

Report FR-CS-01-16

To: Chair and Members, Corporate Services Committee
From: Kevin Wepler, Director of Finance
Meeting Date: January 12, 2016
Subject: **Annual Indexing of Development Charges effective January 1, 2016**
Status: Recommendation adopted by Committee as presented per Resolution CS10-16; Endorsed by County Council February 2, 2016 per Resolution CC24-16;

Recommendation(s)

THAT Report FR-CS-01-16 regarding the updated development charge rates effective January 1, 2016 be received for information.

Background

The County of Grey's Development Charges By-laws 4744-12 and 4745-12 provide for the automatic indexing of development charges on January 1 of each year ("shall be adjusted"), without amendment to the by-law, in accordance with the most recent annual change in the Statistics Canada Quarterly, "Construction Price Statistics". The 2015 third quarter Non-Residential Building Construction Price Index reflects a year-over year increase of 1.8%.

Development Charges Rates – Effective January 1, 2016

Residential Development Charges – General Services & Roads and Related Works

Service	Residential Charge Per Equivalent Unit	Residential Charge by Area of Unit (1)		
		Residential A > 225 sq. m (2,422 sq. ft.)	Residential B < 225 sq. m > 110 sq. m	Residential C < 110 sq. m (1,184 sq. ft.)
Land Ambulance	\$152.67	\$183.20	\$152.67	\$122.14
Public Works – Buildings & Vehicle Fleet	\$203.51	\$244.21	\$203.51	\$162.81
Provincial Offences	\$23.42	\$28.10	\$23.42	\$18.74
Employment Resources	\$29.33	\$35.20	\$29.33	\$23.46
General Government	\$75.85	\$91.02	\$75.85	\$60.68
Trails	\$1.08	\$1.30	\$1.08	\$0.86

Service	Residential Charge Per Equivalent Unit	Residential Charge by Area of Unit (1)		
		Residential A > 225 sq. m (2,422 sq. ft.)	Residential B < 225 sq. m > 110 sq. m	Residential C < 110 sq. m (1,184 sq. ft.)
Health Unit	\$120.06	\$144.07	\$120.06	\$96.05
Roads and Related Works	\$3,807.62	\$4,569.14	\$3,807.62	\$3,046.10
TOTAL GENERAL SERVICES & ROADS AND RELATED WORKS - CHARGE PER UNIT	\$4,413.54	\$5,296.24	\$4,413.54	\$3,530.84

(1) Based on Equivalent Factor of

1.20

1.00

0.80

Wind Turbine Development Charges – General Services & Roads and Related Works

Service	Charge Per Wind Turbine
Land Ambulance	\$175.46
Public Works – Buildings & Vehicle Fleet	\$230.77
Provincial Offences	\$26.70
Employment Resources	\$34.34
General Government	\$85.82
Trails	\$0.00
Health Unit	\$135.40
Roads and Related Works	\$4,586.65
TOTAL GENERAL SERVICES & ROADS AND RELATED WORKS – CHARGE PER UNIT	\$5,275.14

Financial / Staffing / Legal / Information Technology

Considerations

The rates imposed under the development charges by-law are required to pay for the increased capital costs related to the provision of land ambulance, public works – buildings & fleet, provincial offences, employment resources, general government, trails, health unit, and roads and related works. Annual indexing of development charges is being done to capture the increased cost of construction to ensure appropriate capital funding in the capital budget and forecast.

The 2016 Residential Charge per Equivalent Unit (Residential B) has increased to \$4,413.54 or an increase of \$78.04 per unit over the 2015 rate of \$4,335.50. The 2016 Wind Turbine Charge has increased to \$5,275.14 or an increase of \$93.27 over the 2015 rate of \$5,181.87.

Link to Strategic Goals / Priorities

Communication is a key value to the County's Strategic Plan. This report provides information to the Corporate Services Committee, Council and the Public in regards to the updated development charge rates, effective January 1, 2016.

Respectfully submitted by,

Kevin Weppler
Director of Finance