



Development Charges Background Study and Draft Rates

Prepared by

Dan Elliott, CPA, CA Interim Manager of Revenue



Overview

- 1. What are Development Charges?
- 2. Purpose of the Background Study
- 3. Process to Update DC Rates
- 4. Changes made to Bylaw draft
- 5. Proposed Rates Comparison
- 6. Next Steps





What are Development Charges?

- Imposed by the Development Charge Act and local bylaw
- Primary municipal tool to impose costs of growth related infrastructure upon growth development
- Minimizes existing taxpayers from funding growth related infrastructure
- Do not fund infrastructure maintenance or replacement, only growth portion
- Bylaws last maximum of five years: current bylaw expires
 January 24, 2021





KING What are Development Charges?

- DC's fund costs of expanding infrastructure capacity to meet service needs of growth community:
 - Parks and Recreation new facilities
 - Library, including expansion of collection
 - Fire and Emergency Services
 - Roads and Related Services
 - Water Services
 - **Wastewater Services**
 - **Stormwater Services**
 - **Growth Related Studies and Master Plans**





Purpose of the Background Study

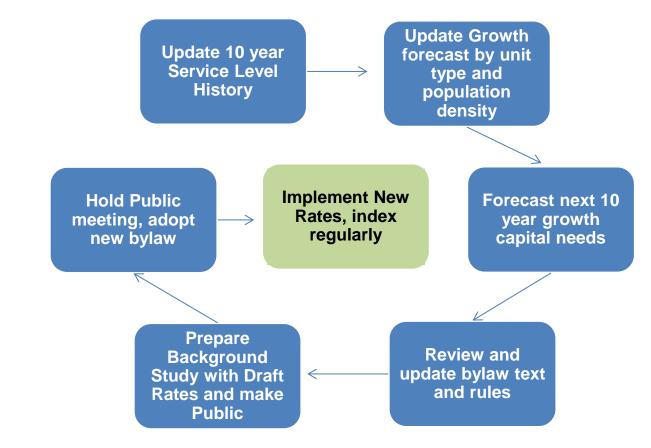
The DC Background Study provided full details and supporting materials for the 2020 DC By-law including:

- The requirements under the DC Act
- Development Charge policy and rates
- Areas of growth within the Township
- 10-year average level of service based on inventory
- Infrastructure needs to accommodate growth
- DC Calculations, included statutory deductions
- Proposed DC rates by development type and service





Process to Update DC Rates





Bylaw Changes



1. Reflect recent legislative changes and requirements



2. Harmonize definitions and other sections to streamline administration with Region of York



3. Create Special Care Facilities development type





5. Apartment size delineation - # rooms now to square feet

- 6. Add limits to mandatory Industrial Expansions exemptions
- 7. Expand credits for demolition, and derelict demolitions
- 8. Add clear transition rules
- 9. Semi-annual indexing rather than annual



Residential Rate Changes

For a Single Family Dwelling

	2020 Current	2021 Proposed	% Change
King City*	\$38,042	\$39,232	3.1%
Nobleton*	36,221	39,727	9.7%
Schomberg*	31,667	35,046	10.7%
Rural Unserviced	28,034	31,557	12.6%

^{*} On municipal water and sewer services



Non-Residential Rate Changes

Per Square Meter Non-Residential GFA

	2020 Current	2021 Proposed	% Change
King City*	\$106.56	\$156.29	46.7%
Nobleton*	101.93	144.99	42.2%
Schomberg*	97.95	140.36	43.3%
Rural Unserviced	92.24	121.42	31.6%

^{*} On municipal water and sewer services



DC Rate Comparisons

	Single Family	Industrial	Retail
	urban services	per sq. m.	per sq. m.
King township current (King City)	38,042	106.56	106.56
Georgina (Keswick Queensway)	15,534	38.75	38.75
East Gwillimbury	34,864	54.36	116.90
Newmarket	29,737	71.82	71.82
Whitchurch-Stouffville	23,379	71.80	71.80
Aurora	24,956	49.23	49.23
Markham	37,953	120.01	157.14
Richmond Hill	19,947	66.39	91.05
Vaughan	54,269	158.41	158.41
Caledon	31,315	57.78	57.78
King Township Proposed (King City)	39,232	156.29	156.29

Additional Area Specific Charges Apply



Next Steps to Finalize New Bylaw Developer Consultation November 27, 2020

COW/Council November 30 - Public Consultation

Follow-up from Consultations

Final Report and Bylaw Adoption January 11, 2021

Existing Bylaw expires if not repealed by January 24, 2021

New Rates take effect upon adoption

40 day formal appeal period begins upon adoption



• Questions?

