



Town of Amherstburg

2024 Development Charges Public Meeting

October 15, 2024

Format for Public Meeting



- Opening Remarks
- Public Meeting Purpose
- Study Process and Timelines
- Development Charges Overview
- Presentation of the Proposed Charges and Policies
- Presentations by the Public
- Questions from Council
- Conclude Public Meeting

Public Meeting Purpose



- The public meeting is to provide for a review of the D.C. background study and to receive public input on the proposed policies and charges
- The meeting is a mandatory requirement under the Development Charges Act (D.C.A.)
- Prior to Council's consideration of a by-law, a background study must be prepared and available to the public a minimum 60 days prior to the D.C. by-law passage

Overview of Process – Timelines



1

January 2024 to August 2024

Data collection, staff review, D.C. calculations and policy work

2

April 9, 2024

Council Workshop

3

September 16, 2024

Release of D.C. Background Study and By-law

4

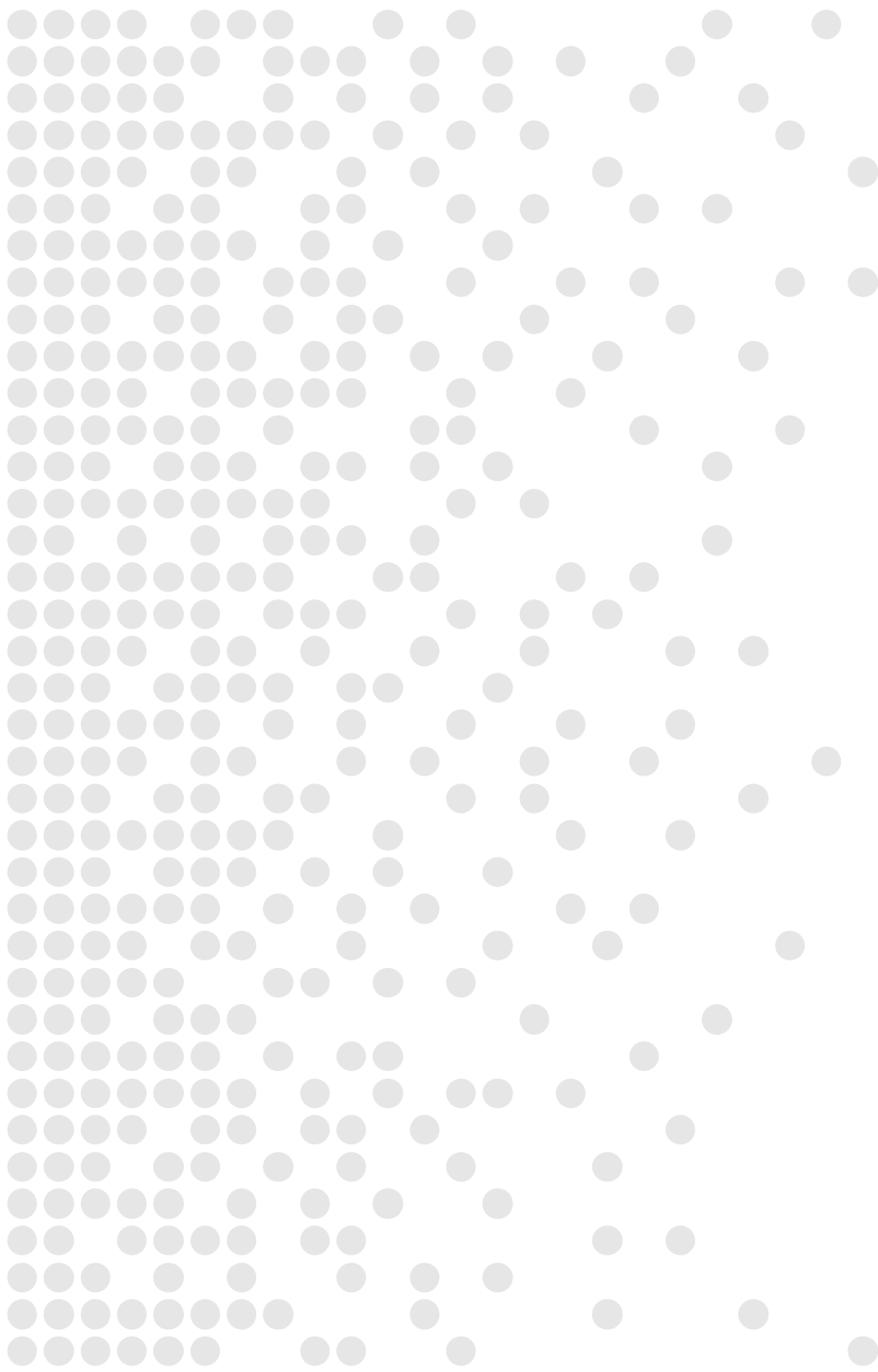
October 15, 2024

Public Meeting of Council

5

November 25, 2024

Council Consideration of By-law



Development Charges Overview

Town of Amherstburg 2024 Development
Charges Background Study & By-law

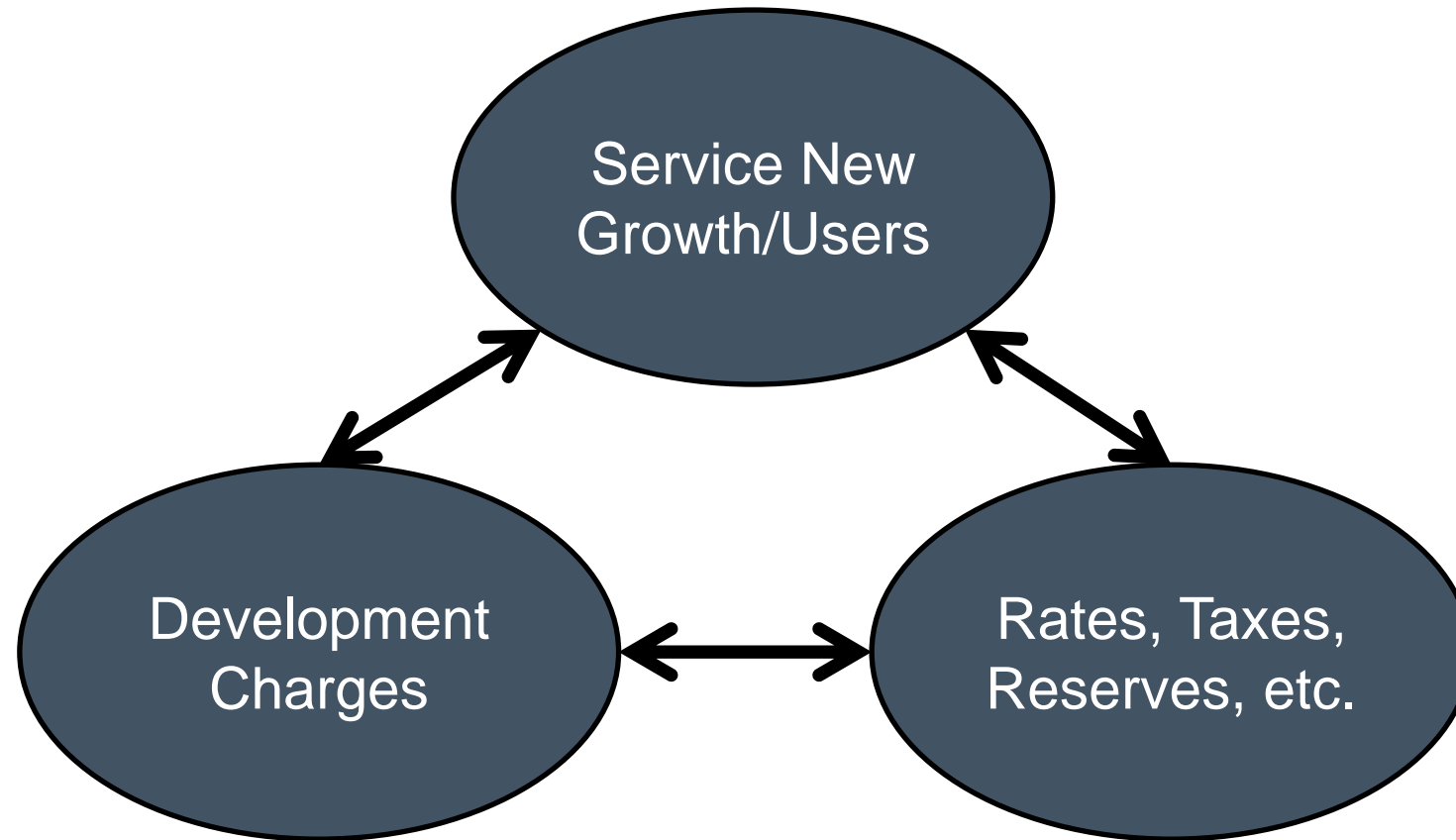
Development Charges (D.C.s)



Purpose:

- To recover the capital costs associated with residential and non-residential growth within a municipality
- The capital costs are in addition to what costs would normally be constructed as part of a subdivision (i.e. internal roads, sewers, watermains, sidewalks, streetlights, etc.)
- Municipalities are empowered to impose these charges via the Development Charges Act (D.C.A.)
- Development Charges are typically calculated and imposed at the time of issuance of a building permit

Relationship Between Needs to Service Growth vs. Funding



D.C. Methodology



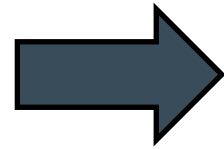
The following provides the overall methodology to calculating the charge:

1. Identify amount, type and location of growth
2. Identify servicing needs to accommodate growth
3. Identify capital costs to provide services to meet the needs
4. Deduct:
 - i. Grants, subsidies and other contributions
 - ii. Benefit to existing development
 - iii. Amounts in excess of 15-year historical service calculation
 - iv. D.C. Reserve funds (where applicable)
5. Net costs then allocated between residential and non-residential benefit
6. Net costs divided by growth to calculate the D.C.

Overview of the D.C. Calculation



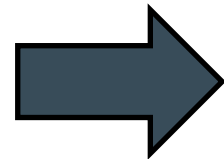
Cost of Infrastructure
Required to
Accommodate Growth



\$

Development Charge
per Unit
(for Residential Growth)

Residential and Non-
residential Growth



Development
Charges

Development Charge
per Sq.ft. or per Sq.m
(for Non-residential Growth)

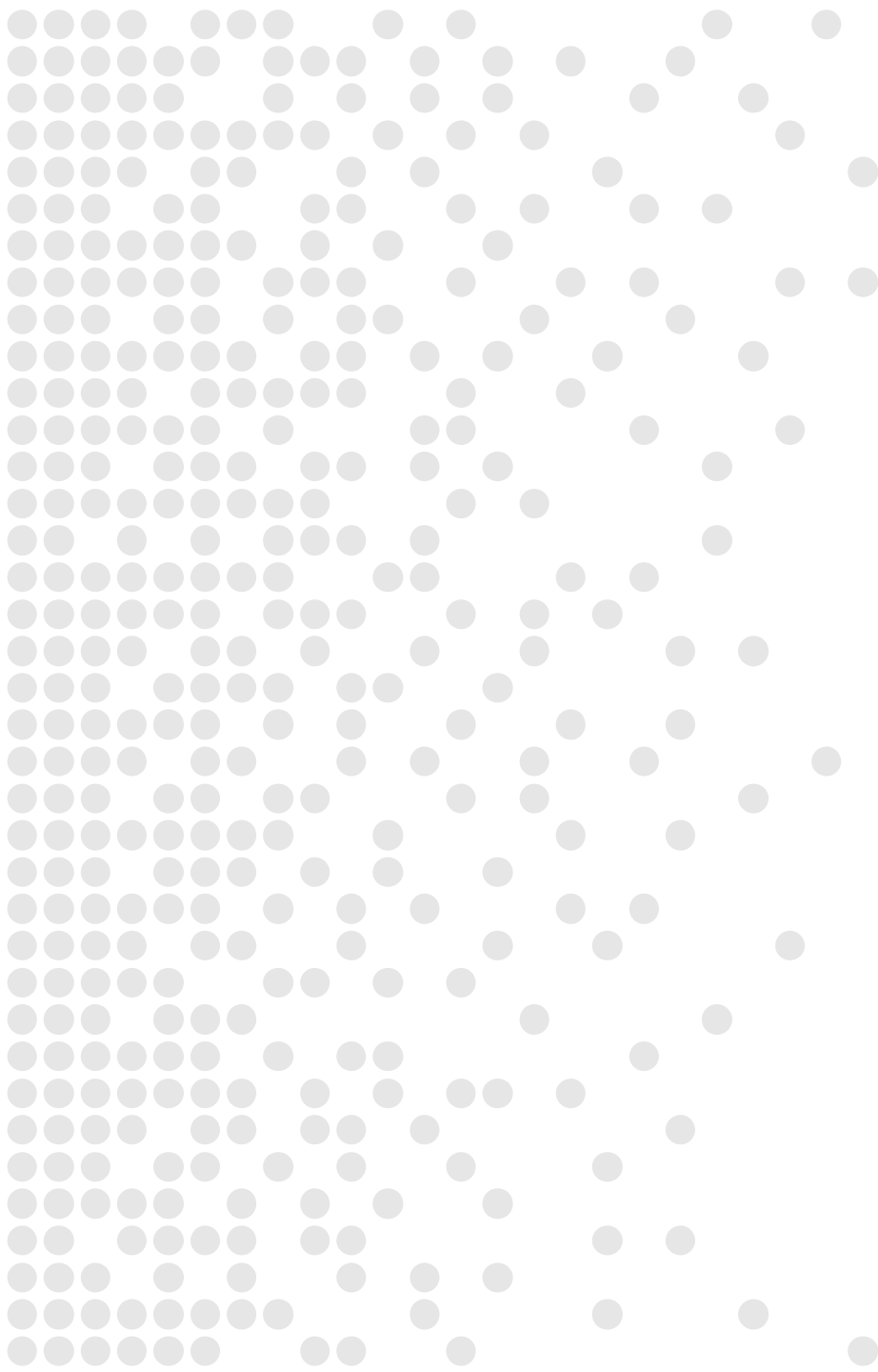
D.C. Eligible Services



1. **Water**
2. **Wastewater**
3. Storm water drainage
4. **Services related to a highway**
5. Electrical power services.
6. Toronto-York subway extension.
7. Transit
8. Waste diversion
9. **Policing Services**
10. **Fire protection**
11. Ambulance
12. **Library**
13. Long-term Care
14. **Parks and Recreation**
15. Public Health services
16. Childcare and early years services
17. Provincial Offences Act
18. Emergency Preparedness
19. Airports (Waterloo Region only)

Blue highlights denote services included in the 2024 D.C.

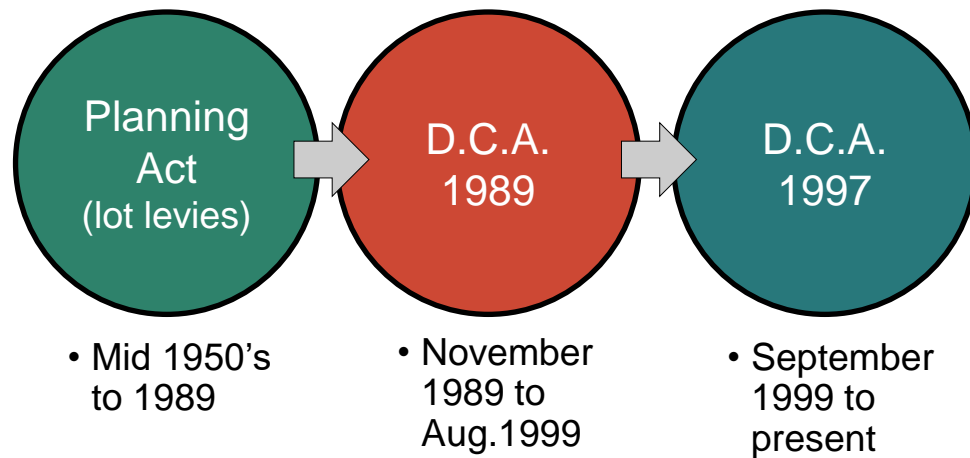
Public Works and Growth studies are included in the D.C. as classes of services



D.C. Legislation

Town of Amherstburg 2024 Development
Charges Background Study & By-law

History of D.C.s



Amendments to D.C.A. 1997

1. Bill 73: January 2016
2. Bill 108: June 2019
3. Bill 138: December 2019
4. Bill 197: July 2020
5. Bill 213: December 2020
6. Bill 109: April 2022
7. Bill 23: November 2022
8. Bill 134: December 2023
9. Bill 185: June 2024

Recent Changes to D.C. Legislation



Bills 108 & 138: *More Homes, More Choice Act, 2019 and Plan to Build Ontario Together Act, 2019*

- Instalment payments (for rental housing and institutional developments)
- D.C. freeze for Site Plan and Zoning By-law Applications
 - Once a complete application is received; D.C. rate is frozen. Once the municipality approves application, developer has two years to pull a building permit to maintain frozen rate

Bill 197: *COVID-19 Economic Recovery Act, 2020*

- Removal of 10% mandatory deduction
- List of eligible services
- C.B.C legislation (*Planning Act*)

Bill 213: *Better for People, Smarter for Business Act, 2020*

- Exemptions for universities

Bill 109: *More Homes for Everyone Act, 2022*

- Rules for Annual Treasurer's Statement

Recent Changes to D.C. Legislation – Cont'd



Bill 23: *More Homes, Built Faster Act, 2022*

- Additional D.C. exemptions:
 - Inclusionary zoning units
 - Non-profit housing
 - Additional residential units
 - Affordable owned/rental units
 - Attainable units (currently not in force)
- Rental housing discount (based on number of bedrooms – 15%-25%)
- Removal of housing as an eligible D.C. service
- Capital cost amendments (**restrictions to remove studies** and potentially land)
- **Mandatory phase-in of D.C. (maximum charge of 80%, 85%, 90%, 95%, 100% for first five years of the by-law)**
- Maximum Interest Rate for Installments and D.C. Freeze (maximum interest rate would be set at the average prime rate plus 1%)
- Requirement to Allocate 60% of the monies in the reserve funds for Water, Wastewater, and Services Related to a Highway
- D.C. by-law expiry extended to 10 years

Note: The Province passed Bill 185 on June 6, 2024, which removed these requirements (see next slide)

Recent Changes to D.C. Legislation – Cont'd.



Bill 134: *Affordable Homes and Good Jobs Act, 2023*

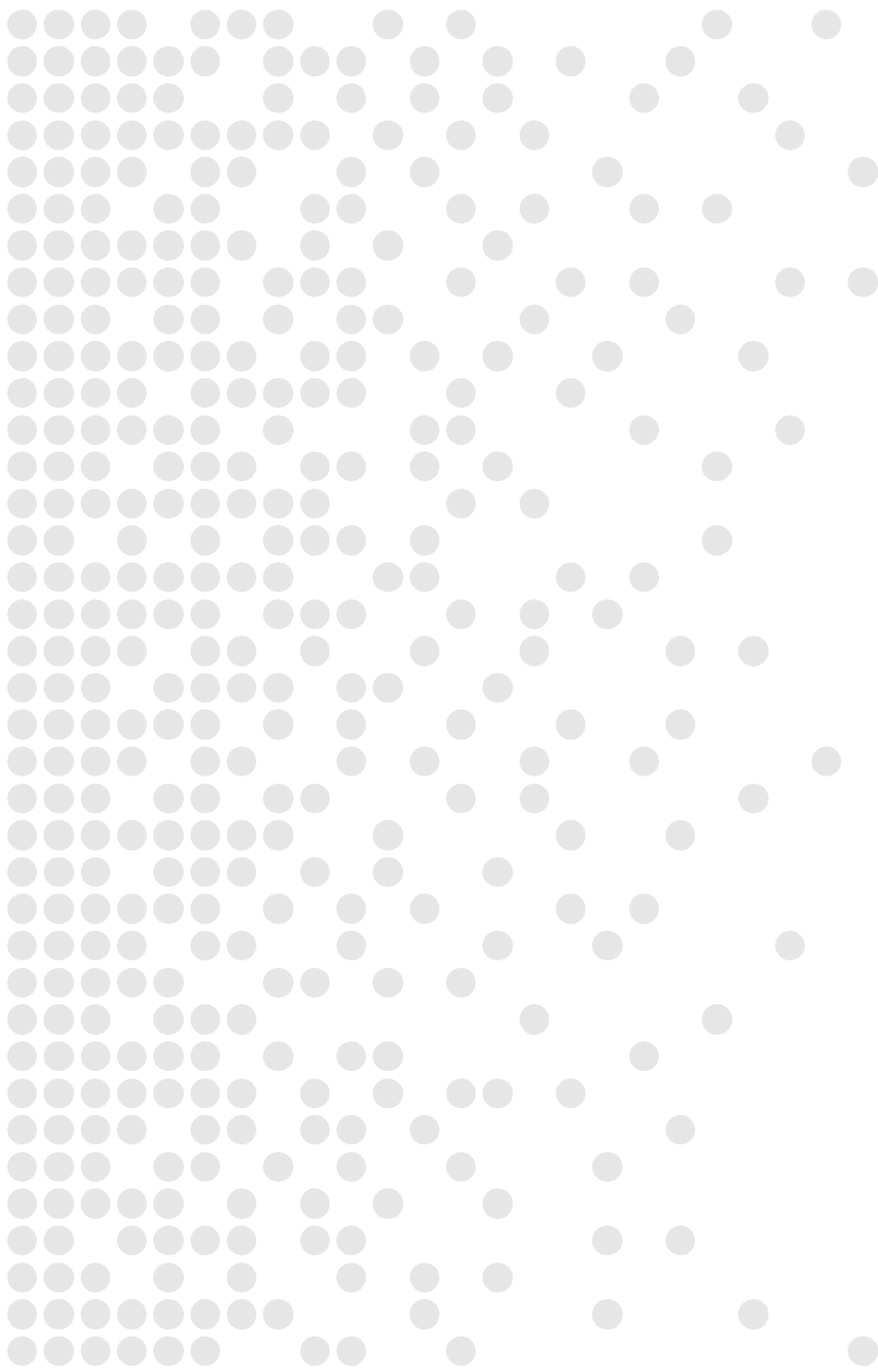
- Revised definition for affordable unit:

Affordable Rental Unit: rent is less than 30% of the 60th percentile of income for rental households or average market rent set out in Bulletin*

Affordable Owned Unit: cost is less than 30% of the 60th percentile of income for households in the municipality or 90% of the average purchase price as defined in Bulletin*

Bill 185: *Cutting Red Tape to Build More Homes Act, 2024*

- Removal of mandatory phase-in of charges
- Re-inclusion of studies as an eligible capital cost (included in calculated rates)
- D.C. rate freeze for zoning by-law amendment applications: reduction from two years to 18 months
- Process for minor amendments to D.C. by-laws
- Modernizing public notice requirements



D.C. Policies

Town of Amherstburg 2024 Development Charges Background Study & By-law



Mandatory D.C. Exemptions/ Discounts

- Upper/Lower Tier Governments and School Boards;
- Industrial building expansions (may expand by 50% with no D.C.)
- Development of lands intended for use by a university
- Up to 2 apartments in an existing or new detached, semi-detached, or rowhouse
- Add one additional unit or 1% of existing units in an existing rental residential building
- Affordable inclusionary zoning units
- Non-profit housing
- Discount for rental housing (based on number of bedrooms – 15% to 25%)
- Affordable rental unit
- Affordable owned unit
- **Attainable units (not yet in force)**

Discretionary D.C. Exemptions & Redevelopment Credits



- Reduce in part or whole D.C. for types of development or classes of development (e.g. industrial or churches);
- May phase-in over time; and
- Redevelopment credits to recognize what is being replaced on site (not specific in the Act but provided by case law)

Proposed Discretionary Exemptions for Council's Consideration as part of By-law Passage:



Places of
Worship



Bona fide
farms



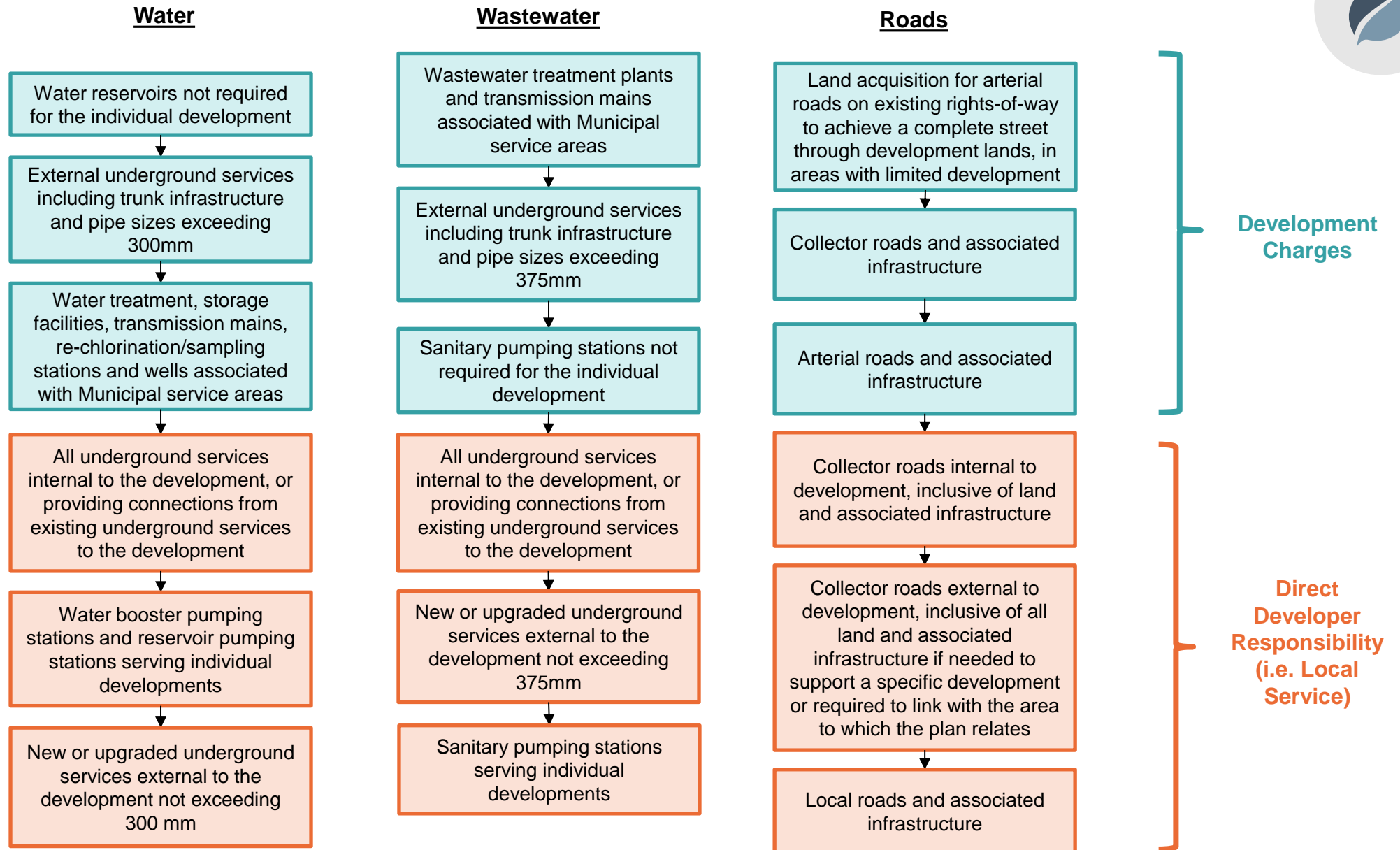
Non-Profits



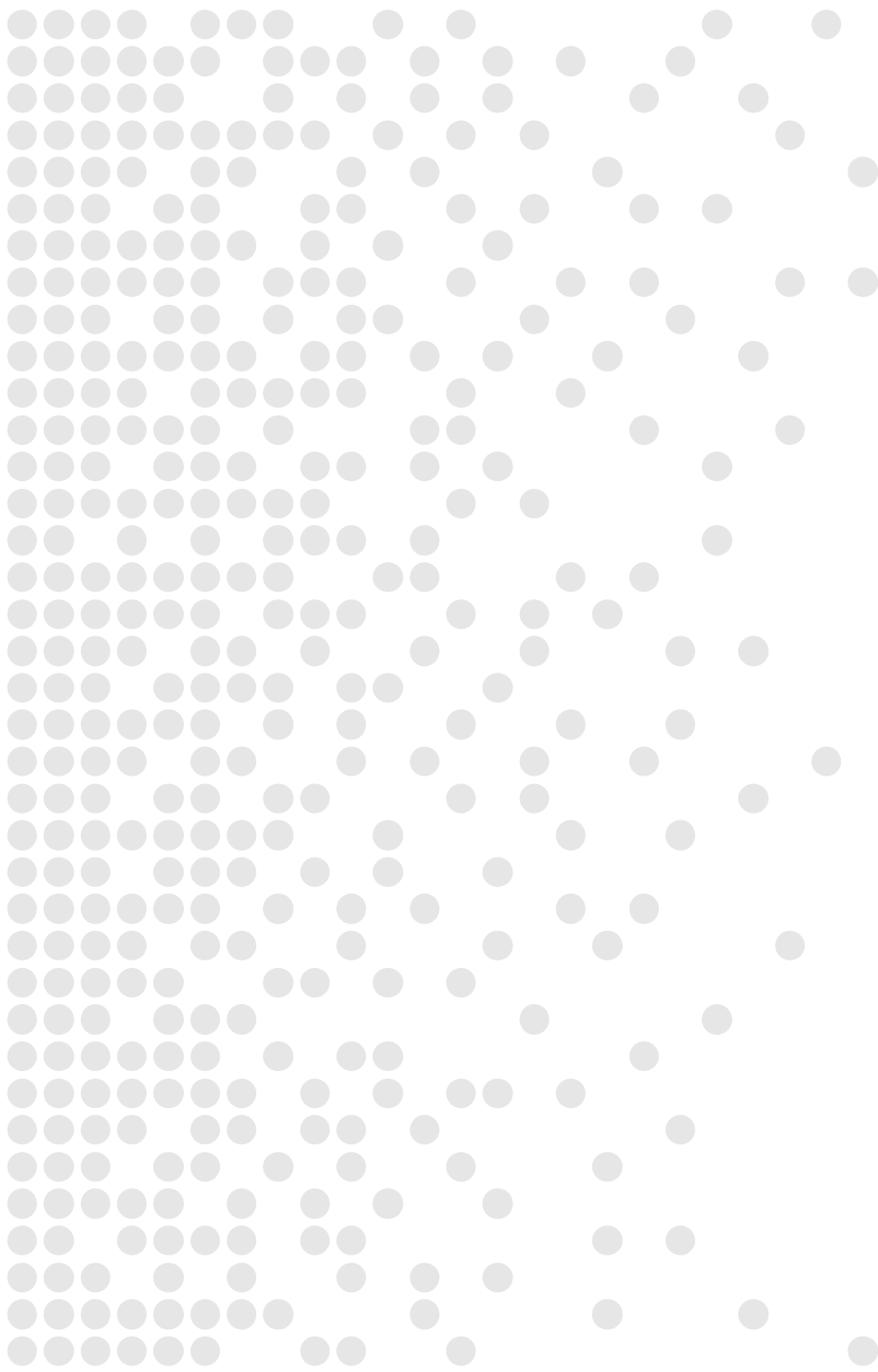
Local Service Policies

- New section 59.1(1) and (2) of the Act “No Additional Levies” - prohibits municipalities from imposing additional payments or requiring construction of a service not authorized under the D.C.A., therefore, need to be clear:
 - What will be included in the D.C.; and
 - What will be required by developers as part of their development agreements
- Items considered in Local Service Policies may include:
 - Local, rural, collector & arterial roads,
 - Intersection improvements & traffic signals,
 - Streetlights & sidewalks,
 - Bike Routes/Bike Lanes/Bike Paths/Multi-Use
 - Trails/Naturalized Walkways,
 - Noise Abatement Measures,
 - Land dedications/easements,
 - Water, Wastewater & Stormwater, and
 - Park requirements.

Current Local Service Policy Schematic



Note: Stormwater and parks services not shown



Calculated D.C. Rates

Town of Amherstburg 2024 Development
Charges Background Study & By-law

Growth Forecast Summary



Measure	10 Year 2024 to 2033	10 Year Wastewater Service Area 2024 to 2033
(Net) Population Increase	4,120	4,106
Residential Unit Increase	1,383	1,378
Non-Residential Gross Floor Area Increase (sq.ft.)	1,748,600	617,200

Source: Watson & Associates Economists Ltd. Forecast 2024

Current D.C. Rates



Service	Residential					Non-Residential	Wind Turbines & Telecommunication Towers	Solar Farms (per sq.ft.)
	Single & Semi Detached	Multiples	Apartments with >= 2 Bedrooms	Apartments with < 2 Bedrooms	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)		
Municipal Wide Services								
Services Related to a Highway	4,930	3,189	2,773	2,144	1,772	2.80	4,930	2.80
Fire Protection Services	1,062	688	598	462	383	0.61	1,062	0.61
Policing Services	-	-	-	-	-	-	-	-
Parks & Recreation Services	3,845	2,488	2,163	1,672	1,382	0.73	-	-
Administration Studies - Engineering & Protection Services	814	527	458	354	293	0.47	814	0.47
Administration Studies - Community Based Services	324	209	183	141	116	0.19	324	0.19
Water Services	1,871	1,211	1,052	814	673	1.07	-	-
Total Municipal Wide Services	12,846	8,312	7,227	5,587	4,619	5.87	7,130	4.07
Wastewater Serviced Area Services								
Wastewater Services	9,676	6,259	5,444	4,207	3,479	5.93	-	-
Total Wastewater Serviced Area Services	9,676	6,259	5,444	4,207	3,479	5.93	-	-
Total Municipal Wide Services	12,846	8,312	7,227	5,587	4,619	5.87	7,130	4.07
Total Wastewater Serviced Areas Services	22,522	14,571	12,671	9,794	8,098	11.80	7,130	4.07

Calculated D.C. Rates



Service/Class of Service	RESIDENTIAL					NON-RESIDENTIAL	Wind Turbines & Telecommunication Towers	Solar Farms (per sq.ft.)
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Studio and 1 Bedroom	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)		
Town-Wide Services/Class of Service:								
Services Related to a Highway	4,356	3,044	2,945	2,069	1,620	1.16	4,356	1.16
Public Works (Facilities and Fleet)	2,095	1,464	1,416	995	779	0.55	2,095	0.55
Fire Protection Services	2,950	2,061	1,995	1,401	1,097	0.78	2,950	0.78
Policing Services	832	581	563	395	309	0.22	832	0.22
Parks and Recreation Services	5,157	3,604	3,487	2,449	1,918	0.22	-	-
Growth Studies	533	372	360	253	198	0.12	533	0.12
Water Services	6,470	4,521	4,375	3,073	2,406	1.72	-	-
Total Town-Wide Services/Class of Service	22,393	15,647	15,141	10,635	8,327	4.77	10,766	2.83
Wastewater Serviced Area Services:								
Wastewater Services	12,351	8,631	8,351	5,867	4,593	6.52	-	-
Total Wastewater Serviced Area Services	12,351	8,631	8,351	5,867	4,593	6.52	-	-
TOTAL TOWN-WIDE	22,393	15,647	15,141	10,635	8,327	4.77	10,766	2.83
TOTAL WASTEWATER SERVICED AREAS	34,744	24,278	23,492	16,502	12,920	11.29	10,766	2.83



Rate Comparison – Residential – Single Detached (per unit)

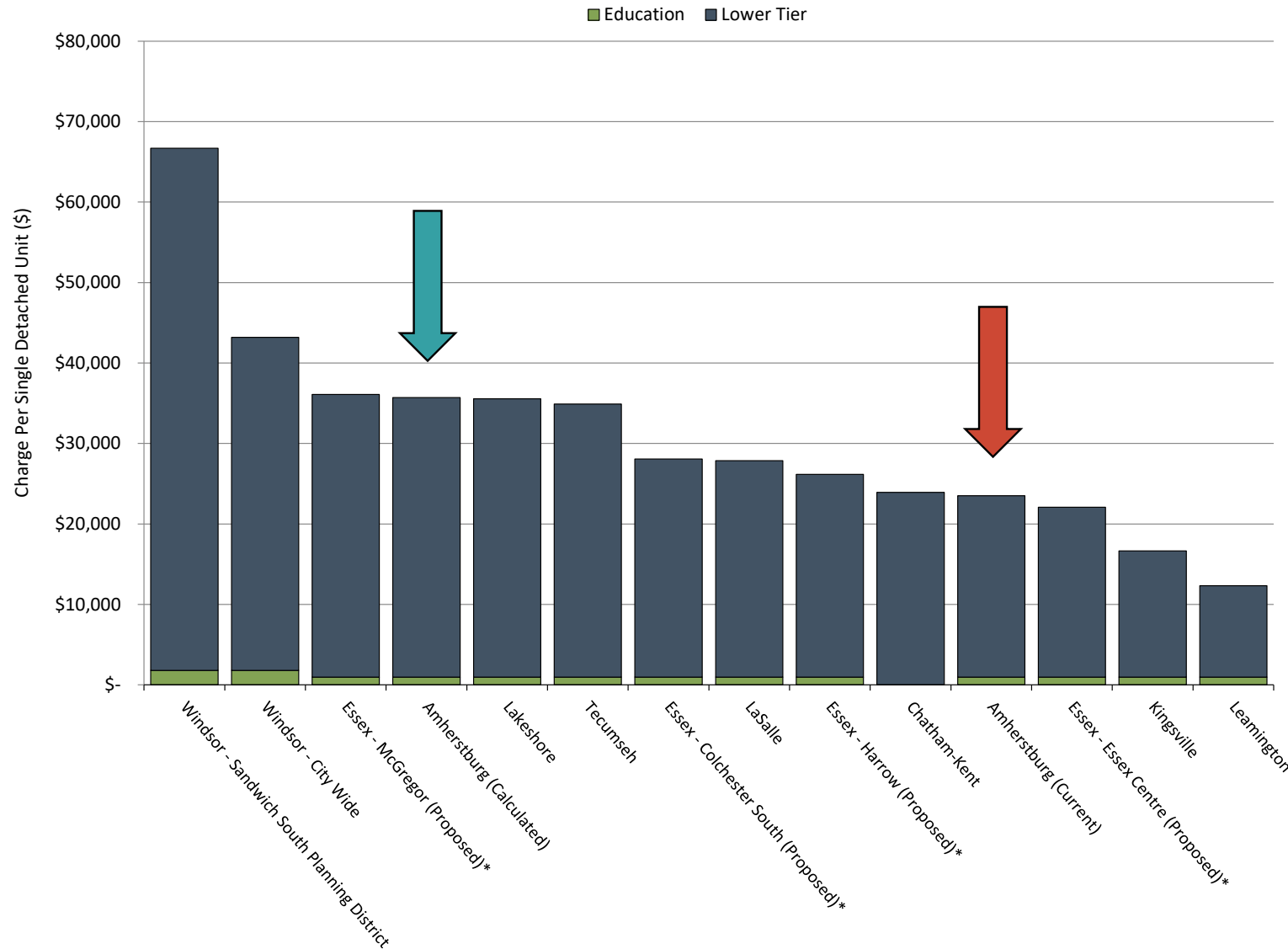
Service/Class of Service	Current	Calculated
Town-Wide Services/Class of Service:		
Services Related to a Highway	4,930	4,356
Public Works (Facilities and Fleet)		2,095
Fire Protection Services	1,062	2,950
Policing Services	-	832
Parks and Recreation Services	3,845	5,157
Growth Studies	1,138	533
Water Services	1,871	6,470
Total Town-Wide Services/Class of Service	12,846	22,393
Wastewater Serviced Area Services:		
Wastewater Services	9,676	12,351
TOTAL TOWN-WIDE	9,676	12,351
TOTAL WASTEWATER SERVICED AREAS	22,522	34,744

Rate Comparison – Non-Residential (per sq.ft.)



Service/Class of Service	Current	Calculated
Town-Wide Services/Class of Service:		
Services Related to a Highway	2.80	1.16
Public Works (Facilities and Fleet)		0.55
Fire Protection Services	0.61	0.78
Policing Services	-	0.22
Parks and Recreation Services	0.73	0.22
Growth Studies	0.66	0.12
Water Services	1.07	1.72
Total Town-Wide Services/Class of Service	5.87	4.77
Wastewater Serviced Area Services:		
Wastewater Services	5.93	6.52
TOTAL TOWN-WIDE	5.93	6.52
TOTAL WASTEWATER SERVICED AREAS	11.80	11.29

Survey of Comparator Municipalities – Single/Semi Detached



*Water capital charges are excluded

Tecumseh

- Passed new by-law: July 2024

Essex

- Anticipated passage of D.C.: early October 2024

Lakeshore

- Planning to update D.C: Targeting 2025

LaSalle

- D.C. completed: 2020
- Next anticipated update: 2025

Kingsville

- D.C. completed: 2022

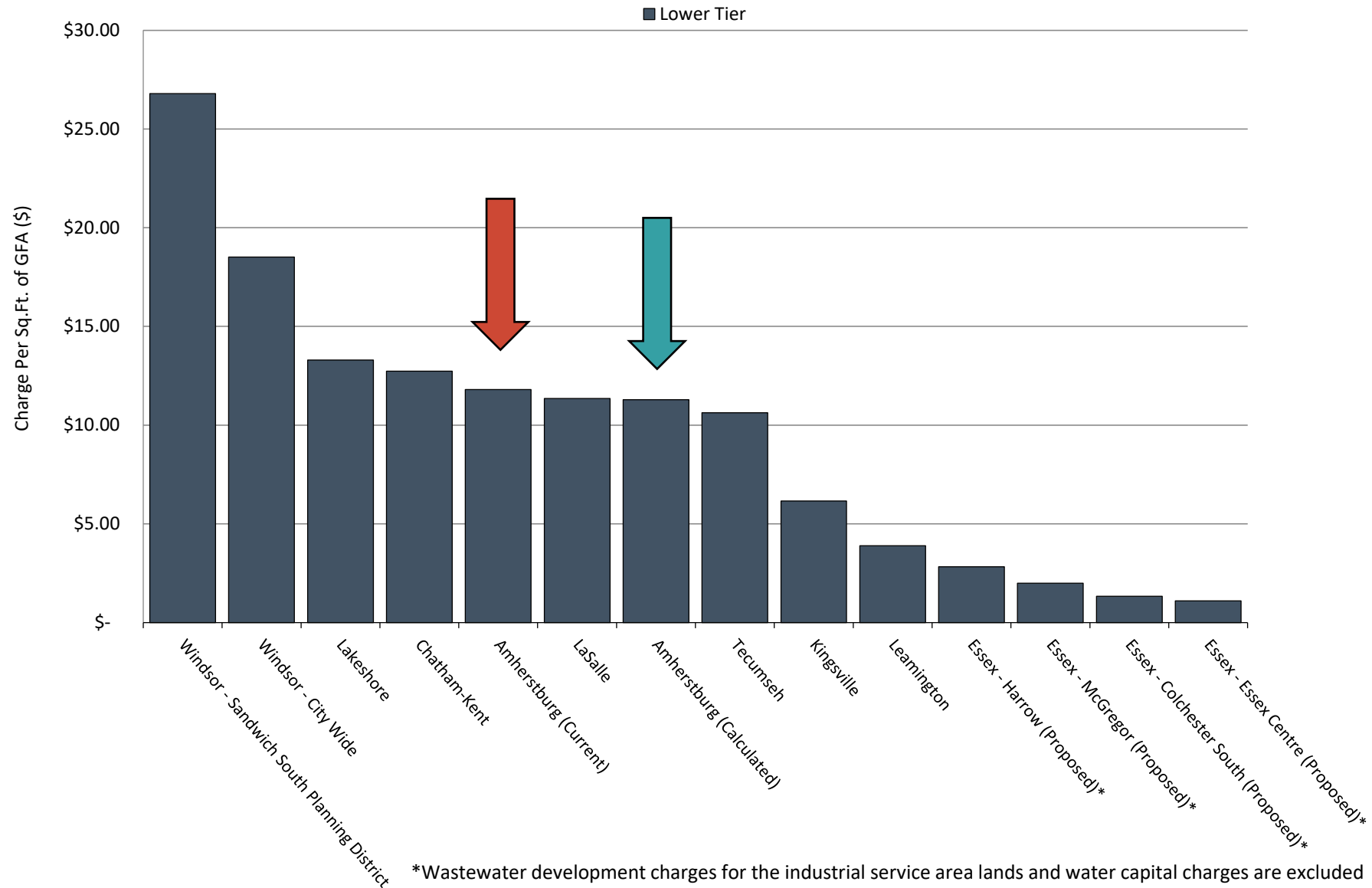
Leamington

- D.C. completed: 2022

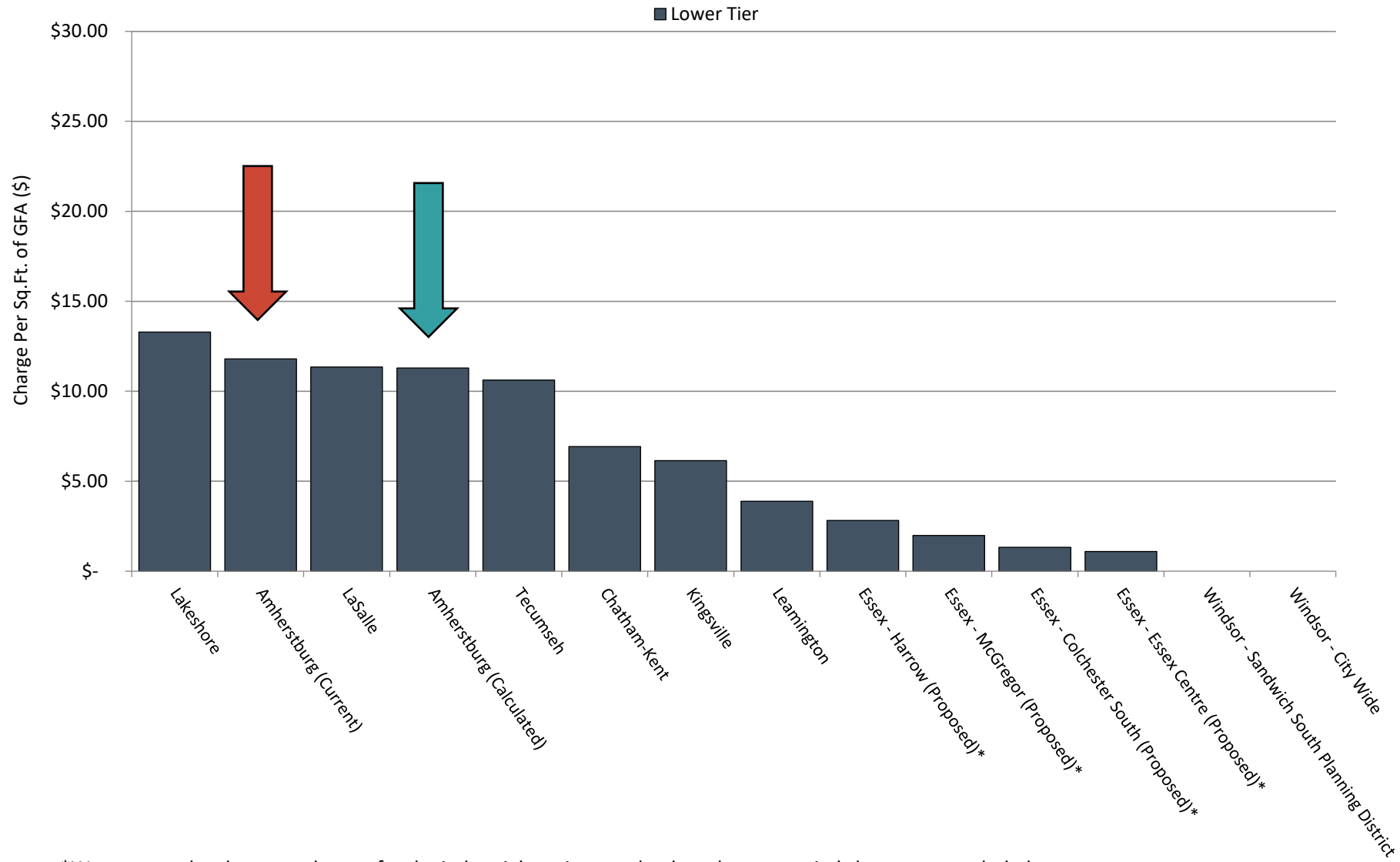
County

- Currently considering a D.C.

Survey of Comparator Municipalities – Commercial (per sq.ft.)



Survey of Comparator Municipalities – Industrial (per sq.ft.)



*Wastewater development charges for the industrial service area lands and water capital charges are excluded

Next Steps



January 2024 to August 2024

Data collection, staff review, D.C. calculations and policy work



April 9, 2024

Council Workshop



September 16, 2024

Release of D.C. Background Study and By-law



October 15, 2024

Public Meeting of Council



November 25, 2024

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Questions

