

Servicing Allocation Update

May 15, 2012

Development Services Committee

Part “A”

Purpose of Presentation

Background

Update of Current Allocation

Regional Background and Protocols

Proposed Re-distribution of Current Allocation

Proposed Distribution of 2015 Allocation

Next Steps

Background

- Servicing Allocation is required to ensure development is phased with Regional infrastructure construction (water and sanitary sewage, treatment and delivery)
- Town has been distributing servicing allocation since 1996, and on a yearly basis for the past 6 years
- Allocation is only required for residential development and is distributed by population {units are calculated using a persons per unit (ppu) ratio by unit type}
- Distribution is by ranking system and Council approved criteria
- Council has adopted a “Use it or Lose it” policy
- Includes a LEED benefit for high density developments and SHIP program for low density to promote efficiency and sustainability

Background (Continued)

- **Council approved report in January 2011**
 - Endorsed Regional conditions for distribution of 2013 allocation
 - Assigned 2013 allocation to developments with conditions
 - Approved in Principle the exchange of existing high density to low density based on construction timelines
 - Endorsed SHIP program for low density developments
- **Additional Report Approved in October 2011**
 - Authorized partial distribution of exchanged allocation to low density developments of (51.9% of 2013 allocation distributed to low density developments authorized by Region at the time)
- **In January 2012, received regional release for building permits of 2013 high density allocation permitting remaining 48.1% of the 2013 low density developments to proceed to BP**
 - Therefore all 2013 allocation, both high and low density can proceed to Building Permits with no restrictions

Servicing Allocation Update

Changes Since Last Distribution of Allocation

Table 1: Changes to Current Distribution (Combined Real, 2011 and 2013)

Description	Project	Map #	Unit Types				Totals		Population Balance
			Singles	Semis	Towns	Apts	Units	Pop	
			3.7	3.02	2.82	2.27			
Reserve									5.4
Revised Developments	Lassater Dev	B2			26.0		26.0	73.3	78.7
	B. McGregor Devs Ltd.	B12	13.0				13.0	48.1	126.8
	H and R Dev (School Site)	B3	(13.5)				(13.5)	(50.0)	76.9
	Vetmar	Q1	86.0	(114.0)	13.0	15.0	-	44.6	121.5
	Kennedy Rd/14th Ave	P5				54.0	54.0	122.6	244.1
	1297482 Ont (Alan Lai)	P26	1.0				1.0	3.7	247.8
	Delpark homes, 2 Havelock Gate	P36			3.0		3.0	8.5	256.2
Transfer	Forest Bay	I7				74.7	74.7	169.6	425.8
	West Village Fairtree	N3		(30.0)	(28.0)		(58.0)	(169.6)	256.2
Reconciliation	Wismer Commons Trustee		(17.2)				(17.2)	(63.6)	192.6

Regional Infrastructure

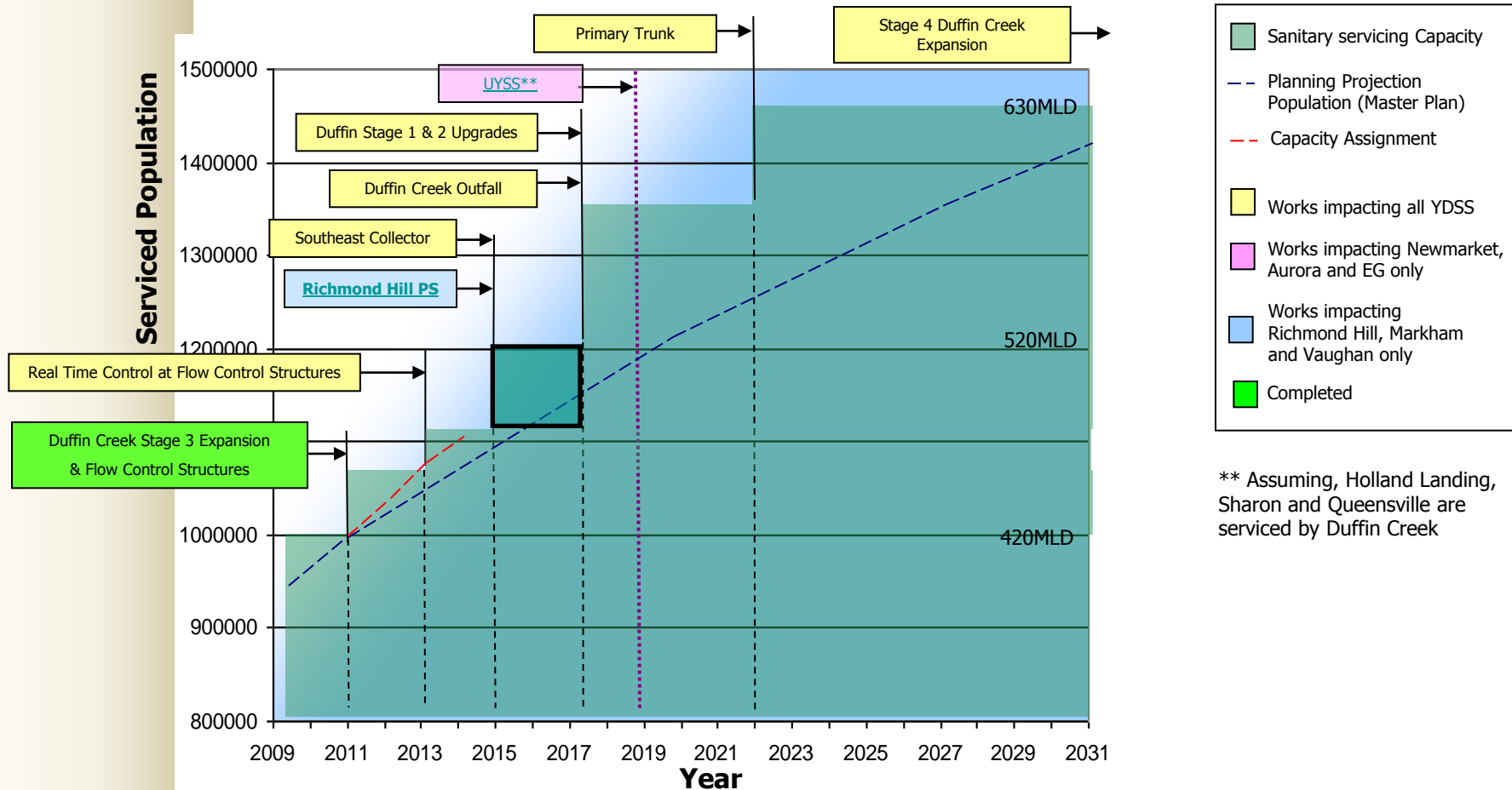
Regional infrastructure completed to date:

- Interim YDSS flow control structure (Jan. 2010)
- Doubling of Duffin Creek Water Pollution Control Plant (WPCP) (Jan. 2011)

Regional infrastructure still outstanding:

- Real time control at Flow Control Structures, expected January 1, 2013
- South East Collector sanitary trunk sewer, expected completion, January 1, 2015

Key Infrastructure Capacity Triggers YDSS Serviced Area**



** Assuming, Holland Landing, Sharon and Queensville are serviced by Duffin Creek

Post-2013 YDSS Capacity is Contingent on completing Southeast Collector sewer

Regional Linkage Between Infrastructure and Growth

- The Region's ability to fund their 10-year water and wastewater capital plan of over \$3.6 Billion depends on collection of Region-wide development charge revenues collected at Building Permit Stage.
- Currently there is an over supply of assigned allocated units versus 5-year actual growth, Region wide
- Assigned units are not moving through the system to Building Permits in line with the amount of spending required for the capital projects
- Therefore some local municipalities will not be receiving additional allocation at this time

Principles for Regional Distribution of 2015 Allocation (April Report)

- To ensure actual growth catches up with assigned allocation, Region is proposing to provide 4-year supply of assigned allocation based on last 5-year building activity
- Continue to collaborate with local municipalities to achieve 10% water efficiency and inflow and infiltration reduction
- Monitor growth rates to ensure the capacity is in “the right place at the right time” and encourage a two-year “use it or re-distribute it” approach
- Report back in 2013 on building activity from each municipality to ensure they have a 4-year supply of assigned units
- Due to construction timelines, high density developments can proceed to building permit between 18 and 36 months of infrastructure completion (subject to Regional release). As SEC is projected to be complete by Jan. 1, 2015, we are currently within this time frame, permitting some high density developments to proceed with 2015 allocation subject to Region release.

Markham's Situation

- Region has determined Markham's 5-year growth rate is 8,201 population and our current allocation that has been assigned but not built is 24,603 (roughly a 3-year supply)
- Region is assigning 8,200 population of 2015 allocation to bring us up to a full 4-year supply of growth
- To ensure Markham continues to receive allocation from the Region, we must ensure the developments we assign allocation to will receive a building permit within a reasonable time frame (i.e. "use it or lose it")
- Active low density developments in existing urban boundary are nearing completion. High density developments have a minimum 18 months construction period permitting release of 2015 allocation by July 1, 2013 or sooner (18 months before SEC is completed), subject to Region release.

Town's Protocol for Distribution

Town's Previous Protocol

- Based on criteria and ranking adopted by Council in Dec. 2002 (i.e. transportation infrastructure delivery, implementation of Markham Centre, good urban design, transit supportive, etc.)
- Augmented by additional considerations outlined in Feb. 2005 report (i.e. “filling in the holes”, ready to proceed, LEED, sustainability, SHIP, etc.)

Revised Protocol Based on Region Requirement

- Considering previous protocol, redistribute current allocation to developments that we predict will receive building permits within a year
- Only assign allocation to high density developments if building permit is expected before July 1, 2013. Re-distribute remaining current allocation to trustee of areas with low density developments that are ready and awaiting allocation.
- Where high density current allocation is being re-distributed, replace it with 2015 conditional allocation for legitimate developments
- For low density developments that expect to acquire permit after July 1, 2013, Town can review further the future transfer of high density allocation to low density upon release from Region
- As Town is focusing on developments that will acquire permit by July 1 2013, there is an expectation we will receive additional 2015 allocation from the Region at the next round of distribution
- Town retain a reserve of current and 2015 allocation for developments that advance to Council approval/endorsement in future

Table 2: Proposed Re-Distribution of Current Allocation				
Development Area	Proposed Re-distribution		Total Current Allocation After Changes (Not Including LEED or Bonus)	
	Units	Pop	Units	Pop
Angus Glen/Deacon	(115.2)	(324.9)	688.0	2,286.7
Berczy	-	-	1,437.0	4,605.5
Box Grove	-	-	2,280.5	8,093.2
Cathedral	(325.9)	(838.2)	3,100.5	9,866.8
404 North	(65.0)	(147.6)	201.0	616.0
Cornell	(40.0)	767.2	5,186.5	17,333.4
Greensborough	20.0	74.0	2,052.4	6,918.3
Leitchcroft	-	-	1,013.0	2,357.3
Markham Centre	(264.0)	(599.3)	4,899.0	11,301.7
Markham Road South	-	-	336.0	859.5
Highway 48	-	-	163.0	370.0
Milliken Main Street	(451.1)	(1,118.6)	665.0	1,595.9
OPA 15	(133.0)	(301.9)	585.7	1,423.3
South Unionville	-	-	750.2	2,296.9
Swan Lake	-	-	635.0	1,787.1
Villages of Fairtree	-	-	749.6	2,417.7
Wismer Commons	467.5	1,447.3	4,018.6	13,205.8
Infill	55.0	119.9	1,714.0	4,452.7
Total	(851.7)	(922.0)	30,475.0	91,787.6
Permitted				92,903.0
Remaining Reserve of Current Allocation				1,115.4

	Proposed Distribution of 2015 Allocation		Total Allocation Distributed (Without LEED, Regional Benefit)		Leed, Regional Benefit (does not require allocation)		Remaining Active Units Requiring Allocation	
Development Area	Units	Pop	Units	Pop	Units	Pop	Units	Pop
Angus Glen/Deacon	-	-	688.0	2,286.7	61.0	138.5	-	-
Berczy	-	-	1,437.0	4,605.5	*552.3	1,923.5	1,168.2	3,781.6
Box Grove	-	-	2,280.5	8,093.2	-	-	36.0	133.2
Cathedral	370.0	839.9	3,470.5	10,706.7	65.0	147.6	34.0	175.6
404 North	65.0	147.6	266.0	763.6	-	-	159.0	448.4
Cornell	490.0	1,112.3	5,676.5	18,445.7	53.0	120.3	669.5	1,429.5
Greensborough	-	-	2,052.4	6,918.3	-	-	1.6	(4.7)
Leitchcroft	-	-	1,013.0	2,357.3	297.0	674.2	-	-
Markham Centre	264.0	599.3	5,163.0	11,901.0	784.0	1,779.7	4,123.0	9,359.2
Markham Road South	-	-	336.0	859.5	37.0	84.0	131.5	298.5
Highway 48	-	-	163.0	370.0	178.0	404.1	359.0	814.9
Milliken Main Street	125.0	292.6	790.0	1,888.5	-	-	82.0	187.6
OPA 15	133.0	301.9	718.7	1,725.2	380.0	862.6	60.0	136.2
South Unionville	-	-	750.2	2,296.9	89.0	202.0	(39.2)	(171.9)
Swan Lake	-	-	635.0	1,787.1	-	-	-	-
Villages of Fairtree	-	-	749.6	2,417.7	-	-	973.4	2,591.6
Wismer Commons	-	-	4,018.6	13,205.8	306.0	694.6	375.9	772.9
Infill	-	-	1,714.0	4,452.7	489.0	1,110.0	816.0	1,930.2
Total	1,447.0	3,293.5	31,922.0	95,081.1	3,291.3	8,141.0	8,949.9	21,882.9
Permitted		8,200.0		101,103.0				
Remaining Reserve		4,906.5		6,021.9				

- Includes Regional allocation benefit for I/I program for Upper Unionville

Summary of Development Areas After Re-distribution of Current Allocation and Distribution of 2015 Allocation

- Current allocation is available to the following high density developments that we expect to receive a building permit by July 1, 2013:
 - Angus Glen, Berczy Village, Cathedral, Markham Centre, Markham Road South, Highway 48, OPA 15, Swan Lake, Wismer Commons and Liberty (World on Yonge)
- Remaining current allocation has been made available to the Trustee of development areas to complete or continue development of their area.
- Set aside a reserve (1,115.4 people, equivalent to 301 singles) of current allocation to distribute to developments that may proceed to a building permit. Additional low density allocation may be obtained after July 1, 2013 by transferring from high density.
- Distributed 2015 allocation to those developments we used for re-distribution, retaining a reserve of 4,906.5 people for those developments that may proceed to endorsement or approval.

Conclusion

- Markham is one of a few York Region Municipalities receiving additional allocation based on performance
- Markham can satisfy immediate needs for those developments, both high and low density, moving through the system to a building permit before July 1, 2013
- Markham is well positioned to receive additional 2015 allocation from the Region in the next round (early next year) as our 4-year supply of assigned units will need to be re-established
- Have retained a reserve of current allocation and of 2015 allocation for development needs as plans are endorsed and approved by Council
- With this reserve, and expectation of additional allocation in Spring 2013, restrictions to developments caused by allocation will be diminished.
- Limited supply of ground related development remaining in existing urban boundary. ROPA 3, new Markham Official Plan and Secondary Plans are to address this supply

Next Steps

- Provide presentation to Developer's round table group on Thursday May 24 seeking feedback
- Report back to Committee with report in June
- Continue to monitor developments progressing to Building Permits
- "Use it or Lose it" principle needs to continue to apply to ensure proper use of allocation
- Detailed Tables and District Maps are available for distribution upon request