

2019 Development Charges Review Statutory Public Meeting

Wednesday May 8, 2019
Council Chambers
300 City Centre Drive



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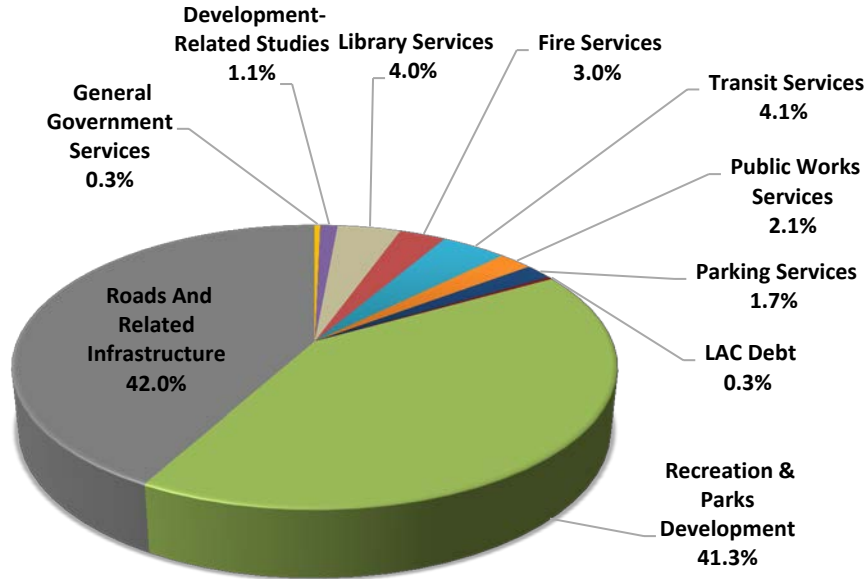
Purpose of Today's Meeting

- Statutory Public Meeting required by Section 12 of the *Development Charges Act*
- Primary purpose is to provide the public with an opportunity to make representation on the proposed 2019 Development Charges By-law
- 2019 DC Background Study was made publically available on **April 5th**
- Proposed 2019 DC By-law made publically available on **April 22nd**

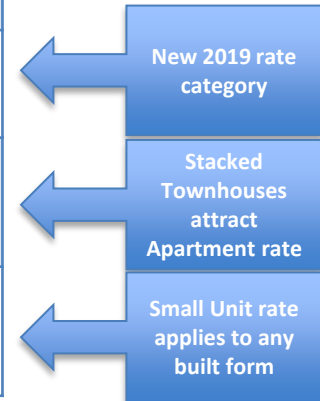
Background on Development Charges

- The City's existing DC By-law (0161-2014) expires on June 25, 2019 unless repealed by Council at an earlier date
- The City must pass a new DC by-law before expiry in order to continue to collect DCs
- 2019 DC Background Study includes details on calculation methodologies, assumptions and development charge rates
- 2019 DC By-law administers the collection of development charges

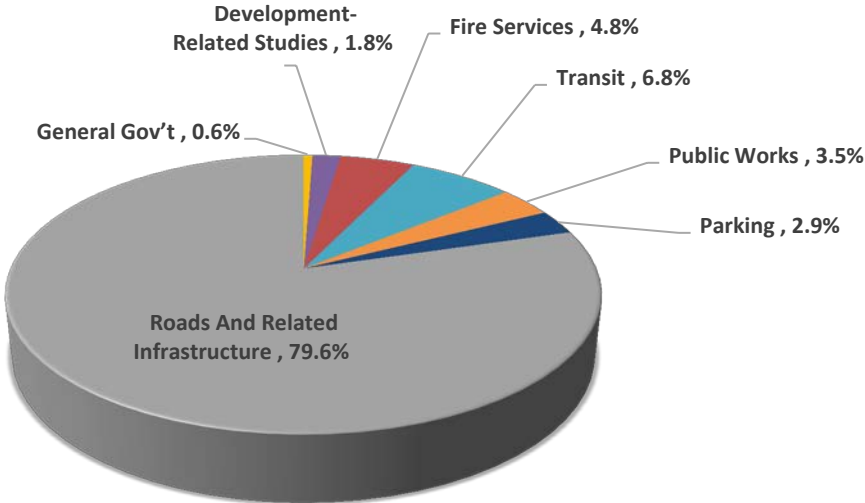
Calculated Residential DC Rates



Residential Charges per Unit
Single & Semi-Detached \$39,483
Rows/Multiples \$30,716
Apartments >700 sq.ft \$26,910
Small Units <=700 sq.ft \$14,662



Calculated Non-Residential DC Rates



Non-Residential Charges per m ²
Non-Industrial \$112.26
Industrial \$90.97

Roads & Related Infrastructure is differentiated between these categories

Comparison of Current vs Calculated Residential DC Rates per Apartment Unit

Service	Current \$/Apt. ¹	Calculated \$/Apt.	Difference \$	Difference %
General Government ²	\$160	\$92	(\$68)	-43%
Dev.-Related Studies ²	\$0	\$300	\$300	0%
Library Services	\$761	\$1,080	\$319	42%
Fire Services	\$1,442	\$796	(\$646)	-45%
Recreation & Parks Dev.	\$7,388	\$11,108	\$3,720	50%
Transit Services	\$1,161	\$1,112	(\$49)	-4%
Public Works Services	\$460	\$577	\$117	25%
Parking Services	\$220	\$467	\$247	112%
LAC Debt	\$120	\$83	(\$37)	-31%
Roads & Related	\$8,309	\$11,295	\$2,986	36%
Total Charge per Apt.	\$20,021	\$26,910	\$6,889	34%

1) Rates as of February 1, 2019 based on By-law 0161-2014

2) General Government and Development-Related Studies were combined as one service under By-law 0161-2014

Comparison of Current vs Calculated Non-Residential DC Rates: Non-Industrial

Service	Current \$/m ² ¹	Calculated \$/m ²	Difference \$	Difference %
General Government ²	\$0.67	\$0.58	(\$0.09)	-13%
Dev.-Related Studies ²	\$0.00	\$1.90	\$1.90	0%
Library Services	\$0.00	\$0.00	\$0.00	0%
Fire Services	\$3.97	\$5.03	\$1.06	27%
Recreation & Parks Dev.	\$0.00	\$0.00	\$0.00	0%
Transit Services	\$11.03	\$7.12	(\$3.91)	-35%
Public Works Services	\$4.41	\$3.66	(\$0.75)	-17%
Parking Services	\$2.10	\$2.97	\$0.87	42%
LAC Debt	\$0.00	\$0.00	\$0.00	0%
Roads & Related	\$88.15	\$91.00	\$2.85	3%
Total Charge per m²	\$110.33	\$112.26	\$1.93	2%

1) Rates as of February 1, 2019 based on By-law 0161-2014

2) General Government and Development-Related Studies were combined as one service under By-law 0161-2014

Since the release of the April 5, 2019 DC Background Study, the non-industrial and industrial rates have been revised based on discussions with development industry stakeholders.

This has resulted in a reduction to the calculated industrial and non-industrial rates.

Comparison of Current vs Calculated Non-Residential DC Rates: Industrial

Service	Current \$/m ² ¹	Calculated \$/m ²	Difference \$	Difference %
General Government ²	\$0.63	\$0.58	(\$0.05)	-8%
Dev.-Related Studies ²	\$0.00	\$1.90	\$1.90	0%
Library Services	\$0.00	\$0.00	\$0.00	0%
Fire Services	\$3.95	\$5.03	\$1.08	27%
Recreation & Parks Dev.	\$0.00	\$0.00	\$0.00	0%
Transit Services	\$11.03	\$7.12	(\$3.91)	-35%
Public Works Services	\$4.39	\$3.66	(\$0.73)	-17%
Parking Services	\$2.15	\$2.97	\$0.82	38%
LAC Debt	\$0.00	\$0.00	\$0.00	0%
Roads & Related	\$67.52	\$69.71	\$2.19	3%
Total Charge per m²	\$89.67	\$90.97	\$1.30	1%

1) Rates as of February 1, 2019 based on By-law 0161-2014

2) General Government and Development-Related Studies were combined as one service under By-law 0161-2014

Stormwater Management: Land Area Based Charge

- The City's Stormwater Management development charge is calculated on net developable land area basis
- Stormwater Management rate has decreased
 - Current rate = \$103,203 per hectare
 - Calculated rate = \$12,484 per hectare
- Applies to both residential and non-residential development

The April 5, 2019 DC Background Study indicated a rate of \$8,658. Since the Study's release, the Stormwater Management rate has been revised based on discussions with development industry stakeholders.

This has resulted in an increase to the rate published in the draft Study and Draft By-law.

Key Factors Influencing Rate Changes

- Unit costs and scope of work for Roads and Related Infrastructure projects have increased/changed since 2014
- More robust inventory analysis (e.g. asset management practices are improving) thus improving historical service levels
- Increased land values
- Changes in residential rate categories
 - Introduction of a new category for “rows and other multiples”

Development Charges Policy Review

- The City has reviewed its existing 2014 DC By-law as part of the 2019 DC Background Study update:
 - Non-statutory exemptions
 - By-law administration and implementation
 - Definitions
- The proposed 2019 DC By-law exempts secondary units created in new residential dwelling units
 - Reflects Provincial legislation released May 2, 2019

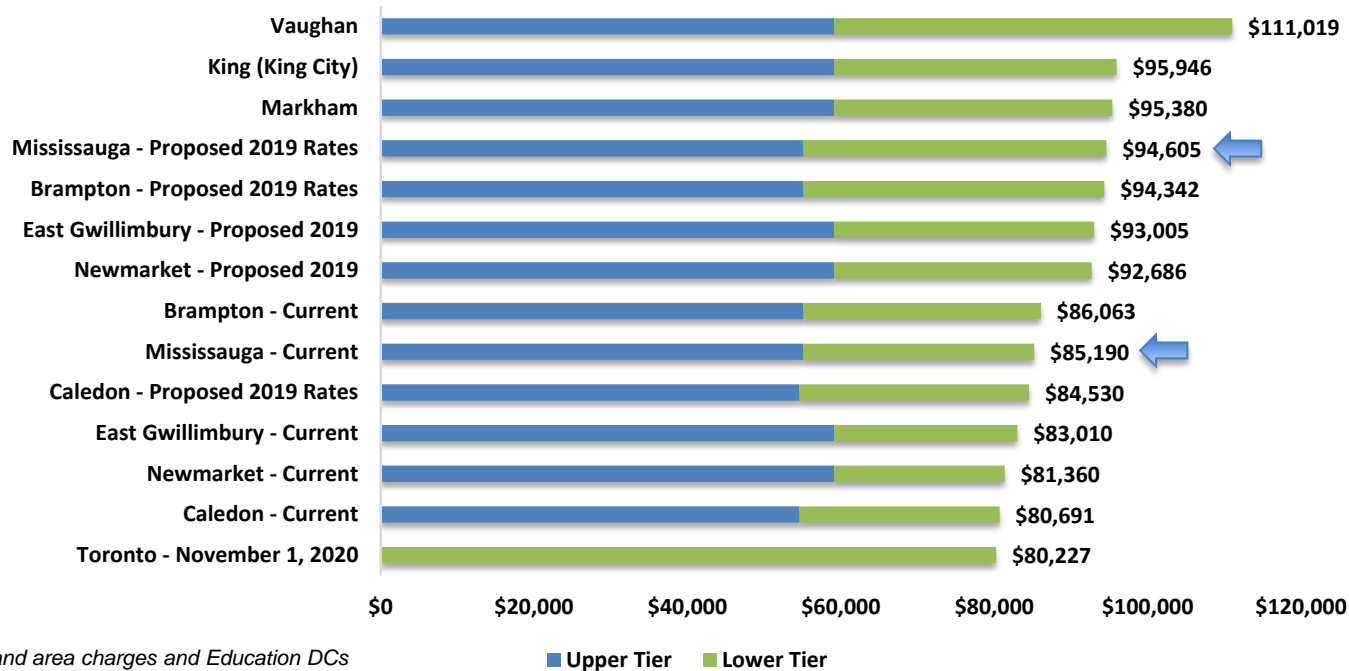
Next Steps

- **May 8, 2019:** Statutory Public Meeting (today)
- **May 17, 2019:** Technical Stakeholder Meeting #4
- **June 5, 2019:** Anticipated Passage of 2019 DC By-law
- **June 6, 2019:** Anticipated effective date of new By-law
 - June 25, 2019: current expiration of 2014 DC By-law

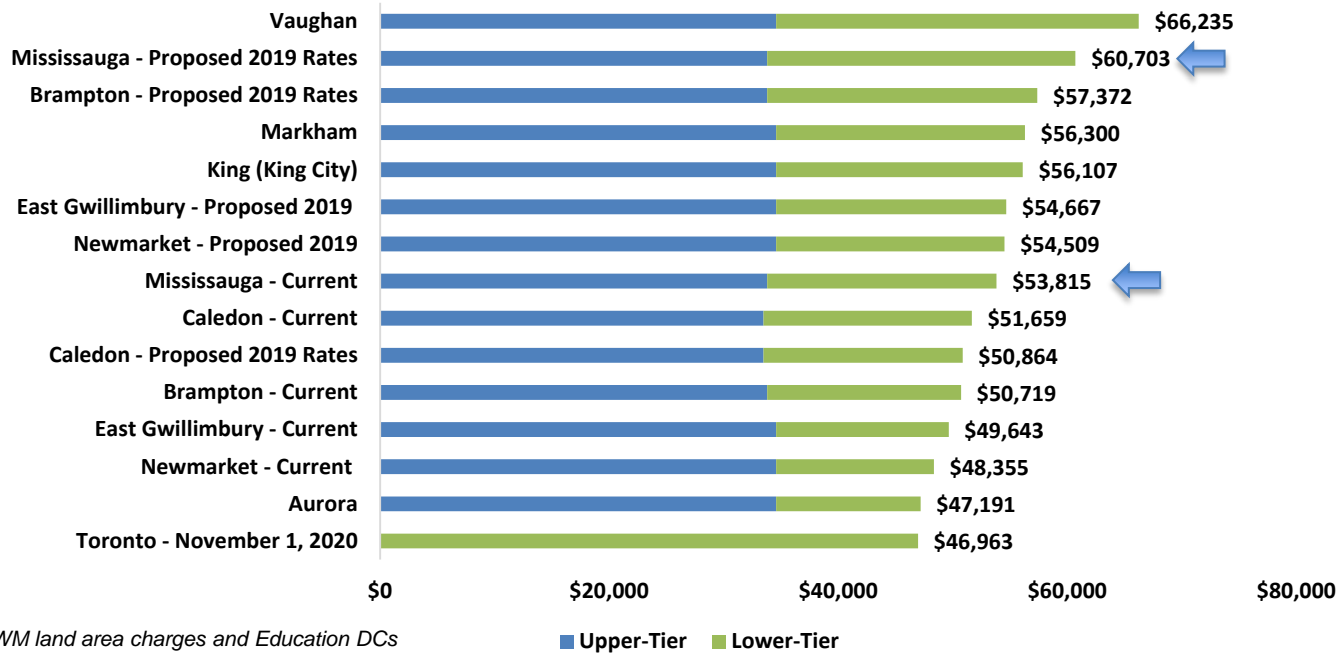
Questions

Municipal Benchmarking Additional Information

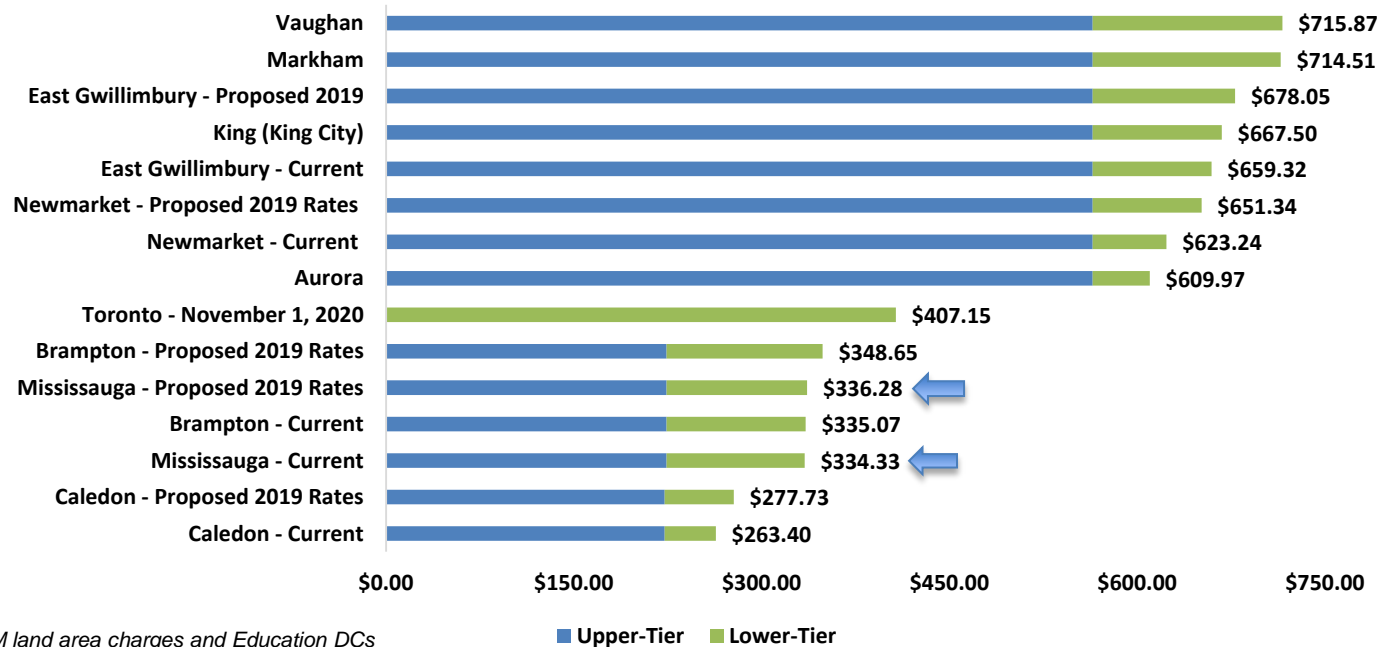
DC Benchmarking: Single & Semi-Detached Units



DC Benchmarking: Apartment Units

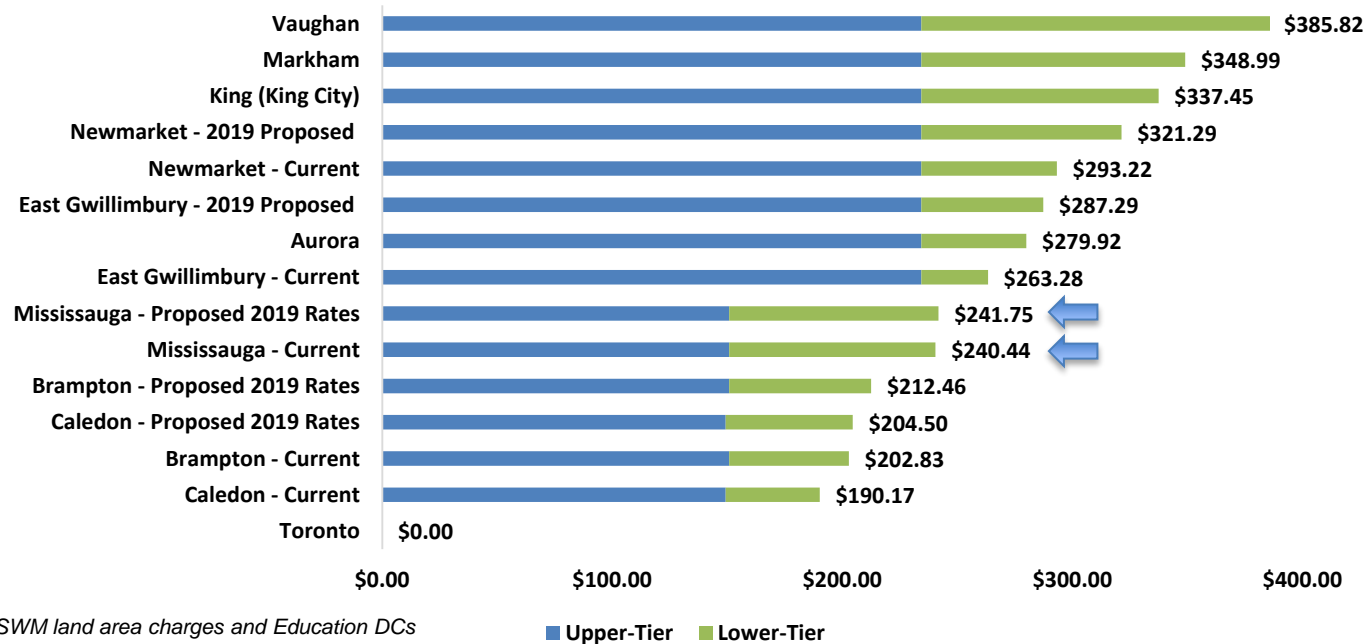


DC Benchmarking: Retail



Excludes SWM land area charges and Education DCs

DC Benchmarking: Industrial



Bill 108: *More Homes, More Choice Act, 2019*

- Provincial announcement of Bill on May 2, 2019
- Proposed changes to the *Development Charge Act, 1997* (DCA) and DC Regulations
- Exempting secondary suites from DCs in new construction
- DC rates payable at differing times
- Soft DC services to be collected through a Community Benefits By-law
- DCA Regulations still to be released
- Comments to the Province due June 1, 2019