



Report to Council

Department: Corporate Services
Date: May 27, 2015
Prepared by: Donna E. Hunter, Director of Corporate Services
Submitted by: Donna E. Hunter, Director of Corporate Services
Report Number: Corporate Services 2015-008
Subject: Discounted Development Charges – Residential Uses
Number of Pages: 4, including attachment

Recommendation(s)/Conclusion(s)

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

1. That Corporate Services Report number 2015-008, entitled "Discounted – Development Charges - Residential" be received; and
2. That Amending By-Law Number 1425 be adopted.

Purpose

In accordance with the Municipal Act, 2001 by-Laws must be adopted by Council.

Background

In 2014 Watson and Associates completed a Development Charge Background Study and, following a public meeting to receive input on the proposed Development Charges on August 11, 2014, By-Law Number 1344, being a By-Law for the imposition of Development Charges, was passed with the new Development Charges to be effective September 1, 2014..

At the May 19, 2015 Special Council Meeting, Administration provided a presentation on Development Charges and the impact of a reduction in Ward 4 (Harrow) residential Development Charges based on reductions ranging from 50 to 100 per cent. At that meeting the following resolution was passed by Council:

Moved by Councillor Voakes

Seconded by Councillor Caixeiro

(SP15-05-036) That residential development charges be reduced by 50% for an eighteen month period across the entire municipality commencing May 20, 2015 with the cost recovery to be financed from the landfill reserve.

Deputy Mayor Meloche requested a recorded vote.

Deputy Mayor Meloche – Opposed

Mayor McDermott – Opposed

Councillor Bondy – Support

Councillor Voakes – Support

Councillor Bjorkman – Opposed

Councillor Caixeiro – Support

Councillor Snively – Support

With a recorded vote of four (4) in support and three (3) opposed, motion (SP15-05-035) was “Carried.”

In order to formalize the discount for residential Development Charges, By-Law Number 1425, being a by-law to amend By-Law Number 1344 is being presented for adoption.

Financial Impact

The financial impact of the discount on residential Development Charges is difficult to predict for all residential classes. However, Schedule A to this report provides some potential impacts for detached and semi-detached based on historical data.

Link to Strategic Priorities

Not applicable

Reviewed by: Russ Phillips, Chief Administrative Officer, Concur

Schedule A to Corporate Services Report Number 2015-008
Potential Impacts - Residential - Single and Semi-Detached Dwellings

	Ward 1	Ward 2	Ward 3	Ward 4	Total Impact
Development Charges - Schedule B to By-Law 1344	\$ 9,953	\$ 7,290	\$ 8,317	\$ 9,036	
50% Reduction in Development Charges	-\$ 4,977	-\$ 3,645	-\$ 4,159	-\$ 4,518	
Net Development Charges	\$ 4,977	\$ 3,645	\$ 4,159	\$ 4,518	
Average Annual Single Family Residential - 2011 to 2015	20	12	12	4	
Estimated Single Family Residential for 18 Months	30	18	18	6	
Scenario A - 50% increase in Single Family Residential:					
Estimated Single Residential	45	27	27	9	
Amount Required to Fund Reserve	\$ 223,943	\$ 98,415	\$ 112,280	\$ 40,662	\$ 475,299
Scenario B - 75% increase in Single Family Residential:					
Estimated Single Residential	53	32	32	11	
Amount Required to Fund Reserve	\$ 261,266	\$ 114,818	\$ 130,993	\$ 47,439	\$ 554,516
Scenario C - 100% increase in Single Family Residential					
Estimated Single Residential	60	36	36	12	
Amount Required to Fund Reserve	\$ 298,590	\$ 131,220	\$ 149,706	\$ 54,216	\$ 633,732