

DEPARTMENT: FINANCE
SECTION: BUDGETS AND FINANCE
SUBJECT: FINANCIAL PLANNING POLICY

A financial impact study will be completed as part of the secondary planning process to address the growth related impacts of the new community on municipal services.

New development will be permitted to proceed within the Town when the developer:

1. Produces a capital impact assessment acceptable to the Town, and
2. Produces a financial impact study for any development which staff deem will have a service level impact, and
3. Includes in an agreement with the Town the financing or front-ending charges necessary so that the new development is consistent with and supported by the necessary infrastructure in hard and soft services and is not premature and is in public interest.

New development for the purposes of this policy means all new development except:

- All other residential development which would have the effect of creating less than 2 residential units;
- All non-residential development which would have the effect of creating less than 5000 square metres of non-residential development;
- Such other new development as staff may recommend for exemption from this policy because of its size or impact is insignificant in the opinion of staff, provided that Council approves the exemption.

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The capital impact assessment must be completed prior to draft plan approval and updated and implemented, if necessary, at the agreement stage. The capital impact assessment is required to:

- estimate the cost of local municipal capital infrastructure required to service the new development
- identify whether or not such costs have been included in the Town's development charges
- project the payment stream to the municipality resulting from development charges or other payments forecast under the terms of a development agreement
- project the impact of financing the specified non-growth share of the capital works upon the Town's Capital Budget and Forecast
- project the impact of overall phasing plan of the development on the Town's Capital Budget and Forecast
- provide viable funding options acceptable to the municipality in order to deal with any shortfall resulting from the new development so as to render the development in the public interest and not premature

The financial impact study must include all the foregoing requirements of a capital impact assessment as well as an estimate of projected incremental assessment together with the estimated tax and non-tax revenues to be generated. It must provide an estimate of projected incremental local municipal operating costs and determine the expected marginal net revenue or deficit.

Furthermore, the financial impact study must project the impact of each of the planned phases of development within the overall phasing plan for both operating and capital components in order to show that the approvals being requested are in the public interest and not premature pursuant to the Planning Act.

The Town will review this policy in conjunction with its review of the Development Charge By-Law.

AUTHORITY: Council -