects Identified</b>
Roads projects:	\$1,983 million	\$1,938 million	\$3,921 million
all other projects:	\$1,730 million	\$25 million	\$1,755 million
Total:	\$3,713 million	\$1,963 million	\$5,676 million

The staff reports indicate that: "A contingent items list is a schedule of proposed capital projects with associated development charge rate increases should certain conditions be met (the trigger event).". As a result, projects on the Contingent Items List are currently not funded, not committed to, and not included in the amount of DC revenue being collected.

The Region's previous DC bylaw had a Contingent Items List totalling \$590 million, consisting of \$25 million for Gormley Water and Wastewater servicing, and \$564 million for various Roads projects.

The current staff proposal is to add \$1,374 million of Roads projects to the Contingent Items List, bringing it to a total of \$1,963 million, of which \$1,938 million, virtually all of it, would be Roads projects.

We note that staff propose the deferral of a significant amount of Roads projects to the Contingent Items List, while no other category of services are being proposed to be deferred to the List. Of the \$3,921 million Roads projects identified as required to support growth, only \$1,983 million are proposed for inclusion in the DC bylaw. The balance, being \$1,938 million of Roads projects are being proposed for deferral to the Contingent Items List, but no other projects in any other category are being deferred.

If the current DC bylaw rates cannot include all of the Region's projects totalling \$5,676 million, there is no planning rationale to defer ONLY Roads projects while including all projects in all other categories.

Many of the Roads projects proposed by staff for the Contingency Items List are included in the Region's Transportation Master Plan, reflected in the Region's and in the City of Markham's growth management work, and contemplated in both Official Plans.

In fact, we point out that the Region's Transportation Master Plan indicates growthrelated costs for Roads as \$5,592 million for 2017-2031, however only \$2,782 million is proposed for inclusion in the DC bylaw.

The Provincial Growth Plan, the Provincial Policy Statement, and the Planning Act all contemplate and provide a policy framework where infrastructure, including Roads infrastructure, are required to be coordinated and integrated with land use planning so that they are available to meet current and projected needs, and in particular, to implement the Growth Plan. The proposed DC approach is contrary to provincial policy, and fundamentally flawed.

In particular, staff are proposing an untenable approach to funding projects, as fully 50% of the identified Roads projects are deferred, while virtually 100% of all other projects are being funded. This creates a peculiar situation whereby growth may be delayed due to the lack of Roads projects being undertaken, however all other

infrastructure and services contemplated to service that growth is included in the DC bylaw, therefore it will all be funded and built. Moreover, the DC rate is calculated based upon an anticipated 136,250 new residential units, the approval of which may be largely dependent upon the Roads projects which the Region will have failed to include in its DC by-law and therefore build in a timely manner.

Further, we point out that political pressure is most acute around the subject of roads and traffic when considering development approvals, and the deferral of 50% of the identified Roads projects will create political challenges around the Region as local municipalities consider approvals for the Region's 136,250 new residential units anticipated in the planning period.

We request that the Region allocate projects to the Contingent Item List in a logical and sustainable manner, consistent with provincial policy, with a reasoned allocation of projects from all categories, instead of only from the Roads category. In addition, we request that the Region consider a further detailed review of the Roads projects in the Contingent Item List to determine which projects should rightly be brought forward into the current DC bylaw in order to support the forecasts of the Growth Plan and the anticipated new residential units during the planning period.

In closing, we urge that the Region reconsider the DC bylaw approach to Roads projects proposed by staff, and we echo the concerns raised in the City of Markham staff report dated March 20, 2017 which we understand was endorsed by Markham Development Services Committee on March 20, 2017.

Sincerely,

Gatzios Planning + Development Consultants Inc.

MI Gates

Maria Gatzios, MCIP RPP

Copy to: Sixteenth Land Holdings Inc. Cassells Brock Stantec City of Markham