



Town of Newmarket
395 Mulock Drive P.O. Box 328,
Newmarket, Ontario, L3Y 4X7

Email: info@newmarket.ca | Website: newmarket.ca | Phone: 905-895-5193

2023 Annual Servicing Allocation Review Staff Report to Council

Report Number: 2023-23

Department(s): Planning and Building Services

Author(s): Phoebe Chow, Senior Planner – Policy

Meeting Date: April 17, 2023

Recommendations

1. That the report entitled 2023 Annual Servicing Allocation Review dated April 17, 2023 be received; and,
2. That Council reinstate servicing allocation to developments in Attachment 1 to this staff report; and,
3. That Council commit servicing allocation to developments as outlined in Table 1 of this staff report; and,
4. That the Town's remaining servicing capacity (the Town Servicing Allocation Reserve) of 2654 persons be maintained for future development, of which, 50 persons is to be held in the Small Developments Reserve; and,
5. That Council authorize Staff to commit 132 persons of servicing allocation to 43 Lundy's Lane, 592 Watson Avenue, and 40, 36, 32 Bolton Avenue upon the execution of the Site Plan Agreement; and,
6. That Council authorize Staff to commit servicing capacity to new residential developments that do not require a Zoning By-law Amendment and contain no more than 10 residential units through the Small Developments Reserve; and,
7. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Executive Summary

The 2023 Town Servicing Allocation Reserve opening balance was 3056 persons, of which, 17 persons were held in the Small Development Reserve (formerly known as the Severance Reserve). The Severance Reserve is renamed to Small Developments Reserve because the allocation capacity set aside in this Reserve will not only be used towards new residential lots that are created through consents, but it will also be used towards new developments that involve no more than 10 residential units due to recent Planning Act changes through the More Homes Built Faster Act (Bill 23).

In this report, staff are recommending that Council reinstate servicing allocation to all previously committed development applications, but consider adding the following conditions to 281 Main Street North and Landmark Estate Phase 5 (see Attachment 1 for details):

- 281 Main Street North Phases 1 and 2 – that the owner must register the draft Plan of Subdivision and execute the Site Plan Agreement by November 3, 2023. If the Plan of Subdivision is not registered and the Site Plan Agreement is not executed by the November deadline, staff recommend that Council rescind the committed servicing allocation of 40 persons from 281 Main Street North in the 2023 year-end servicing allocation review.
- Landmark Estate Phase 5 – that the owner must register the 18 units by November 3, 2023. If the 18 units are not registered by the November deadline, staff recommend that Council rescind the committed servicing allocation of 52 persons from Landmark Estate in the 2023 year-end servicing allocation review.

Upon review of all servicing allocation requests against the [Town's Servicing Allocation Policy](#), staff recommend that Council commit an additional 619 persons of servicing allocation to the following two developments:

- Marianneville Developments Limited (Glenway West) – 557 persons
- 1015, 1025, 1029 Davis Drive, and 22 Hamilton – 62 persons

In addition to the above, staff also recommend that Council authorize staff to commit 132 persons of servicing allocation to 43 Lundy's Lane, 592 Watson Avenue, and 40, 36, 32 Bolton Avenue upon the execution of the Site Plan Agreement in accordance with the Ontario Land Tribunal Minutes of Settlement.

Should Council adopt the recommendations contained in this report, the 2023 Town Servicing Allocation Reserve balance would be 2654 persons, of which, 50 persons would be held in the Small Developments Reserve.

It is anticipated that the Town will receive an additional 500 persons of servicing capacity from York Region later this year. It is also expected that Marianneville and Shining Hill will continue to work on their Inflow and Infiltration (I&I) Reduction Program

repayments. Considering the amount of current development applications pending approvals, future capacity to be assigned by York Region, and outstanding I&I Reduction repayments to be received, staff estimate the Town Servicing Allocation Reserve will have sufficient supply for close to five years based on historical growth rate.

Purpose

The purpose of this report is twofold: 1) to provide Council with recommendations for distribution of servicing capacity to development applications that have a residential component, and 2) to provide Council with a general update on the Town's current servicing capacity status.

Background

Planning staff review servicing allocation requests and make recommendations to Council annually. Each application is reviewed based on its status in the planning approval process and staff's assessment of each application against the [Town's Servicing Allocation Policy](#), including consideration of completion of communities.

Council received the last annual servicing allocation report titled [2022 Annual Servicing Allocation Review](#) (2022 Annual Report) on May 9, 2022, and subsequently received the [2022 Year-End Servicing Allocation Review](#) report on December 5, 2022.

This report provides Council with staff's recommendations on the 2023 servicing allocation distribution as well as an update on the Town's Servicing Allocation Reserve balance.

Discussion

As part of the annual servicing allocation review, all complete residential development applications have been categorized into the following three subsections:

1. Previously committed servicing allocation;
2. New requests for servicing allocation, and
3. Not recommended for servicing allocation.

Previously Committed Servicing Allocation

Council had previously committed a total of 2339 persons of servicing allocation to the following developments:

- Kerbel Group Inc. (17365 and 17369 Yonge Street);
- Redwood Properties Phases 1 and 2 (17645 Yonge Street);
- 49, 55 and 59 Charles Street, 52 Prospect Street;
- 201 Davis Drive;

- 281 Main Street North Phases 1 and 2;
- 172-178 Old Main Street;
- Sundial Phase 3B;
- Landmark Estate Phase 5 (partial allocation only);
- Blackthorn (western terminus of Silken Laumann Drive, west of hydro corridor);
- 674 Gorham Street, and
- 680 Gorham Street.

Staff have reviewed the status of the above noted applications and recommend that Council reinstate 2339 persons of servicing allocation to all of the above noted applications and consider adding conditions to developments at 281 Main Street North and Landmark Estate Phase 5.

281 Main Street North was zoned and draft approved in 2016. Phase 1 has had servicing allocation since 2019, while Phase 2 received zoning approval in 2021 and got allocation in 2022; however, the applicant has not yet proceeded to the registration of the draft Plan of Subdivision. Similarly, Landmark Estate Phase 5 was expected to be registered in 2017. Council rescinded servicing allocation for all 34 units (98 persons) from the applicant in 2020 and committed partial allocation to 18 units (52 persons) in 2022. To-date, the applicant has not yet registered Phase 5 or portion thereof. As such, staff recommend that Council consider reinstating servicing allocation to the above-mentioned developments with the following conditions:

- 281 Main Street North Phases 1 and 2 – that the owner must **register the draft Plan of Subdivision and execute the Site Plan Agreement by November 3, 2023**. If the Plan of Subdivision is not registered and the Site Plan Agreement is not executed by the November deadline, staff recommend Council rescind the committed servicing allocation of 40 persons from 281 Main Street North in the 2023 year-end servicing allocation review.
- Landmark Estate Phase 5 – that the owner must **register the 18 units by November 3, 2023**. If the 18 units are not registered by the November deadline, staff recommend that Council rescind the committed servicing allocation of 52 persons from Landmark Estate in the 2023 year-end servicing allocation review.

More information regarding status of each previously committed development and staff's recommendation and rationale can be found in Attachment 1 to this report.

New Requests for Servicing Allocation

As per regular process, in December 2022, Town staff sent a letter to all applicants having residential developments and requested updated information such as application status, anticipated construction timing, and whether servicing allocation will be required for 2023. Planning Services staff have reviewed all responses received by the Town and

are recommending that Council consider committing a total of 619 persons of servicing allocation to these developments included in Table 1.

Table 1 Recommendations for New Servicing Allocation Requests

Development	Priority Area	Allocation Required	Application Status/Recommendation
43 Lundy's Lane, 592 Watson Avenue, 40, 36, 32 Bolton Avenue	1	76 rental apartment units (132 persons – accounted for a credit of five existing single detached units 16 persons)	Finalizing Site Plan Agreement Staff recommend that Council commit 132 persons of servicing allocation in principle and request that Council authorize staff to assign such allocation upon the execution of Site Plan Agreement in accordance with the Minutes of Settlement.
Marianneville Developments Limited (Glenway West)	3	97 singles and 92 towns (557 persons)	Official Plan Amendment, Zoning By-law Amendment, and draft Plan of Subdivision approved in May 2022. Staff recommend full allocation (557 persons). It should be noted that this development is subject to a Tri-party I&I Reduction Agreement between York Region, the Town, and Marianneville; therefore, the amount of servicing allocation that Council commits will be paid back by the developer in accordance with the Agreement. Should Council adopt staff's recommendation, the total amount of servicing allocation to be paid back by the developer is 743 persons.

Development	Priority Area	Allocation Required	Application Status/Recommendation
1015, 1025, 1029 Davis Drive, and 22 Hamilton	3	4 semi-detached and 24 townhouse units (62 persons – accounted for a credit of four existing single detached units 13 persons)	Zoning By-law Amendment approved. Site Plan application under review. Staff recommend full allocation (62 persons)
Total New Servicing Capacity Commitment Recommended			*619 persons
*Excludes the 132 persons for 43 Lundy's Lane, 592 Watson Avenue, 40, 36, 32 Bolton Avenue, which will be assigned by staff upon the execution of Site Plan Agreement, subject to Council's authorization.			

Not Recommended for Servicing Allocation

Attachment 2 includes all residential development applications that are not yet adequately advanced in the planning approval process to warrant servicing allocation, and/or they are located in lower priority areas according to the [Town's Servicing Allocation Policy](#). Staff will continue to monitor the progress of these applications and will provide any necessary updates in the 2023 year-end servicing allocation review.

In summary, there are a total of approximately 4237 persons of allocation pending approval. This estimated amount is significantly less than previous years' estimated amount because the approximate servicing capacity required for Shining Hill (Central Newmarket) and Upper Canada Mall Master Plan have been removed from Attachment 2. Both Official Plan Amendments have been approved by York Region and the Town does not have any other active planning applications on these properties.

It should be noted that some of these applications in Attachment 2 will advance sooner; however, others may yet take a considerable time before they are recommended for servicing allocation.

Small Developments Reserve (Formerly known as Severance Reserve)

In 2022, the Committee of Adjustment issued one Certificate of Official and created one new residential lot, which resulted in a balance of 17 persons in the Small Developments Reserve (formerly known as the Severance Reserve).

In addition to the above noted Certificate of Official, the Committee of Adjustment approved two provisional consents in 2022. Neither of them have cleared all the

conditions of approval; therefore, no Certificates of Official have been issued. Staff will continue to monitor the status of these two provisional consents and report in the 2023 year-end report if these lots became registered.

The More Homes Built Faster Act, 2022 (Bill 23) recently amended the Planning Act and removed Site Plan control to developments that contain no more than 10 residential units. If such development complies with the Zoning By-law, no Planning Act applications would be required prior to building permit application. To account for the potential servicing allocation needs for this type of development in a timely manner, staff recommend that Council increase the Small Development Reserve to a total of 50 persons and authorize staff to assign servicing capacity to new residential developments that do not require Site Plan approval from the Small Development Reserve. The 50 persons of servicing capacity to be held in the Small Development Reserve will be shared between new lots created through consents as well as new residential developments that do not require a zoning by-law amendment and site plan approval. This amount is enough for the creation of 15 single detached units.

Inflow and Infiltration Reduction (I&I) Program Repayment

In addition to the capacity assignment received in May 2022 through the Marianneville I&I Reduction Agreement, which was reported in the [2022 Year-End Servicing Allocation Review Report](#), York Region also assigned 332 persons of servicing capacity to the Town on November 30, 2022, in accordance with the Shining Hill I&I Reduction Agreement.

On March 28, 2023, York Region assigned 217.3 persons of servicing capacity to the Town in accordance with the Marianneville I&I Reduction Agreement.

Table 2 below summarizes the amount of I&I reduction servicing capacity received to-date and capacity expected to be received in the future per each agreement, should Council adopt the recommendation of committing servicing allocation to Glenway West.

Table 2 Summary of I&I Reduction Servicing Capacity (Persons)

	Marianneville Agreement (Glenway and Kerbel)	Shining Hill (Phase 1) Agreement
Required Repayment including Town's 25%	4061	647
Allocation Paid Back by Developer to-date, excluding the Town's 25%	1769	371
Town's 25% added to Town's Reserve	481	124
Outstanding Allocation to be Paid Back by Developer, including Town's 25%	1811	152
Total Outstanding Repayment between two agreements	1963	

Town Servicing Allocation Reserve Balance (Persons)

	2022 Year-End Report Town Reserve Balance	2727
+	I&I Capacity Assignment received from York Region (Shining Hill)	332
-	2022 Severance	3
	2023 Opening Balance	3056
-	2023 Recommended New Servicing Allocation Commitments	619
+	I&I Capacity Assignment received from York Region (Marianneville)	217
	Town Reserve Balance (April 2023)	2654

Should Council adopt the recommendations of this report, the Town Reserve balance would be **2654 persons**, which excludes the 132 persons that staff recommend to commit in principle for 43 Lundy's Lane. Should Council authorize staff to assign such capacity to 43 Lundy's Lane upon the execution of the Site Plan Agreement, the Town Reserve balance would be 2522 persons.

Future Capacity

There have been no further updates on future capacity from York Region since the [2021 Year-End Servicing Allocation report](#). In summary, the Town anticipates to receive an additional 500 persons of servicing capacity from York Region in 2023 through the Centres and Corridors Reserve (334 persons) and the Interim Solutions Project (166 persons), which is expected to be released upon completion of the Henderson Sewage Pumping Station later in 2023.

Table 3 below shows a summary of the Town Reserve balance, the amount of anticipated future capacity from York Region and I&I repayments.

Table 3 Future Capacity Summary Table

	Supply	Demand
2023 Town Reserve Opening Balance	3056	
2023 Recommended New Servicing Allocation		619*
Interim Solutions Project (2023)	166	
Centres and Corridors Reserve (2023)	334	
I&I Reduction Repayments:	1963	
<ul style="list-style-type: none"> Shining Hill (152 persons) Marianneville (1811 persons) 		
Available Capacity	4900	
Historic Growth Rate in Newmarket		1000

*Excludes the 132 persons of servicing allocation for 43 Lundy's Lane, 592 Watson Avenue, 40, 36, 32 Bolton Avenue, which will be assigned by staff upon the execution of Site Plan Agreement, subject to Council's authorization.

As shown in Table 3 above, staff estimate the Town will have approximately four to five years of servicing capacity supply based on the historic growth rate of approximately 1000 persons per year. However, it is important to note that Council have been committing on average approximately 1200 persons of servicing allocation each year between 2020 and 2022. If the average of 1200 persons per year is applied, the Town Servicing Allocation Reserve may run out by the end of 2027.

Conclusion

Staff have completed the annual review of current development applications requiring servicing allocation and have provided recommendations as per the Town's Servicing Allocation Policy. This report recommends reinstating 2339 persons of servicing allocation with conditions and committing 619 persons of new allocation (excludes the additional 132 persons to be assigned upon the execution of the Lundy's Lane Site Plan agreement) and thereby creating a Town Servicing Allocation Reserve balance of 2654 persons, of which, 50 persons will be held in the Small Developments Reserve.

Business Plan and Strategic Plan Linkages

- Long-term Financial Sustainability
- Vibrancy on Yonge, Davis and Mulock

Consultation

The annual servicing allocation letter was sent to all developers having active planning applications in the Town that involve a residential use. This letter requested updated

information regarding development application status, phasing plans, anticipated construction timing etc., and advised that this report would be considered at an upcoming Committee of the Whole meeting. A follow-up notice was also sent to developers advising them the date of this meeting.

Human Resource Considerations

None

Budget Impact

None

Attachments

Attachment 1 – Previously Committed Servicing Allocation

Attachment 2 – Developments Pending to Receive Servicing Allocation Subject to Council's Approval

Submitted by

Phoebe Chow, Senior Planner – Policy

Approved for Submission

Adrian Cammaert, Manager, Planning Services

Jason Unger, Director, Planning and Building Services

Peter Noehammer, Commissioner, Development & Infrastructure Services

Contact

Phoebe Chow, Senior Planner – Policy, pchow@newmarket.ca