

TOWN OF NEWMARKET COUNCIL - EXTRACT - TUESDAY, NOVEMBER 12, 2013

	REF'D TO	COPY TO		REF'D TO	COPY TO
Mayor Tony Van Bynen			Development & Infrastructure Services, Commissioner of		
Reg. Councillor Taylor			Community Services, Commissioner of		
Councillor Vegh			Corporate Services, Commissioner of		
Councillor Kerwin			Planning & Building Services, Dir. of		
Councillor Twinney			Recreation & Culture, Dir. of		
Councillor Hempen			Human Resources, Dir. of		
Councillor Sponga			Engineering Services Dir. of		
Councillor Di Muccio			Public Works Services, Dir. of		
Councillor Emanuel			Financial Services, Dir. of		
			Legal Services, Dir. of		
CAO			Legislative Services, Dir. of		
OTHER:			Corporate Communications, Dir. of		
			Chief Building Official		
PENDING AGENDAS: COW			Economic Development Officer		
COUNCIL			Information Technology, Dir. of		
JCC			Fire Chief		
			Purchasing Manager		
Letter: File:			ORIGINAL REPORT IN DEPARTMENT BINDER	√	

29. Joint Development and Infrastructure Services - Planning and Building Services and Corporate Services - Financial Services Report 2013-41 dated October 15, 2013 regarding Development Charges for Stacked Townhouses.

29.1 THAT Joint Development and Infrastructure Services - Planning and Building Services and Corporate Services - Financial Services Report 2013-41 dated October 15, 2013 regarding Development Charges for Stacked Townhouses be received and the following recommendations, as amended, be adopted:

- a) THAT Committee maintain the current policies and practices regarding the calculation and collection of Development Charges as it relates to the proposed development at 487 Queen Street;
- b) AND THAT the matter of calculation of Development Charges with respect to stacked townhouses be referred to a Development Charges review;
- c) AND THAT Mr. Brent Fleming, Brixton Commercial Realty Advisors Ltd., Brokerage, 1200 Sheppard Avenue East, Suite 507, Toronto, ON M2K 2S5 be notified of these actions.



DEVELOPMENT & INFRASTRUCTURE SERVICES/PLANNING & BUILDING SERVICES
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October 15, 2013

JOINT DEVELOPMENT & INFRASTRUCTURE SERVICES/PLANNING & BUILDING SERVICES AND CORPORATE SERVICES/FINANCIAL SERVICES REPORT 2013-41

TO: Committee of the Whole

SUBJECT: Development Charges for Stacked Townhouses – 487 Queen Street

ORIGIN: May 21, 2013 Committee of the Whole Meeting

RECOMMENDATIONS

THAT Joint Development & Infrastructure Services/Planning & Building Services and Corporate Services/Financial Services Report 2013-41 dated October 15, 2013 regarding Development Charges for Stacked Townhouses be received and the following recommendation(s) be adopted:

- 1. THAT Committee maintain the current policies and practices regarding the calculation and collection of Development Charges as it relates to the proposed development at 487 Queen Street.**
- 2. AND THAT Mr. Brent Fleming, Brixton Commercial Realty Advisors Ltd., Brokerage, 1200 Sheppard Ave. East, Suite 507, Toronto, Ontario, M2K 2S5 be notified of these actions.**

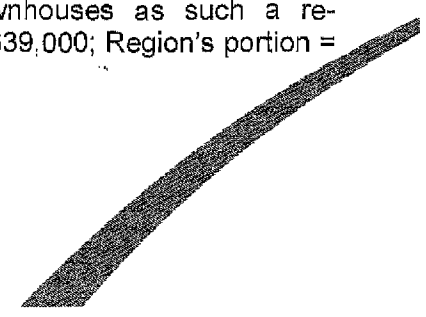
COMMENTS

Background

As Committee is aware staff has been processing a proposed 16-unit stacked townhouse development application at 487 Queen Street. Staff has been working with the applicant to resolve outstanding matters and a companion report to this report recommending approval of the application is also on the November 4th Committee of the Whole agenda.

One of outstanding matters still to be addressed revolves around the calculation of Development Charges (DCs) for this development and, in particular, whether the development should be classified as an apartment building or as a multiple-unit building (e.g. townhouse, stacked townhouse, row house) for DC purposes.

The applicant has asked that the Town consider the proposed development at 487 Queen Street be categorized for DC purposes as apartments rather than as stacked townhouses as such a re-categorization would save approximately \$204,000 in DC's (Town's portion = ±\$39,000; Region's portion = ±\$165,000).



In response to this request, at its May 21, 2013 meeting Committee adopted the following recommendation:

“THAT the PowerPoint presentation by Mr. Brent Fleming on behalf of Brixton Commercial Realty Advisors regarding the property known as 487 Queen Street be received;

AND THAT the concerns expressed by Mr. Fleming in his presentation with respect to re-development of the property known as 487 Queen Street be referred to staff to explore options and implications associated with his request for reduction of fees, as well as report back on available options regarding rental properties.”

DISCUSSION

1. Development Charge Request

Staff has reviewed the request and also consulted with York Region staff and we provide the following information for Committee's consideration:

York Region

York Region charges \$35,369 per multiple unit dwelling, which is defined in their 2012 bylaw as:

“multiple unit dwellings” includes townhouses, stacked and back-to-back townhouses, mobile homes, group homes and all other residential uses that are not included in the definition of “apartment building”, “small apartment”, “large apartment”, “single detached dwelling” or “semi-detached dwelling”;

York Region defines stacked townhouses as a construction separate from apartments as follows:

“stacked townhouse” means a building, other than a plex, townhouse or apartment building, containing at least 3 dwelling units, each dwelling unit being separated from the other vertically and/or horizontally and each dwelling unit having an entrance to grade shared with no more than 3 other units;

The Region revised its 2012 DC's to categorize apartments based upon floor space and not number of bedrooms, with a charge of \$17,001 for units that are less than 700 square feet, and \$25,049 for units with a floor space over 700 square feet.

The developer's presentation shows the stacked townhouses as being 1,000 square feet each. The difference in DC's between a multiple unit dwelling and a 1,000 square foot apartment is \$10,320, or \$165,120 for 16 units.

Town of Newmarket

The Town of Newmarket charges \$10,584.09 for a multiple unit dwelling, \$4,981.44 for a one-bedroom apartment and \$8,135.49 for an apartment with more than one bedroom. For this development, the difference between considering it as “multi-unit dwellings” and “apartments with more than one bedroom” would be \$39,177.60.

The Town's 2009 DC by-law has different definitions than the Region's and does not define stacked townhouses but rather refers to "multiple dwellings". When the Town renews its DC By-law in 2014, consideration could be given to aligning our definitions with those of the Region. Currently, however, multiple dwellings are defined as:

"multiple dwellings" mean all dwellings other than single-detached, semi-detached and apartment house dwellings;

The Town's DC by-law defines Apartments as follows:

"apartment units" mean any residential dwelling unit within a building containing three or more dwelling units where access to each residential unit is obtained through a common entrance or entrances from the street level and the residential units are connected by an interior corridor;

York Region District School Board

The York Region District School Board charges all residential development the same DC's - \$2,020 per unit regardless of type.

Recommendation

York Region has advised that they have not agreed to the apartment rate for this site in its current configuration, but have suggested that if the structure was modified to reflect the intent/definition of an apartment as defined in the York Region DC Bylaw, they could consider it at that point. Town staff has also reviewed the request against the definitions in our DC by-law and zoning by-law and has determined that the proposed development in its current form does not meet the definition of apartments. As such, it is staff's recommendation that the DCs be calculated for this development as a multi-unit dwelling, and that the current policies and practices regarding the calculation and collection of Development Charges remain as they are. As noted above, when the Town renews its DC By-law in 2014, consideration could be given to aligning our definitions with those of the Region.

Impact on Future Capital Program

When the Town sets its Development Charges, it determines the amount of growth-related capital expenditures that will be required to support the projected growth, and then it allocates this amount to the anticipated population growth. Each type of construction has an average person per unit, ranging from just over 1 person per unit for apartments, to over 3 persons per unit for detached houses.

Development Charges are pre-payments for future capital expenditures. If the amounts are reduced, then there will be a funding shortfall which will need to be addressed by other methods.

2. Tools for Purpose-Built Rental Housing

Staff is currently reviewing a number of incentive options and will be reporting back to Committee at an upcoming meeting with recommended tools to encourage rental and affordable rental housing.

Approaches under consideration include:

- Update the "Tools for Intensification Policy for Deferral of Payment of Development Charges and Planning Application Fees" to include purpose-built rental housing and purpose-built affordable rental housing Town-wide
- Amend the Servicing Allocation policy to include purpose-built rental and affordable rental housing as a special merit item
- Cash-in-lieu of parkland deferral
- Apply a portion of the trail contribution to the cash-in-lieu of parkland dedication

BUSINESS PLAN AND STRATEGIC PLAN LINKAGES

This report links to Newmarket's key strategic directions in being Well Managed through fiscal responsibility.

CONSULTATION

Feedback and research was provided by Hemson Consulting, who prepared the Town's 2009 Development Charges Study and who will also be completing the 2014 Study. Planning staff also consulted with Regional staff as it relates to the development concept at 487 Queen Street from a DC perspective.

HUMAN RESOURCE CONSIDERATIONS

Not applicable to this report.

BUDGET IMPACT

Operating Budget (Current and Future)

This report has no direct impact on the Operating Budget.

Capital Budget

Should Council decide to honour this request, there would be a shortfall of funding for future growth-related capital projects. The capital program would either have to be reduced or funding found from another source.

In addition to the \$39, 177.60 in DC's for this project, there is the potential for reduction in charges to other similar projects that this could set a precedent for.

CONTACT

For more information on this report, contact: Rick Nethery at 905-953-5300 ext. 2451 or via email at rnethery@newmarket.ca, or contact Mike Mayes at 905-953-5300, ext. 2102 or via e-mail at mmayes@newmarket.ca.




Director, Financial Services / Treasurer



Assistant Director of Planning



Director, Planning & Building Services



for Commissioner, Corporate Services



Commissioner, Development & Infrastructure Services