



Town of Newmarket
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2024 Annual Servicing Allocation Review Staff Report to Council

Report Number: 2024-24

Department(s): Planning and Building Services

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Meeting Date: April 29, 2024

Recommendations

1. That the report entitled 2024 Annual Servicing Allocation Review dated April 29, 2024 be received; and,
2. That Council reinstate servicing allocation to the developments as outlined in Attachment 1 to this staff report; and,
3. That Council commit servicing allocation to the developments as outlined in Table 1 of this staff report; and,
4. That Council rescind servicing allocation to the development at 1015-1029 Davis Drive and 22 Hamilton; and,
5. That the Town's remaining servicing capacity (the Town Servicing Allocation Reserve) of 1,330 persons be maintained for future development, of which 150 persons is to be held in the Small Developments Reserve; and,
6. That staff be authorized and directed to do all things necessary to give effect to this resolution.

Executive Summary

The 2024 Town Servicing Allocation Reserve opening balance was 3,069 persons, of which 9 persons remained in the Small Development Reserve (formerly known as the Severance Reserve). The Severance Reserve has been 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 and consider rescinding allocation for the development located at 1015, 1025 & 1029 Davis Drive and 22 Hamilton Drive.

Upon review of all servicing allocation requests against the Town's Servicing Allocation Policy, staff recommend that Council commit an additional 1,801 persons of servicing allocation to the following developments:

- 99, 103, 105 Main Street South, 454, 462, 466 Queen Street (Streetcar) – 170 persons
- 315 Davis Drive (Format Davis Limited Partnership) – 332 persons
- 415 Pickering Crescent (2425945 Ontario Inc.) – 77 persons
- 600 Stonehaven Avenue (Marianneville Stonehaven Ltd.) – 228 persons (Phase 1)
- 835 Gorham Street (Blue Door) – 37 persons
- 849 Gorham Street (Gorham Development 849 Inc.) – 53 persons
- 1038 and 1040 Jacarandah Drive (2529437 Ontario Ltd.) – 61 persons
- 16860 and 16920 Leslie Street (Forest Green Homes) – 441 persons (Phase 1)
- 17046 Yonge Street – Inn from the Cold – 10 persons (units with full kitchens)
- 17175 Yonge Street (Trinity Coptic Foundation) – 406 persons

Should Council adopt the recommendations contained in this report, the 2024 Town Servicing Allocation Reserve balance would be 1,330 persons of which 150 persons would be held in the Small Developments Reserve.

Shining Hill has fulfilled all of its responsibilities and has repaid the entirety of its Inflow and Infiltration (I&I) Reduction Program repayment, and staff expects that Marianneville will continue to work on their I&I Reduction Program repayment. Considering the number of 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 approximately ten years. However, Council has adopted a Housing Pledge supporting a municipal housing target of 6,400 new housing units in the community by 2031, inclusive of a target of 1,250 rental units and 400 non-profit/subsidized units. This represents

approximately 14,900 people by 2031 or an average of 1,900 people over the next eight years. At this rate of growth, Newmarket could reach its servicing limit by 2030.

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 [2023 Annual Servicing Allocation Review](#) (2023 Annual Report), on April 17, 2023 and subsequently received the [2023 Year-End Servicing Allocation Review](#) report on December 4, 2023.

This report provides Council with staff's recommendations on the 2024 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 completed residential development applications are 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 2,964 persons of servicing allocation to the following developments:

- Kerbel Group Inc. (17365 and 17369 Yonge Street) (665 persons);
- Redwood Properties Phases 1 and 2 (17645 Yonge Street) (714 persons);
- 49, 55 and 59 Charles Street, 52 Prospect Street (111 persons);
- 201 Davis Drive (287 persons);
- 172-178 Old Main Street (32 persons);

- Blackthorn (western terminus of Silken Laumann Drive, west of hydro corridor) (74 persons);
- Sundial Phase 3B (348 persons);
- Landmark Estate Phase 5 (98 persons);
- 680 Gorham Street (8 persons);
- 674 Gorham Street (8 persons);
- Marianneville Developments Limited (Glenway West) (557 persons); and,
- 1015, 1025, 1029 Davis Drive, and 22 Hamilton Drive (62 persons).

Staff have reviewed the status of the above noted applications and recommend that Council reinstate 2,902 persons of servicing allocation to the above noted applications and consider rescinding allocation for the development at 1015-1029 Davis Drive and 22 Hamilton Drive (62 persons) (see **Attachment 1**).

While 201 Davis Drive was previously granted allocation in the amount of 287 persons (147 units) associated with a development approval in 2021, the owner has since made a new application on this property for additional height, density, and 69 additional units (135 persons). A public meeting has been scheduled for May 6th, 2024. Should the new application be approved, the additional required allocation would be considered as part of the 2025 annual allocation report.

The Site Plan application for 1015-1029 Davis Drive and 22 Hamilton Drive is currently under review; however, there has been no movement on the application and, as of the date of this report, the property is listed for sale.

Finally, it is staff's understanding that the property at 172 – 178 Old Main Street has changed ownership, and the last time the applicant engaged with the Development Coordination Committee was in August 2023. Staff recommend Council consider adding the following condition to 172-178 Old Main Street:

- 172-178 Old Main Street – that the owner must register the draft Plan of Subdivision by October 29, 2024. If the Subdivision agreement is not executed by the October deadline, staff recommend that Council rescind the committed servicing allocation of 32 persons from 172-178 Old Main Street in the 2024 year-end servicing allocation review.

More information regarding the 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

In January 2024, staff sent a letter to applicants with residential developments and requested updated information including the status of the application, the anticipated timing of construction, and whether servicing allocation would be required for 2024. Planning Services staff have reviewed all responses received by the Town and are

recommending that Council consider committing a total of 1,801 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
99, 103, 105 Main Street South, 454, 462, 466 Queen Street (Streetcar)	2	68 stacked and back-to-back townhouse units (170 persons – accounted for a credit of three existing single detached units 9.75 persons)	Zoning By-law Amendment approved. Site Plan application to be submitted. Staff recommend full allocation (170 persons).
315 Davis Drive (Davis & Lorne)	1	170 apartment units	Official Plan Amendment and Zoning By-law Amendment approved. Site Plan application to be submitted. Staff recommend full allocation (332 persons).
415 Pickering Crescent	3	4 singles and 24 townhouse units	Zoning By-law Amendment approved. Site Plan application to be submitted. Staff recommend full allocation (77 persons).
600 Stonehaven Avenue (Marianneville-Stonehaven)	3	57 single detached units and 16 freehold townhouse units	Official Plan Amendment and Zoning By-law Amendment approved. Draft Plan of Subdivision application in progress. Staff recommend full allocation for Phase 1 (228 persons).
835 Gorham Street (Blue Door)	3	14 townhouse units	MZO in progress. Staff recommend full allocation (37 persons)
849 Gorham Street	3	20 townhouse units	Zoning By-law Amendment approved. Site Plan application to be submitted.

			Staff recommend full allocation (53 persons).
1038 and 1040 Jacarandah Drive	3	3 singles and 20 semi-detached units (61 persons – accounted for a credit of two existing single detached units 6.5 persons)	Zoning By-law Amendment approved. Site Plan application under review. Staff recommend full allocation (61 persons).
16860 and 16920 Leslie Street (Forest Green)	3	48 singles and 108 townhouse units (441 persons – accounted for a credit of one existing single detached unit - 3.25 persons)	Official Plan Amendment and Zoning By-law Amendment approved. Draft Plan of Subdivision application in progress. Staff recommend full allocation for Phase 1 (441 persons) subject to the Bogart House, located at 16860 Leslie Street on Block 54, being fully restored and incorporated into the neighbourhood as a residential unit as part of the first phase.
17046 Yonge Street (Inn From The Cold)	1	5 transitional units	MZO approved. Site Plan application in progress. Staff recommend full allocation (10 persons).
17175 Yonge Street (Coptic Church)	1	208 apartment units	Official Plan Amendment and Zoning By-law Amendment approved. Site Plan application submitted. Staff recommend full allocation (406 persons).
Total New Servicing Capacity Commitment Recommended *1801 persons *Excludes the 132 persons for 43 Lundy's Lane, 592 Watson Avenue, 40, 36, 32 Bolton Avenue, which will be assigned allocation upon the execution of a Site Plan Agreement.			

Not Recommended for Servicing Allocation

Attachment 2 to this report 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 to Council in the 2024 year-end servicing allocation review.

In summary, there are a total of approximately **5,917 persons** of allocation pending approval. Additionally, 5,000 to 7,000 people are anticipated within the area currently subject to the proposed Shining Hill Secondary Plan. It should be noted that some of the applications noted in Attachment 2 will advance sooner; however, others may take a considerable period of time before the application is at a stage where Staff can make recommendations for servicing allocation.

Small Developments Reserve (Formerly known as Severance Reserve)

In 2023, there were no Certificates of Approval issued for new lots created through a consent application. The Committee of Adjustment approved one provisional consent in 2023 for 126 Howard Road. The application has not cleared all the conditions of approval; therefore, no Certificates of Approval have been issued. Staff will continue to monitor the status of the provisional consents and provide an update in the 2024 year-end report if these lots became registered.

The following small developments required allocation in 2023:

- 45 new additional/accessory dwelling units (ADU); and,
- One new single detached dwelling permit.

The above noted small developments amounted to 91 persons of allocation from the small development reserve. The remaining Small Developments Reserve balance from 2023 was 9 persons. Therefore, it is recommended that the small development reserve balance be increased to 150 persons to accommodate the increased demand for additional dwelling units and small developments that do not require site plan approval. This amount is enough for the creation of 46 single detached units or 76 accessory dwelling units.

Inflow and Infiltration Reduction (I&I) Program Repayment

On March 28, 2023, and December 20, 2023, York Region assigned 217.3 persons and 360.68 persons of servicing capacity, respectively to the Town in accordance with the Marianneville I&I Reduction Agreement.

On October 6, 2023, York Region assigned 152.2 persons of servicing capacity to the Town in accordance with the Shining Hill I&I Reduction Agreement. With the final

capacity release, Shining Hill has repaid all the servicing capacity that was up-fronted by the Town (485 persons), and an additional 25% of new allocation for exclusive use by the Town (162 persons) as per the requirements of the program. The Town can use the 162 persons of allocation towards other developments within the Newmarket South Sewershed (the area generally south of Mulock Drive). The total amount of 647 persons of allocation as indicated in the tri-party agreement has been fulfilled.

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.

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%	4,061	647
Allocation Paid Back by Developer to-date, excluding the Town's 25%	2,039	485.3
Town's 25% added to Town's Reserve	571.3	161.8
Outstanding Allocation to be Paid Back by Developer, including Town's 25%	1,450.7	n/a
Total Outstanding Repayment between two agreements	1,451	

Town Servicing Allocation Reserve Balance (Persons)

	2023 Year-End Report Town Reserve Balance (Dec 11, 2023)	2,800
+	I&I Capacity Assignment received from York Region (Dec 20, 2023)	360
-	2023 Severance / Small Development Reserve	91
	2024 Opening Balance	3,069
-	2024 Recommended New Servicing Allocation Commitments	1,801
+	Allocation Rescinded	62
+	I&I Capacity Assignment received from York Region in 2024	0
	Town Reserve Balance (April 2024)	1,330

Should Council adopt the recommendations of this report, the Town Reserve balance would be **1,330 persons**, which excludes the 132 persons that has been committed to 43 Lundy's Lane and which will be released upon the execution of the Site Plan Agreement. At that time, the Town Reserve balance would be 1,198 persons.

Future Capacity

York Region and Durham Region are working together on a long-term wastewater infrastructure project (York Region Sewage Works Project), which will upgrade the existing York Durham Sewage System (YDSS). The project involves building new or expanded wastewater sewers and pumping stations and enhancing the Duffin Creek Water Pollution Control Plant. Specifically, the project will be divided into multiple projects: North YDSS Expansion, South YDSS Expansion, and YDSS Primary System Expansion. [Phase 1 of the North YDSS Expansion](#) is anticipated to be completed between 2026 and 2028.

In accordance with the York Region [2023 Servicing Capacity Assignment](#) report, York Region has assigned 7,767 persons of additional capacity to the Town, which is expected to be released upon the completion of the Phase 1 North YDSS Expansion between 2026 and 2028.

In addition, the Town expects to receive an additional 500 persons of servicing capacity from York Region through the Centres and Corridors Reserve (334 persons) and the Interim Solutions Project (166 persons).

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
2024 Town Reserve Opening Balance	3,069	
2024 Recommended New Servicing Allocation		*1,801
Future capacity from York Region – Phase 1 North YDSS Expansion (2026-2028)	7,767	
Centres and Corridors & Interim Solutions Project	500	
I&I Reduction Repayments	1,451	
Available Capacity	10,986	
Historic Growth Rate in Newmarket (approximate)		1,000
Housing Pledge Growth Rate (approximate)		1,900

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

As shown in **Table 3** above, staff estimate the Town will have approximately ten to eleven years of servicing capacity supply based on the historic growth rate of approximately 1,000 persons per year. Generally, Council has been committing on average approximately 1,000 persons of servicing allocation each year between 2017

and 2024. If the average of 1,000 persons per year is applied, the Town Servicing Allocation Reserve should be sufficient until the end of 2034. However, Council has adopted a Housing Pledge supporting a municipal housing target of 6,400 new housing units in the community by 2031, inclusive of a target of 1,250 rental units and 400 non-profit/subsidized units. This represents approximately 14,900 people by 2031 or an average of 1,900 people over the next eight years. At this rate of growth, Newmarket could reach its servicing limit by 2030.

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 2902 persons of servicing allocation with conditions and committing 1801 persons of new allocation with conditions (excludes the additional 132 persons to be assigned upon the execution of the Lundy's Lane Site Plan agreement), thereby creating a Town Servicing Allocation Reserve balance of 1,330 persons of which 150 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 with active planning applications in the Town that propose a residential use. The 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

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