



**DEVELOPMENT & INFRASTRUCTURE SERVICES/PLANNING & BUILDING SERVICES**

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February 22, 2016

**DEVELOPMENT AND INFRASTRUCTURE SERVICES – PLANNING & BUILDING SERVICES REPORT 2016-05**

TO: Committee of the Whole

SUBJECT: Development Charge Credits and Tri-Party Agreements

ORIGIN: Development & Infrastructure Services – Planning & Building Services

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**RECOMMENDATIONS**

**THAT Development and Infrastructure Services – Planning & Building Services Report 2016-05 regarding development charge credits and tri-party agreements be received and the following recommendation(s) be adopted:**

**THAT the position taken by staff relative to mutually-beneficial Tri-Party Agreements in the floodplain be approved as it relates to Development Charges.**

**COMMENTS**

**Background and Purpose**

As opportunities arise within the floodplain, the Town and Lake Simcoe Region Conservation Authority (LSRCA) will enter into tri-party agreements with landowners, the result of which is mutually-beneficial outcomes for all three parties, including improvements to the floodplain, the achievement of Town goals and/or Council strategic priorities, and the preservation of future development opportunities for the landowner within a defined timeframe.

The purpose of this report is to seek Council's confirmation of staff's position that, where a mutually-beneficial tri-party agreement as outlined above has been entered into, the Development Charge (DC) credits related to the demolition of buildings will terminate at the end of the time period established within the tri-party agreement, as opposed to the current 60 month (5 year) time limit established in the DC by-law. This approach recognizes that through the tri-party agreement the buildings, in a sense, continue to exist through the legal preservation of the footprint.

### **To-date the Town and LSRCA have entered into two tri-party agreements with landowners in the floodplain.**

Currently the Town and LSRCA have entered into two mutually-beneficial tri-party agreements, one with the property owner of 514 Davis Drive, and one with the owners of the Tannery and 17 and 27 Main Street North.

#### *Tannery/17 & 27 Main Street North*

The agreement with the Tannery (2012) relates to the demolition of the former freezer building, as well as the demolition of the buildings at 17 and 27 Main Street North, and preserves the building footprint for redevelopment for a period of 10 years. As part of this agreement, the Town was able to secure land for the completion of the Holland River Trail on the west side of the river from the previous trail terminus to the north limit of the Tannery property.

#### *514 Davis Drive*

As a result of the extent of the land-taking requirements associated with the vivaNext rapidway, in 2011 the owner of 514 Davis Drive entered into discussions with the Town, Region, and the Lake Simcoe Region Conservation Authority (LSRCA) that would see the entire building be demolished, as opposed to only the portion of the building that was required to be removed to accommodate the rapidway.

These discussions ultimately led to the tri-party agreement between the Town, LSRCA, and the property owner that resulted in the demolition of the building and allowed for, among other things, the preservation of the building footprint for the term of the Agreement, being 10 years, to accommodate the future redevelopment on the site. Council will also recall that as part of this Agreement the Owner conveyed a 30 metre strip of land to the Town adjacent to the Holland River to accommodate the extension of the Tom Taylor Trail.

### **The DC credit extension would better align with the redevelopment terms as set out in the Tri-Party Agreements**

It is staff's position that the DC credit timeframe should align with the terms of the tri-party agreements as it relates to the redevelopment of the site. Aligning the dates recognizes that the buildings still "virtually" exist and the mutual benefits of these tri-party agreements in the flood plain, while also encouraging development to take place in a reasonable timeframe. In this regard, staff notes that the owner of 514 Davis Drive has held a pre-consultation meeting to discuss the proposed redevelopment of the site for offices and ground floor retail, and a formal application is expected in the near future.

**The redevelopment of these properties supports the goals of the Town, Region, and Province.**

The properties are located within the Davis Drive Character Area and are designated Mixed Use in the Urban Centres Secondary Plan, which is planned to accommodate a range of land uses. The properties are also within the Newmarket GO Rail Mobility Hub planning area and, as such, are strategically located for redevelopment and intensification in accordance with Town, Regional, and Provincial policies.

**The Region and Town are jointly interested in attracting office development to the centres and corridors.**

A key component to the Region's Economic and Development Action Plan is an office attraction campaign for the Regional Centres and Corridors. Similarly, the Town is in the early stages of its "Marketing Davis Drive" initiative, a targeted marketing program to advance the re-development of Davis Drive properties. The alignment of the DC credit with the terms of the tri-party agreements supports both of these initiatives by encouraging development to take place in a reasonable timeframe, and could be applied in the future to the redevelopment of other properties in the flood plain where similar circumstances exist, and where a mutually-beneficial tri-party agreement is entered into, as an incentive to develop.

**The Regional Development Charges By-law establishes a 48 month (4 year) DC credit for redevelopment.**

The Region's DC by-law also contemplates a DC credit related to the re-development of properties, however it establishes a 4 year limit, compared to the Town's 5 year limit. Should Council confirm staff's position as set out in this report, we would then approach Regional staff to achieve a similar approach.

**BUSINESS PLAN AND STRATEGIC PLAN LINKAGES**

The recommendations of this report support the following branches of the Town's Strategic Plan:

*Well-balanced:* encouraging a sense of community through an appropriate mix of land uses and amenities.

*Well-equipped and managed:* implementing policy and processes that reflect sound and accountable governance.

*Well-planned and connected:* long-term strategy matched with a short-term action plan.

## **CONSULTATION**

The Finance Department was consulted in the preparation of this report.

## **HUMAN RESOURCE CONSIDERATIONS**

Not applicable to this report.

## **BUDGET IMPACT**

### Operating Budget (Current and Future)

Based on the recommendation provided in this report, there would be no impact to the Operating Budget.

### Capital Budget

The Town will receive the normal and usual development charges (less the allowable reduction related to the demolition of former buildings) and assessment revenue should properties that are subject to tri-party agreements redevelop within the agreed-upon terms.

## **CONTACT**

For more information on this report, contact J. Unger, Assistant Director of Planning at 905 953-5300 or at [junger@newmarket.ca](mailto:junger@newmarket.ca).

  
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