

2023 Development Charges

Public Meeting

October 17, 2023

Agenda

- Review of study timelines, where we are now, and what's next.
- Updates to the DC Background Study since the July 19, 2023 Special Council meeting.
- Draft by-laws and proposed changes to by-law structure.

Timelines of the Study Process

- ✓ Project Kick-off Meeting – July 11, 2022
- ✓ Data Compilation – July to October 2022
- ✓ Peer Review Group Meeting #1 – November 15, 2022
- ✓ Bill 23: More Homes, Built Faster 2022 (Royal Assent) – November 28, 2022
- ✓ Staff Interviews (Review Service Standards, Capital, Growth Forecast, etc.) – November 2022 to January 2023
- ✓ Consideration of other Services and Policy Review – January 2023 to May 2023
- ✓ Peer Review Group Meeting #2 – April 12, 2023
- ✓ Peer Review Group Meeting #3 – May 11, 2023
- ✓ Peer Review Group Meeting #4 – June 8, 2023
- ✓ Release of the Draft DC Background Study – July 6, 2023
- ✓ Council Workshop and Special Council Meeting to Present Draft DC Background Study – July 19, 2023
- ✓ Release of the DC Background Study – September 27, 2023
- ❖ **Mandatory Public Meeting – October 17, 2023**
 - Council approval of DC By-law – January 2024

Public Meeting Purpose

- The public meeting is to provide for a review of the DC proposal and to receive public input on the proposed policies and charges
- The meeting is a mandatory requirement under the Development Charges Act (DCA)
- The public meeting must be held at least 60 days prior to Council by-law approval

Capital Program Updates

- Refined growth allocations for linear water projects
- Added Guelph Transit Terminal to the DC capital program

Rate Updates

Service/Class of Service	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Multiples	Apartments - 2 Bedrooms +	Apartments - Studio and 1 Bedroom	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)
Municipal Wide Services/Class of Service:						
Services Related to a Highway	20,432	14,713	12,232	8,963	6,608	10.41
Public Works (Facilities and Fleet)	1,669	1,202	999	732	540	0.86
Transit Services	4,021	2,895	2,407	1,764	1,301	1.97
Fire Protection Services	418	301	250	183	135	0.21
Policing Services	1,450	1,044	868	636	469	0.74
Parks and Recreation Services	13,785	9,926	8,252	6,047	4,459	0.83
Library Services	1,640	1,181	982	719	530	0.10
Long-term Care Services	95	68	57	42	31	0.01
Public Health Services	391	282	234	172	126	0.05
Ambulance	407	293	244	179	132	0.05
Waste Diversion	1,533	1,104	918	673	496	0.24
Stormwater Drainage and Control Services	757	545	453	332	245	0.39
Wastewater Services	9,773	7,037	5,851	4,287	3,161	4.98
Water Services	12,929	9,310	7,740	5,672	4,182	6.60
GRAND TOTAL	69,300	49,901	41,487	30,401	22,415	27.44

*Note: The above D.C. rates are subject to the Mandatory Phase-In from Bill 23

Development Charges - Residential

Service/Class of Service	Current	Calculated
Municipal Wide Services/Classes:		
Services Related to a Highway	7,791	20,432
Public Works (Facilities and Fleet)	731	1,669
Transit Services	3,759	4,021
Parking Services ¹	-	-
Fire Protection Services	432	418
Policing Services	905	1,450
Parks and Recreation Services	12,048	13,785
Library Services	1,144	1,640
Administration Studies ²	1,065	-
Long-term Care Services	-	95
Provincial Offences Act	10	-
Public Health Services	411	391
Ambulance	152	407
Waste Diversion	752	1,533
Stormwater Drainage and Control Services	308	757
Wastewater Services	8,908	9,773
Water Services	9,423	12,929
Grand Total	47,839	69,300

¹ D.C.s for Parking Services were discontinued on September 18, 2022

² Administration will no longer be a D.C. eligible service as per Bill 23

*Note: The draft calculated D.C. rates would equal to \$55,440 due to the Mandatory Phase-In

Development Charges – Non-Residential

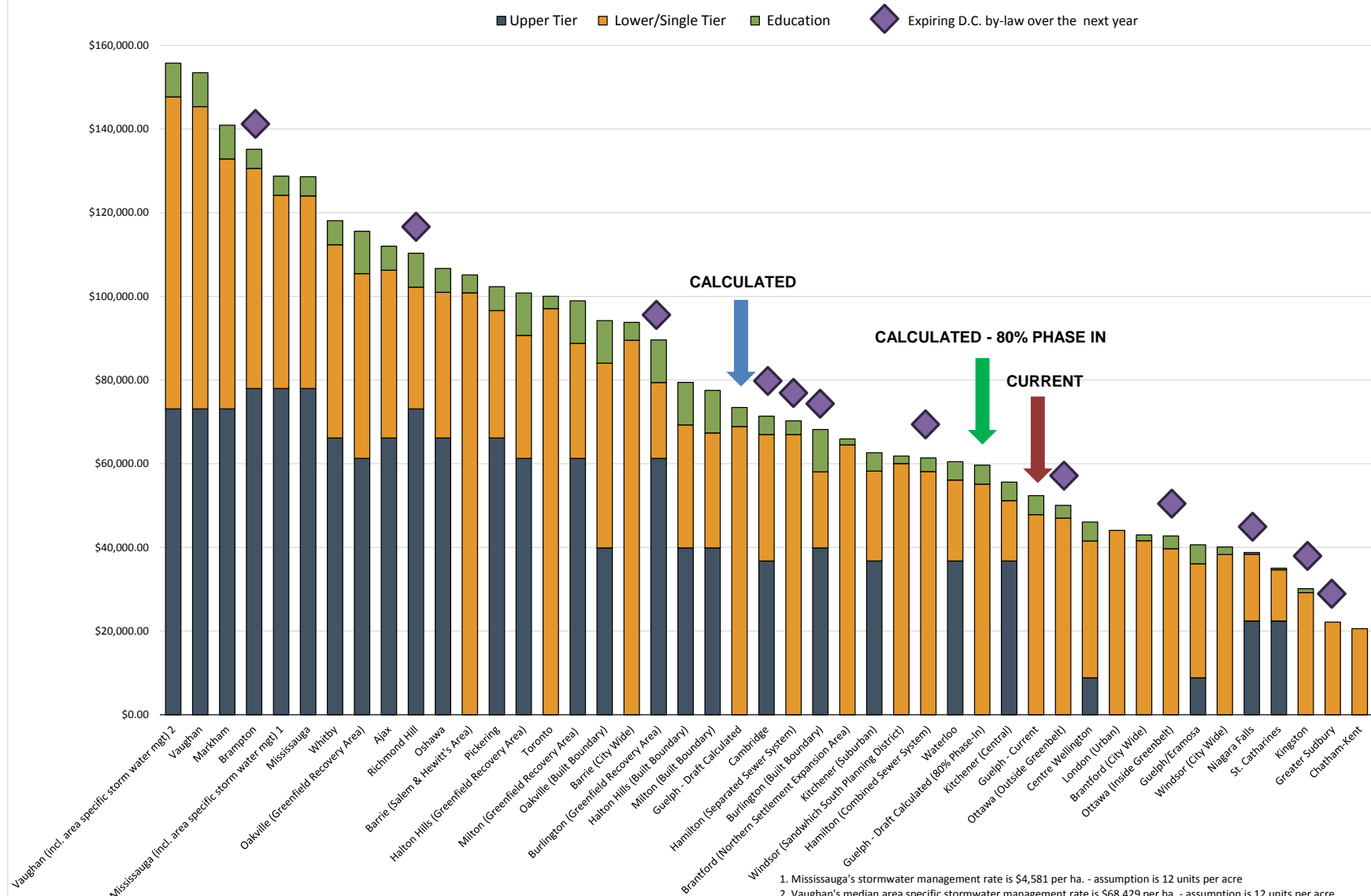
Service/Class of Service	Current	Calculated
Municipal Wide Services/Classes:		
Services Related to a Highway	3.54	10.41
Public Works (Facilities and Fleet)	0.33	0.86
Transit Services	1.80	1.97
Parking Services ¹	-	-
Fire Protection Services	0.21	0.21
Policing Services	0.41	0.74
Parks and Recreation Services	0.64	0.83
Library Services	0.07	0.10
Administration Studies ²	0.52	-
Long-term Care Services	-	0.01
Provincial Offences Act	-	-
Public Health Services	0.04	0.05
Ambulance	0.07	0.05
Waste Diversion	0.18	0.24
Stormwater Drainage and Control Services	0.14	0.39
Wastewater Services	4.03	4.98
Water Services	4.27	6.60
Grand Total	16.24	27.44

¹ D.C.s for Parking Services were discontinued on September 18, 2022

² Administration will no longer be a D.C. eligible service as per Bill 23

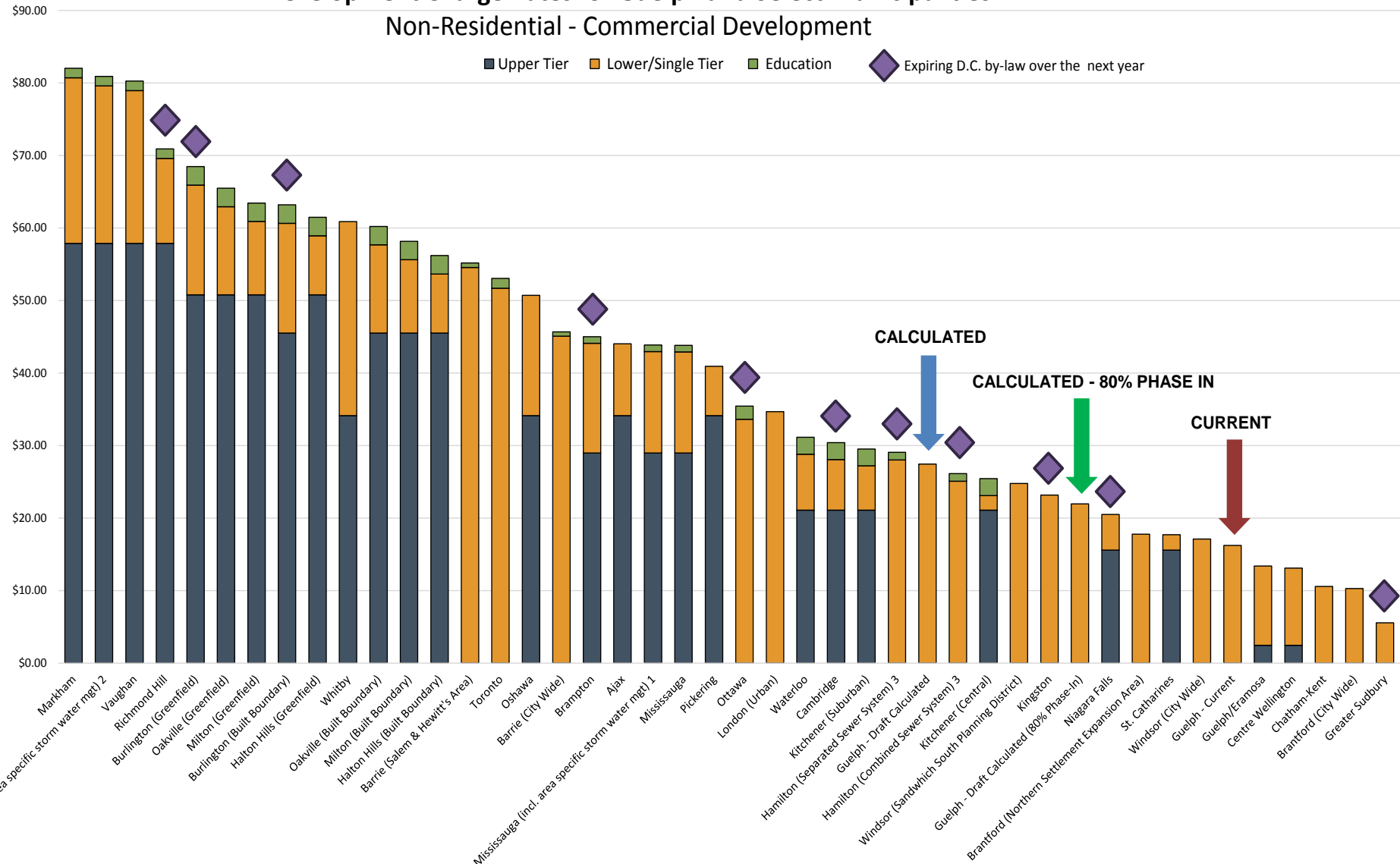
*Note: The draft calculated D.C. rates would equal to \$21.95 due to the Mandatory Phase-In

Development Charge Rates for Guelph and Select Municipalities Single and Semi-Detached Dwellings



1. Mississauga's stormwater management rate is \$4,581 per ha. - assumption is 12 units per acre
 2. Vaughan's median area specific stormwater management rate is \$68,429 per ha. - assumption is 12 units per acre

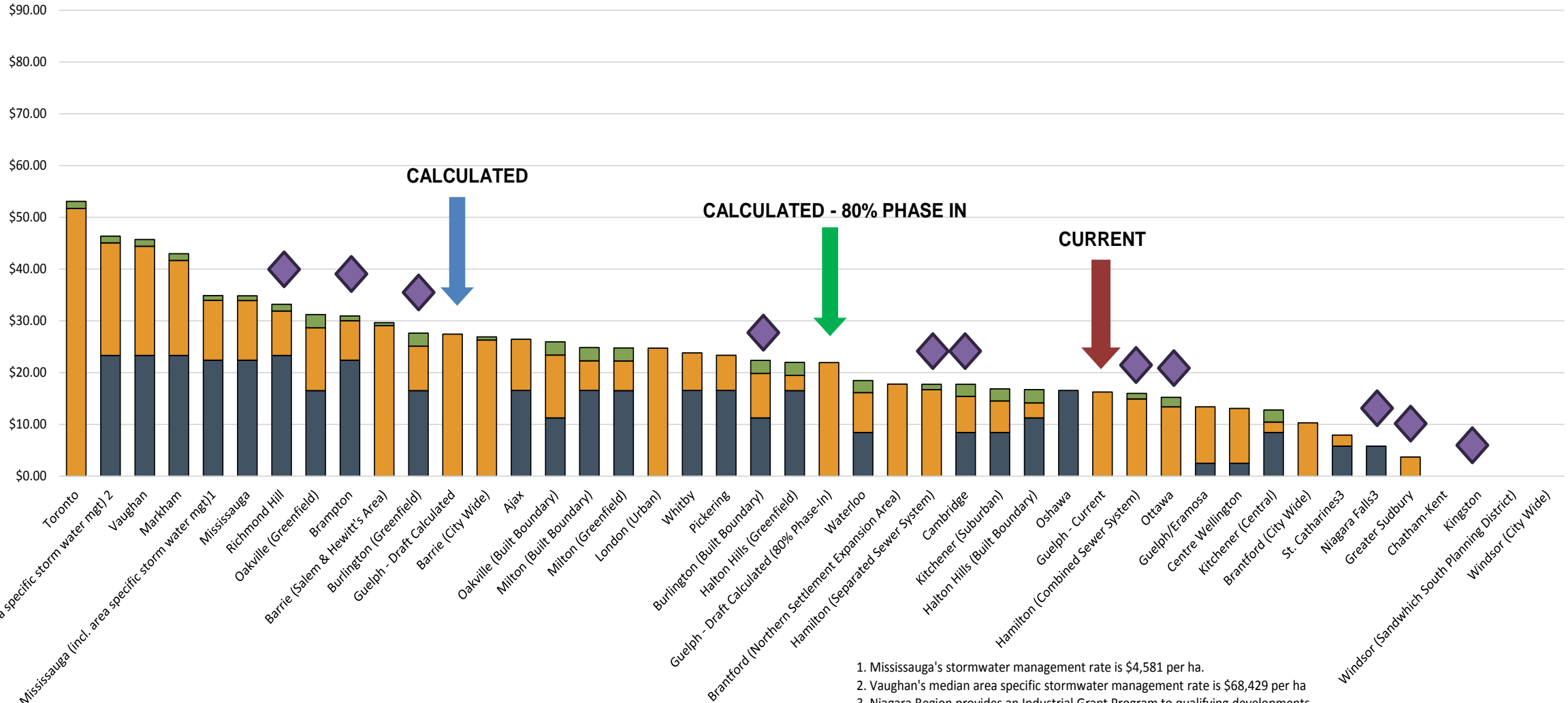
Development Charge Rates for Guelph and Select Municipalities Non-Residential - Commercial Development



1. Mississauga's stormwater management rate is \$4,581 per ha.
 2. Vaughan's median area specific stormwater management rate is \$68,429 per ha.
 3. For the 1st 5,000 sq.ft., 50% of the charge is in effect, for the 2nd 5,000 sq.ft., 75% of the charge is in effect, and 100% of the charge is in effect for 10,000 or more sq.ft. of non-industrial GFA

Development Charge Rates for Guelph and Select Municipalities Non-Residential - Industrial Development

■ Upper Tier ■ Lower/Single Tier ■ Education ◆ Expiring D.C. by-law over the next year



1. Mississauga's stormwater management rate is \$4,581 per ha.
 2. Vaughan's median area specific stormwater management rate is \$68,429 per ha
 3. Niagara Region provides an Industrial Grant Program to qualifying developments

Area Specific Charge

The DCA provides municipalities with the ability to impose either a uniform charge or area specific charges.

In the Council Memo dated May 13, 2022 entitled *Clair-Maltby Secondary Plan – Technical Clarifications* staff committed to evaluating area rating to fund infrastructure in the secondary plan area.

Continuing with a uniform charge is being recommended for Guelph.

Calculated City-wide Rates for Water, Wastewater and Stormwater Services

Services	City-wide	Clair-Maltby Only	Remaining City-wide
Stormwater Drainage and Control Services	\$757	\$62	\$920
Water Treatment and Distribution Services	\$12,929	\$10,121	\$13,564
Wastewater Treatment and Sewer Services	\$9,773	\$9,575	\$9,775
Total	\$23,459	\$19,758	\$24,259

Local Service Policy Review

Not all growth-related infrastructure is built by the City.

Some of the need for services generated by additional development consists of local services related to a plan of subdivision.

Development charges do not fund this infrastructure, this is built by the local developer(s).

Comparison of local service infrastructure requirements between Clair-Maltby and the rest of the City

	Clair-Maltby (projected)	City-wide (last 5 years)
Local Service Policy Infrastructure Cost	\$109,960,000	\$24,983,214
Estimated Units Supported	7,152	4,729
Estimated Cost Per Unit	\$15,375	\$5,283

The more local infrastructure required to accommodate growth, the more pressure development will put on property taxes and user rates.

Other Strategic and Administrative Considerations – Area Rating

Alternate development charge payment agreements

- Sets out boundaries and costs.
- Removes flexibility of finding willing partners.
- Uniform rate does not prevent front-ending agreements.

Reserve Funds

- A city-wide rate allows for DCs collected for a service to be spent for that service anywhere throughout the municipality, allowing for more strategic investment in infrastructure.

By-law Update

- Draft by-laws attached to staff report for review
- Approval of by-laws by Council planned for January 2024
- New by-law structure proposed to respond to mandatory phase-in of new rates
- 10-year by-law period (aligned with DC Act update per Bill 23 – previously 5 year maximum)

Council Recommendations and Next Steps

- Council recommendations:
 1. That the 2023 Development Charge Results and Background Study report dated October 17, 2023 be received.
 2. That Council direct staff to investigate the use of front-ending agreements as a growth financing tool, including the impact on staffing implications, impact on credit rating, delegated authority structure, and the risks and benefits.
 3. That Council direct staff to review the need for a five-year update to the Development Charge By-law as a part of 2028-2031 budget process.
- What's next?
 - January 2024 approval of by-law(s)

Questions