



2016 Development Charges Amendment By-law



Town of
East Gwillimbury

May 10, 2016

AGENDA

- Present an overview of the 2016 Development Charges Amendment Study process
 - Growth forecast
 - Capital programs
 - Newly calculated DC rates
- DC Amendment Study timeline
- Next Steps

WHAT ARE DEVELOPMENT CHARGES?

- Development charges are fees levied against new development to recover for the capital cost of servicing growth
- Principal behind DCs is that “growth pays for growth” and to not place an undue burden on existing tax payers for the cost of growth
- Development charges do not:
 - Pay for operating costs
 - Recover for local services (works internal to a subdivision)
 - Pay for asset replacement

PURPOSE OF 2016 DC UPDATE

- Various costs included in the 2014 DC Study have escalated beyond anticipated costs and inflation rates
- Other capital costs have now been realized which were not contemplated in the previous update
- This focused update will ensure that growth-related capital projects will be funded in a fiscally responsible manner

2016 DC AMENDMENT STUDY

Service	Current Rate per Single/Semi-Detached Unit
General Government	793
Library	1,120
Fire	1,503
Indoor Recreation	6,302
Outdoor Recreation	3,296
Public Works	461
Municipal Parking	51
Roads and Related	1,623
Water	243
Wastewater	1,823
Total DC Rate	\$17,215

- The 2016 DC By-law will amend only the highlighted services
- The remaining services will be levied as per the 2014 DC By-law





2016 DC STUDY PROCESS TO DATE

January - March

Data Collection & Rate
Calculation

- Revise capital cost estimates to be included in update
- Review 10-year growth forecast and to 2031
- Meet and discuss servicing initiatives with Regional staff
- Calculate revised DC rates

February – April

Stakeholder Consultation

- Held 2 meeting with the development industry
- Held 2 technical meetings with industry's consultants
- Multiple written exchanges of information
- Refinement of capital program and DC rates



MAIN COMPONENTS OF A DC BACKGROUND STUDY

Development Forecast

What is the
anticipated
growth?



Historic Service Levels

What level of
service is
provided to
current
residents?



Capital Program

What
services are
required to
support the
anticipated
growth?

DEVELOPMENT FORECAST

- Forecast is consistent with the Town's Official Plan to 2031
- Forecast is largely unchanged from 2014 DC Study

	At 2015	Soft Services 2016-2025	Hard Services 2016-2031	At 2031
Population	23,500	31,000	63,000	86,500
Dwelling Units	8,200	10,100	20,700	28,900
Employment	9,300	10,600	25,100	34,400
Non-Res GFA (sq.ft.)		6,951,000	16,787,500	

CAPITAL PROGRAMS

- **Engineered Services:**
 - Town retained Cole Engineering to review the roads, water and wastewater capital programs
 - Included capital projects required to service strategic employment lands
 - Town staff to continue dialogue with Regional regarding infrastructure ownership
- **Indoor and Outdoor Recreation:**
 - Included current land acquisition costs
 - Included current construction costs for parkland development and trails



INDOOR RECREATION CAPITAL PROGRAM (\$ millions)

Projects	DC Eligible Share
Provision for indoor recreation land (8 acres)	\$ 7.2
Provision for indoor recreation space (175,000 sq ft)	<u>\$60.8</u>
Total Indoor Recreation Capital Program	\$68.0

OUTDOOR RECREATION CAPITAL PROGRAM (\$ millions)

Projects	DC Eligible Share
30 Parks (~114 acres)	\$25.9
Provision for Trails and Bridges	\$10.6
Parks Vehicles and Equipment	\$ 1.8
Operations Centre – Parks Share	\$ 2.4
Addition of growth-related amenities to existing parks	\$ 9.7
Recovery of past projects	<u>\$ 1.1</u>
Total Outdoor Recreation Capital Program	\$51.5

ENGINEERING CAPITAL PROGRAM (\$ millions)

Projects	DC Eligible Share
Roads and Related	
Roads and Structures	\$22.0
Sidewalks and Streetlights	\$21.4
Recovery for Completed Projects	\$ 1.8
Water	
Watermains	\$11.6
Employment Land Servicing	\$ 3.1
Recovery for Completed Projects	\$ 0.4
Wastewater	
Pumping Stations and Trunk Sewers	\$ 64.9
Employment Land Servicing	\$ 18.8
Recovery for Completed Projects	\$ 0.8
Total Engineering Capital Program	\$144.8



COMMUNITY CAPITAL CONTRIBUTION CHARGE

Unit Type	Charge
Single & Semi-Detached	\$4,264
Towns	\$3,596
Large Apartment	\$2,688
Small Apartments	\$1,934
Retail (per sq.ft.)	\$1.78

- CCC will continue to be levied
- Revenue of +/- \$4.5 million from first 2,000 permits (net of CCC credits)
- CCC will assist in funding the non-DC recoverable shares of the capital program

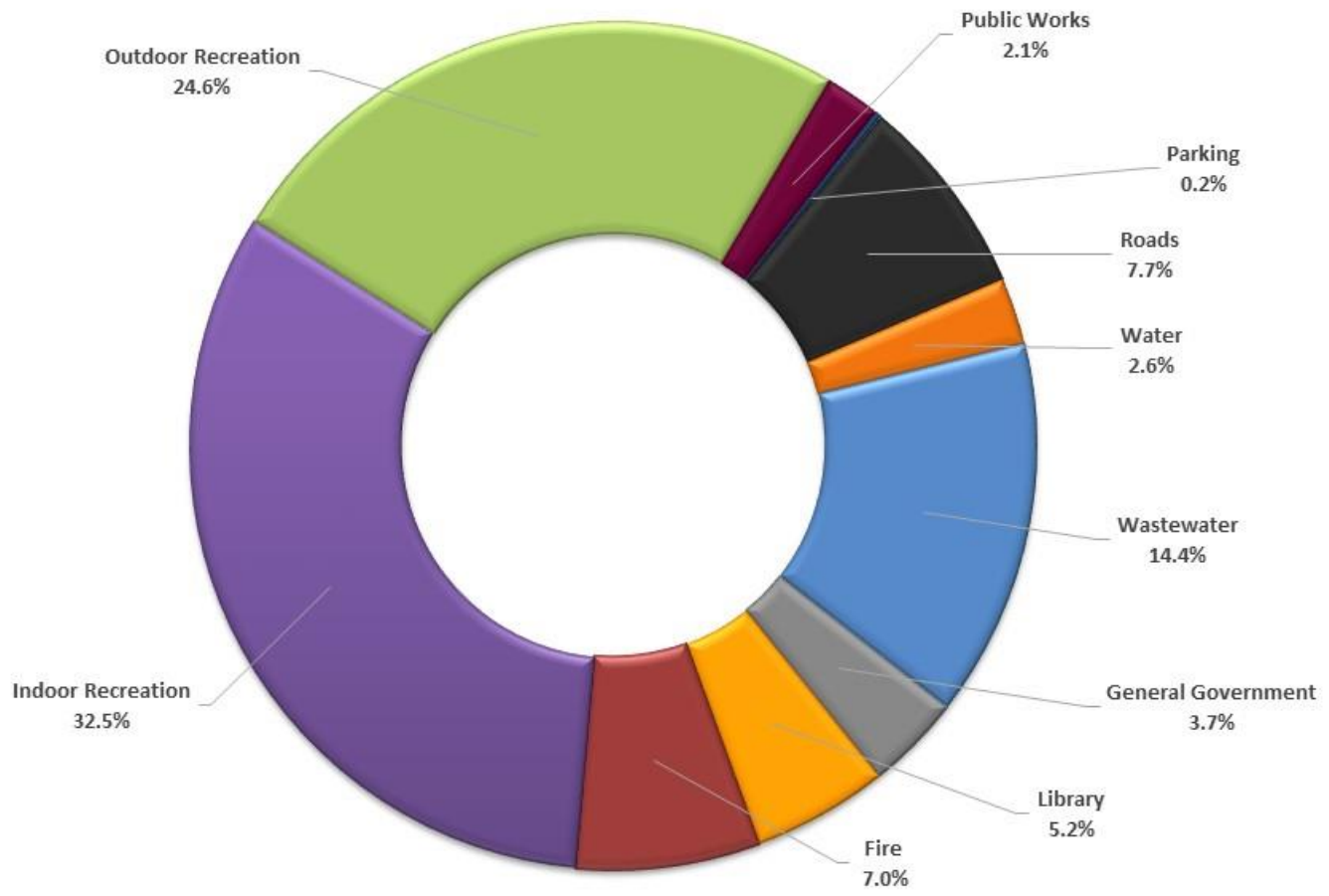
DC RATE CALCULATION

- Residential:
 - Calculated on a charge per capita, but levied on a differentiated charge per unit
 - Single & Semi-detached
 - Town homes
 - Large Apartments (>650 sq.ft.)
 - Small Apartments (<650 sq.ft.)

- Non-Residential:
 - Calculated and levied on a differentiated charge per square foot
 - Retail
 - Non-Retail



CALCULATED DC RATES



Residential Charge per Unit
Singles & Semis \$21,560
Towns \$18,192
Large Apts. \$13,591
Small Apts. \$9,772



COMPARISON OF CURRENT VS. CALCULATED RATES

Service	Current Rate	Calculated Rate	Change \$	Change %
General Government	793	793	0	0%
Library	1,120	1,120	0	0%
Fire	1,503	1,503	0	0%
Indoor Recreation	6,302	7,008	706	11%
Outdoor Recreation	3,296	5,305	2,009	61%
Public Works	461	461	0	0%
Parking	51	51	0	0%
Roads	1,623	1,659	36	2%
Water	243	554	311	128%
Wastewater	1,823	3,106	1,283	70%
Total	\$17,215	\$21,560	\$4,345	25%

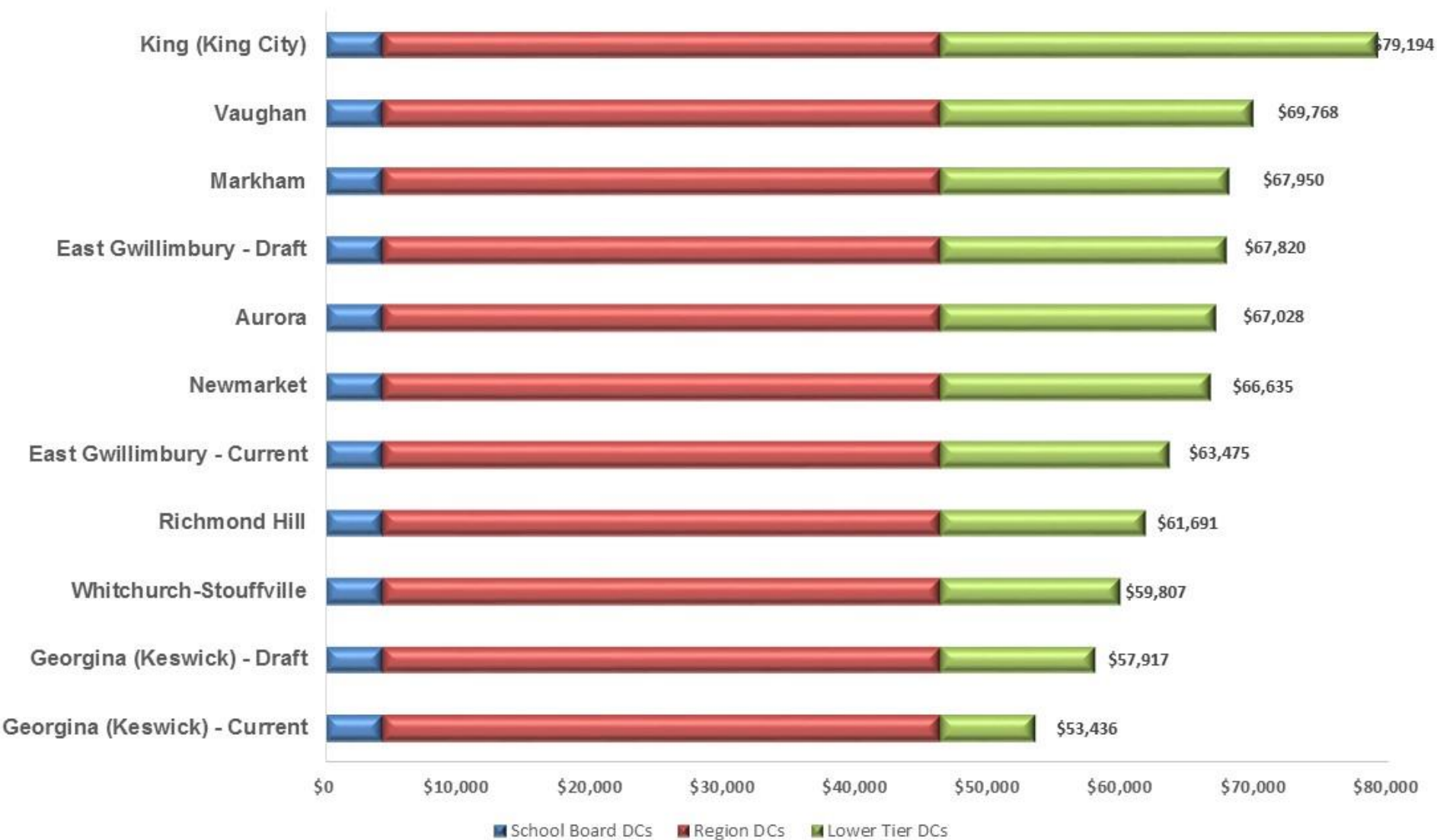


NON-RESIDENTIAL CHARGES

	Current Rate (\$/sq.ft.)	Calculated Rate (\$/sq.ft.)	Change \$
Retail	\$5.66	\$8.27	\$2.61
Non-Retail	\$1.66	\$2.58	\$0.92



YORK REGION DC RATE COMPARISONS





NEXT STEPS

Activity	Target Dates
Release DC background study to public	May 11, 2016
Post notice of statutory public meeting in Town paper and website	June 1, 2016, or earlier
Hold statutory public meeting	June 21, 2016
By-law passage by Council	July 19, 2016
New rates in effect	July 20, 2016