



## Report to Council

Department: Corporate Services  
Date: October 6, 2016  
Prepared by: Donna E. Hunter, Director of Corporate Services  
Submitted by: Donna E. Hunter, Director of Corporate Services  
Report Number: Corporate Services 2016-18  
Subject: Proposed Amending By-Law to Extend the Reduction in Ward 4 Development Charges for One Year  
Number of Pages: 8

### **Recommendation(s)/Conclusion(s)**

The following two recommendations are provided for Council's consideration:

1. That Corporate Services Report Number 2016-18 entitled "Proposed Amending By-Law to Extend the Reduction in Ward 4 Development Charges for One Year" be received; and
2. That draft By-Law Number 1558, being a By-Law to amend By-Law Number 1344, being a by-law for the imposition of Development Charges attached hereto as Appendix A will considered for first, second and third and final reading at the Regular Council Meeting scheduled for December 19, 2016.

### **Purpose**

In accordance with the *Development Charges Act* (the "Act"), as amended, this report will provide background information related to a proposed amendment to Development Charges. By-Laws, including amending by-laws, must be adopted by Council.

## Background

In July 2014 a Development Charge Background Study was completed by Watson & Associates. The Background study is available on the Town's website on the [Publication Plans and Reports](#) page. As a result of the Background Study, on August 25, 2014 By-Law Number 1344, being a By-Law for the Imposition of Development Charges was adopted by Council. Schedule "B" to By-Law Number 1344 provided for the imposition of Development Charges on residential development based on 100% of the Development Charges provided in Schedule "B" for all Wards in the Town of Essex.

Subsequently, on June 29, 2015, Council adopted By-Law Number 1425, being a By-Law to amend By-Law Number 1344 to provide for a fifty percent (50%) reduction in residential Development Charges for Harrow (Ward 4). This by-law came into effect June 29, 2015 and expires on December 28, 2016.

At the Regular Meeting of Council held on October 3, 2016, Council considered Corporate Services Report Number 2016-15 entitled "Development Charges – Harrow (Ward 4)". A copy of this report is provided as Appendix "A". The following resolution was provided with respect to Development Charges in Ward 4:

Moved by Councillor Bondy,

Seconded by Councillor Bjorkman

(R16-10-431) That another amending by-law for the continuation of reduced Development Charges in Harrow until December 2017 be prepared for adoption.

"Carried"

In accordance with *Development Charges Act* as amended by Bill 73, a background study in the form of a staff report on the proposed reduction in residential Development Charges for Harrow (Ward 4) must be released sixty (60) days prior to adopting a by-law. Additionally, notice of the public meeting is required in accordance with the Act.

In response to the above noted resolution of Council, Draft By-Law Number 1558 is attached hereto as Appendix "B". This By-Law will be considered for adoption at the Regular Council Meeting to be held on December 19, 2016. This By-Law provides for a reduction in residential Development Charges in Ward 4 of fifty percent (50%) for the period December 29, 2016 to December 31, 2017.

As the Development Charge Background Study identified the requirement for 100% of the residential Development Charges determined in this Study, any new residential Development Charges collected for Harrow (Ward 4) during the period December 29, 2016 to December 31, 2017 will have to be topped up to one hundred percent (100%) and funded through property taxes levied on all wards in the case of Development Charges for Municipal Wide Services and through Ward 4 wastewater rates in the case of Area Specific Development Charges for Wastewater.

## **Financial Impact**

The reduction to be funded through property taxes and Ward 4 wastewater rates will be dependent on the amount of residential development that occurs during the period of the amending by-law and cannot be estimated at this time.

## **Link to Strategic Priorities**

This report is linked to the Strategic Priority: "Manage the Town's finances and human resources in a responsible manner."

Reviewed by: Tracey Pillon-Abbs, Chief Administrative Officer, Concur



## Report to Council

Department: Corporate Services  
Date: September 25, 2016  
Prepared by: Donna E. Hunter, Director of Corporate Services  
Submitted by: Donna E. Hunter, Director of Corporate Services  
Report Number: Corporate Services 2016-15  
Subject: Development Charges – Harrow  
Number of Pages: 3

### Recommendation(s)/Conclusion(s)

The following two recommendation are provided for Council's consideration:

1. That Corporate Services Report Number 2016-15 entitled "Development Charges – Harrow" be received; and
2. That Council provide direction on whether it is desirous to let By-Law Number 1425, being a by-law to amend the Development Charge By-Law to reduce Development Charges in Harrow by 50%, expire on December 28, 2016 or to adopt an amending by-law to reduce Development Charges in Harrow for a further period of time .

### Purpose

A By-Law to impose Development Charges must be adopted by Council.

### Background

On June 29, 2015, Council passed By-Law Number 1425, which amended By-Law Number 1344, being a by-law to impose Development Charges. The amending by-law provided for a

fifty percent (50%) reduction in Development Charges for residential development in Harrow for the period June 29, 2015 to December 28, 2016.

As at the date of this report, the Building Department reports that six (6) permits were taken out for new single family residential dwellings in Harrow during 2015 (2) and 2016 to date (4). The total value of the Development Charges before the 50% reduction was \$54,868.00. With the 50% reduction, the actual Development Charges received was \$27,434.00.

Year	Number	Full Development Charges	50% Reduction	Adjusted Development Charges
2015	2	\$ 18,072.00	\$ 9,036.00	\$ 9,036.00
2016	4	\$ 36,796.00	\$ 18,398.00	\$ 18,398.00
		<b>\$ 54,868.00</b>	<b>\$ 27,434.00</b>	<b>\$ 27,434.00</b>

As required under the *Development Charges Act* (the "Act"), the reduction in Development Charges in the amount of \$27,434.00 must be funded from other sources. This will be accounted for as an expense in the 2017 budget and funded through property taxes levied on residents in all wards, in the case of the Development Charge for Municipal-Wide Services in the amount of \$19,925.00 and wastewater rates for Ward 4 in the case of the Development Charge related to Wastewater in the amount of \$7,509.00.

At the time that the subject of reduced Development Charges was being discussed, Administration provided actual data that showed Harrow averaging four (4) new single family residential dwellings annually during the years 2011 to 2014. It was estimated that by lowering the Development Charges, eight (8) new single family residential units could potentially be built. Actuals to date would indicate a shortfall in this estimate assuming no further homes are built in Harrow in 2016.

The Town's Planning Department advises that there are currently 33 developable lots in Harrow zoned for single family dwellings, with a large part of these off Queen Street. A new subdivision may be in the midst for semi-detached homes, which would require re-zoning and a plan of subdivision, but no application has been received to date. Accordingly, it is

extremely difficult to make any assumptions on new development should the reduction be extended for a further period of time.

If it is Council's intent to pass another amending by-law to reduce Development Charges in Harrow beyond December 28, 2016, Bill 73, which amended the Act, requires a longer process to achieve this. A background study in the form of a staff report would have to be released sixty (60) days prior to considering the amending by-law. Notice of the public meeting will be required in accordance with the Act.

## **Financial Impact**

The reduction in Development Charges for Harrow to date in the amount of \$27,434.00 will be funded partially through property taxes levied on all wards (\$19,925.00) and Ward 4 wastewater rates (\$7,509.00) in the 2017 Operating Budget.

## **Link to Strategic Priorities**

This report is linked to the Strategic Priority: "Manage the Town's finances and human resources in a responsible manner".

Reviewed by: Tracey Pillon-Abbs, Chief Administrative Officer, Concur

**Schedule "B" to Corporate Services Report  
Number 2016-18**

**The Corporation of the Town of Essex**

**By-Law Number 1558**

**Being a By-Law to Amend By-Law Number  
1344, Being a By-Law for the Imposition of  
Development Charges for The Corporation  
of the Town of Essex**

Whereas on August 25, 2014, The Corporation of the Town of Essex did pass By-Law Number 1344;

And whereas Council of The Corporation of the Town of Essex desires to amend certain sections of By-Law Number 1344;

Now Therefore The Corporation of the Town of Essex enacts as follows:

1. That section 3.11 be re-numbered to 3.11.1; and
2. That a new section be added as follows:

**3.11.2** The following percentage of each service for residential uses within Ward 4 as provided in Schedule B, shall be imposed between December 29, 2016 and December 31, 2017, after which the percentage of each service will be returned to 100%:

Service	Residential - Single and Semi- Detached Dwelling	Residential - Apartments - 2 Bedrooms +	Residential - Apartments - Bachelor and 1 Bedroom	Residential - Other Multiples
<b>Municipal Wide Services:</b>				
Roads and Related	50%	50%	50%	50%
Fire Protection Services	50%	50%	50%	50%
Police Services	50%	50%	50%	50%
Outdoor Recreation Services	50%	50%	50%	50%
Indoor Recreation Services	50%	50%	50%	50%
Library Services	50%	50%	50%	50%
Administration	50%	50%	50%	50%
-				
<b>Area Specific Charges - Wastewater</b>				
Ward 4	50%	50%	50%	50%

3. That By-Law Number 1558 shall come into effect on December 29, 2016.

**Read a first, a second and a third time and finally passed on December 19, 2016.**

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Mayor

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Clerk

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