

MEMORANDUM

TO: Frank Scarpitti, Mayor of Markham
Members of the Council

FROM: Andy Taylor, Commissioner, Corporate Services
Barb Cribbett, Treasurer

DATE: June 19, 2008

SUBJECT: **Changes to Development Charges By-laws**

On June 9, 2008, General Committee was presented with a staff report entitled "Proposed 2008 Town Wide Hard and Area Specific Development Charges" which was accompanied by the Background Study and included the proposed Town Wide Hard and Area Specific development charges. Following discussions on the town wide benefits provided by local structures/crossing, General Committee was provided with another report, "Development Charge Additional Update" tabled on June 16th, 2008 indicating the proposed Town Wide Hard charge before and after the inclusion of structures/crossings.

Changes to the Background Study

Below are the changes that have been made to the capital program and development charge calculation subsequent to the preparation of the Background Study:

- 1) Removal of the Markham Centre Study for \$336,000 from the Town Wide Hard to Area 42B – Markham Centre
- 2) Reduction in the financing costs – 5.75% for borrowing costs (from 6.50%) and 4.00% for investment returns (from 4.50%)
- 3) Inclusion of the portion of costs for local structures/crossings that provide a town wide benefit
- 4) Reallocation of some structure costs (404 crossings/ramps) to post period benefit to accommodate the increase in costs for Rodick Road – no effect on charges
- 5) No area specific charge for area 43 as the Greensborough Landowners Group will allocate the ASDC costs internally. This is based on a request from SCS Consulting Group acting on their behalf
- 6) No area specific charge for area 47A – Angus Glen – based on the confirmation of the landowner.

Some of these changes have had the effect of altering the rates originally shown in the background study for May 2008.

Town Wide Hard

The Town Wide Hard by-laws will be passed by a two step process which entails, (1) approving the main by-law *without* the addition of local structures/crossings and (2) approving an amendment to the first TWH by-law *with* the inclusion of the local

structures/crossings. The revised TWH development charges to be approved by Council are shown in the tables below.

Table 1 - Town Wide Hard By-law (Main)

Unit Type	Proposed 2008 Development Charge (Before Local Bridges)
<u>Residential</u>	<u>\$/ Per Unit</u>
Singles and Semis	7,956
Multiple Unit Dwelling (Townhouses)	6,260
Apartments - Large (> 750 sq. ft.)	4,923
Apartments - Small (= or < 750 sq. ft.)	2,958
<u>Non-Residential</u>	<u>\$/ Per Ha</u>
Industrial/ Office/ Retail	166,698

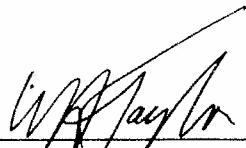
Table 2 - Town Wide Hard Amending By-law


Unit Type	Proposed 2008 Development Charge (After Local Bridges)
<u>Residential</u>	<u>\$/ Per Unit</u>
Singles and Semis	8,042
Multiple Unit Dwelling (Townhouses)	6,328
Apartments - Large (> 750 sq. ft.)	4,976
Apartments - Small (= or < 750 sq. ft.)	2,990
<u>Non-Residential</u>	<u>\$/ Per Ha</u>
Industrial/ Office/ Retail	168,515

Area Specific

The inclusion of the \$336,000 in Area 42B results in an increase of \$2,896 per/ha in the area specific charge which will be paid by all developers within Markham Centre.

Area	Charge as per Background Study	Amended Charge after inclusion of Study	Variance After inclusion of Study	Variance After inclusion of Study
	<u>\$/ Per Ha</u>	<u>\$/ Per Ha</u>	<u>\$/ Per Ha</u>	<u>%</u>
Area 42B - Markham Centre	45,474	48,370	2,896	6%


 Andy Taylor
 Commissioner, Corporate Services


 for Barb Cribbett
 Treasurer