

To:	Warden Halliday and Members of Grey County Council
Committee Date:	November 22, 2018
Subject / Report No:	FR-CW-26-18
Title:	Annual Indexing of Development Charges effective January 1, 2018
Prepared by:	Kevin Wepler, Director of Corporate Services
Reviewed by:	Kim Wingrove, CAO
Lower Tier(s) Affected:	
Status:	Recommendation adopted by the Committee as presented as per Resolution <i>CW279-18</i> ; Endorsed by County Council on December 20, 2018 as per Resolution <i>CC05-19</i> .

Recommendation

1. That Report **FR-CW-26-18** regarding the updated development charge rates effective January 1, 2019 be received for information.

Executive Summary

The County of Grey's Development Charges By-laws 4949-16 and 4950-16 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 Statistics Canada Quarterly, "Construction Price Statistics". The 2018 third quarter Non-Residential Building Construction Price Index reflects a year-over-year increase of 5.2%.

Development Charges Rates – Effective January 1, 2019

Residential Development Charges & Wind Turbine Charges

Residential Charge By Unit Type (1)				
Service	Singles & Semis	Rows & Other Multiples	Apartments	Wind Turbine Charge per Turbine
Land Ambulance	\$153.87	\$107.27	\$91.02	
Provincial Offences	\$21.67	\$15.17	\$13.00	
General Government	\$175.54	\$122.44	\$104.02	
Trails	\$8.67	\$6.50	\$5.42	
Health Unit	\$150.61	\$105.11	\$88.85	

Roads & Related Works	\$6,609.72	\$4,600.80	\$3,906.23	\$2,541.73
Total Charge Per Unit	\$7,120.07	\$4,957.29	\$4,208.55	
Total Charge Per Turbine				\$2,541.73
(1) Based on Persons Per Unit of:	2.60	1.81	1.54	

Legal and Legislated Requirements

The Development Charges Act gives authority to municipalities to impose development charges against land to pay for increased capital costs required because of increased needs for services arising from development of the area to which the by-law applies.

The County's Development Charges by-law(s) provide for the automatic indexing of development charges on January 1 of each year.

Financial and Resource Implications

The rates imposed under the development charges by-law(s) are required to pay for the increased capital costs related to the provision of land ambulance, provincial offences, 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 Residential Charge for Single and Semis has increased to \$7,120.07 or an increase of \$351.94 per unit over the 2018 rate of \$6,768.13.

Relevant Consultation

Internal – CAO and Finance

External (list)

Appendices and Attachments

None