

DC Steering Committee

Development Charges Background Study and By-law Update



COUNTY OF GREY

Monday, November 15th, 2021



Discussion Topics

- Public Meeting Follow Up
- DC By-law Policies
- Exemptions
- Next Steps

Summary of Public Meeting Comments

- Nathan Jamieson (on behalf of Parkbridge)
 - Cashflow assumptions
 - Approach to funding exemptions
 - Waiting lists for housing and long-term care
 - Roads BTE
- Rob McLeese – DC credits for water and wastewater in Cobble Beach
- Council
 - Per unit vs. area-based residential charges
 - Roads program and TMP
 - Exemptions for small units (less than 1000 sq.ft.)

Motions to Reintroduce Grey Gables into the DC

- Option 1 – continue to leave Grey Gables out of the DC Study and rate calculations, pursuant to DC Steering Committee direction
 - By-law can be amended within one year with no change to DC Study
 - DC Study update required for a later amendment
- Option 2 – reintroduce Grey Gables into DC Study and rate calculations, pursuant to motions
 - No change to DC rates (already maximizing charges)
 - Capital program must reflect Council's intentions

DC Policy Considerations: Exemptions

- Statutory
 - Board of education
 - Municipality or local board
 - Industrial 50% expansion
 - Secondary units (new and existing builds)—NEW

- Discretionary
 - Public hospitals
 - Institutional church uses
 - Agricultural uses (that do not receive water/sewer servicing)
 - Farm buildings
 - Accommodation for seasonal/temporary agricultural labourers
 - Commercial and industrial uses

Other Exemptions Introduced in 2020

1. Purpose built rental housing (conditionally exempt)
2. Non-profit housing
3. Additional dwelling units/secondary units
4. Redevelopment credits for non-res to res conversions
5. Approved CIP projects (conditionally exempt)

Other By-law Provisions

- DCs shall be indexed annually on January 1
- DC credits for redevelopment provided redevelopment occurs within 5 years
- Local services not funded through DCs
 - Local service guidelines under review and can be approved independently of DC study
- *DCA* provides for early or late timing of payment under agreement

Estimated Revenue Shortfall From Key Exemptions

Revenue Shortfall from Exemptions (per year)	
Non-Residential	
Commercial	\$513,000
Industrial	\$228,000
Rural	\$50,000
Total Non-Residential	\$792,000
Exemptions Introduced in 2020	
2020 New Exemptions	\$250,000 - \$300,000* (*Average annual estimate has been exceeded in 2021 with more purpose-built rentals being built than historical average)

Other Considerations for the Non-Residential Exemption

- Most County governments that have a DC impose at least a charge on commercial development
- Industrial development sometimes exempt as an economic development incentive

County	Non-Res DCs?	Industrial DCs?
Simcoe	Yes	Yes
Middlesex	Yes	Yes
Peterborough	Yes	No
Oxford	Yes	No
Dufferin	Yes	Yes
Wellington	Yes	Yes

DC Options For Semi-Detached Units

- Purpose—remove semis from single detached unit rate, which captures a range of units sizes including large cottages
- We found:
 - No municipality has a specific DC for semis
 - Windsor treats semis as “Rows & Other Multiples”
- Semis form less than 2% of County housing stock so accurate data on occupancy patterns is wanting
- Small number of semis means there is little basis for adjusting DCs for singles when semis are removed. Two options:
 - Group semis with rows & other multiples
 - Keep current structure (recommended)

Charge per Unit	
Singles	\$8,968
Semis, Rows & Other Multiples	\$6,428
Apartments	\$5,157

Charge per Unit	
Singles/Semis	\$8,968
Rows & Other Multiples	\$6,192
Apartments	\$5,157

Remaining Decision Points for Committee and Council

- Resolve to not hold another public meeting
- Implementation options
 - Full or partial rates
 - Phase-ins or delayed effective dates
- Non-residential exemption
- Deferral or conditional DC exemptions for purpose-built rental buildings
- Other DC By-law changes (e.g. consider applying a conditional DC exemption for purpose-built rental buildings that partially contain a commercial use(s), etc.)

DC Study Timeline

