

Town of Oakville

Development Charge Public Meeting

January 29, 2018

Study Process

- ✓ Meetings and discussions with Town Staff regarding Service Standard information and Growth-related Capital needs (2016 – 2017)
- ✓ Executive Management Team Meetings (July 2016 and February 2017)
- ✓ Council Steering Committee Meetings (September 2016, October 2017, December, 2017)
- ✓ Internal Steering Committee Meeting #1 (July, August, October, November, 2017)
- ✓ Stakeholder Meeting # 1 (December 8, 2017)
- ✓ Background study and draft D.C. by-law released to the public (December 22, 2017)
- ✓ Stakeholder Meeting # 2 (January 4, 2018)
- ✓ Stakeholder Meeting # 3 (January 8, 2018)
- ✓ Stakeholder Meeting # 4 (January 25, 2018)
- ❖ Public Meeting (January 29, 2018)
 - Addendum to the Background study (Week of February 5, 2018)
 - Council Consider By-law for adoption (February 26, 2018)

Public Meeting Purpose

- ❑ The meeting is a mandatory requirement under the Development Charges Act (D.C.A.)
- ❑ Prior to Council's consideration of a by-law, a background study must be prepared and available to the public a minimum 60 days prior to the D.C. by-law passage
- ❑ The public meeting is to provide for a review of the D.C. proposal and to receive public input on the proposed policies and charges

Format for Public Meeting

- D.C.A. Public Meeting
 - Opening remarks
 - Presentation of the proposed policies and charges
 - Questions from Council
 - Presentations by the Public
 - Close Public Meeting

D.C.A. Overview

Purpose:

- ❑ To recover the capital costs associated with residential and non-residential growth within the Town
- ❑ The capital costs are in addition to the costs which would normally be constructed as part of a subdivision (i.e. internal roads, sewers, watermains, roads, sidewalks, streetlights, etc.)
- ❑ Municipalities are empowered to impose these charges via the Development Charges Act (DCA)

Limitations on Services

- Some forms of capital and some services can not be included in the D.C.A. For example:
 - Headquarters for the General Administration of the Municipality
 - Arts, Culture, Museums and Entertainment Facilities
 - Tourism Facilities
 - Provision of a Hospital
 - Parkland Acquisition
 - Vehicles & Equipment with an average life of <7years

Calculation of D.C.A. (Simplified steps)

1. Identify amount, type and location of growth
2. Identify servicing needs to accommodate growth
3. Identify capital costs to provide services to meet the needs
4. Deduct:
 - Grants, subsidies and other contributions
 - Benefit to existing development
 - Statutory 10% deduction (soft services)
 - Amounts in excess of 10 year historical service calculation
 - D.C. Reserve funds (where applicable)
5. Net costs then allocated between residential and non-residential benefit
6. Net costs divided by growth to provide the D.C. charge

Update on Bill 73

Effective January 1, 2016, D.C.A. changes that impact the Town of Oakville include:

- ❑ Ineligible Service definition to be moved from Act to regulations
- ❑ Transit Calculation changes – Forward looking service standard, ridership forecast, asset management
- ❑ D.C. Background Studies to examine area rating – also to provide asset management plan for new capital
- ❑ Annual Report of the Treasurer – increased reporting requirements
- ❑ No Additional Levies
- ❑ Minister to have power to impose area specific changes
- ❑ Housekeeping changes to the Act

Exemptions

□ Mandatory exemptions

- for industrial building expansions (may expand by 50% with no D.C.)
- May add up to 2 apartments for a single as long as size of home doesn't double
- Add one additional unit in medium & high density buildings
- Upper/Lower Tier Governments and School Boards

□ Discretionary exemptions

- Reduce in part or whole D.C. for types of development or classes of development (e.g. industrial or churches)
- May phase-in over time
- Redevelopment credits to recognize what is being replaced on site (not specific in the Act but provided by case law)

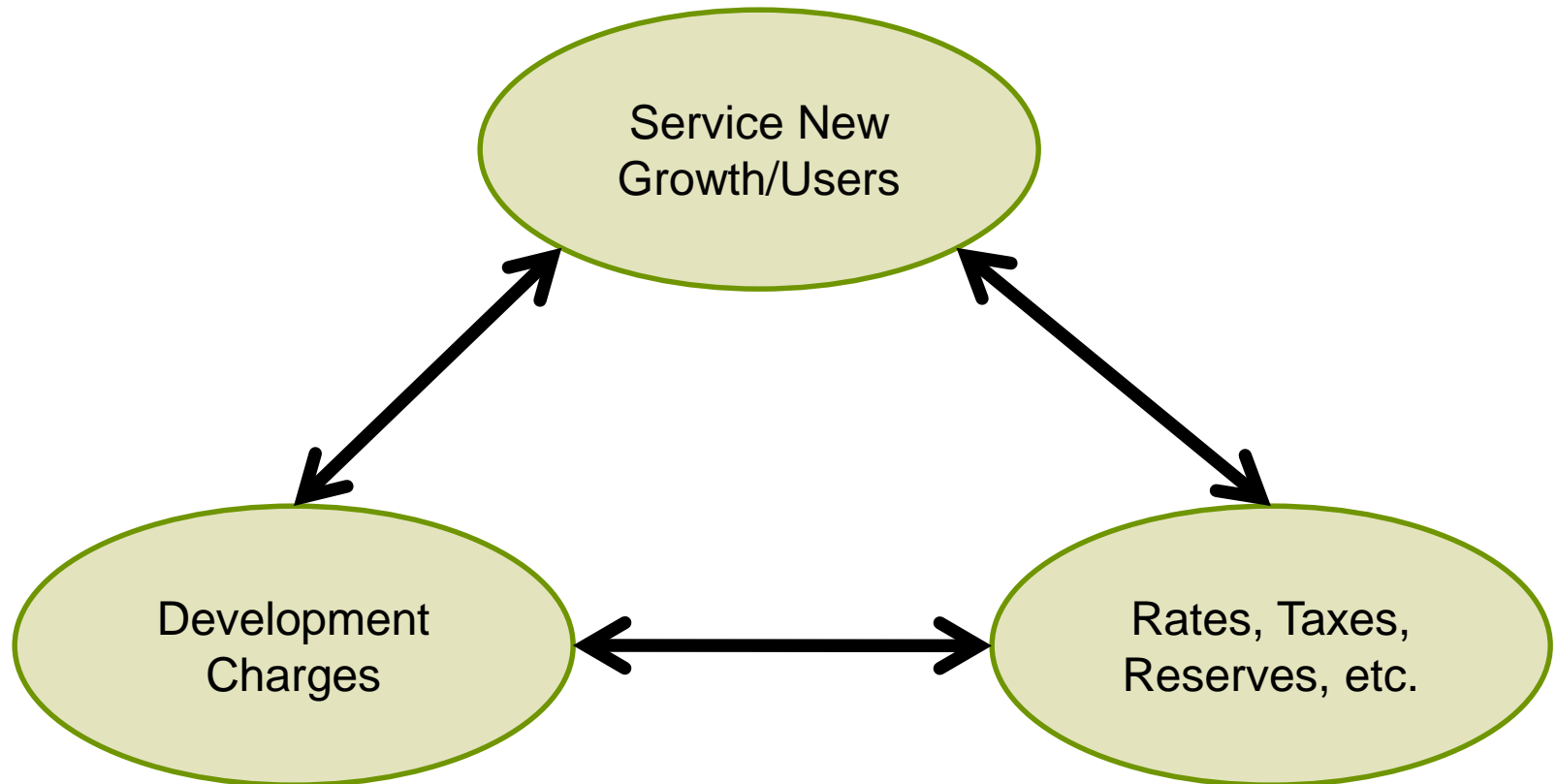
Overview of Oakville's Existing Discretionary Exemptions

- ❑ Non-residential farm buildings;
- ❑ a public hospital under the Public Hospitals Act;
- ❑ a university, community college or a college of applied arts and technology established under the Ontario Colleges of Applied Art and Technology Act;
- ❑ a provincial or federal crown agency;
- ❑ a conservation authority, unless such buildings are used primarily for or in connection with (i) recreational purposes for which the conservation authority charges admission and/or fees, or (ii) any commercial purposes;
- ❑ Total floor area (t.f.a.) within non-residential buildings or structures used solely for the purposes of a non-profit, licensed, day nursery for the exclusive use by children of the employees of the owner;
- ❑ The gross floor area of the area of worship within a place of worship; and
- ❑ Temporary Buildings subject to certain criteria

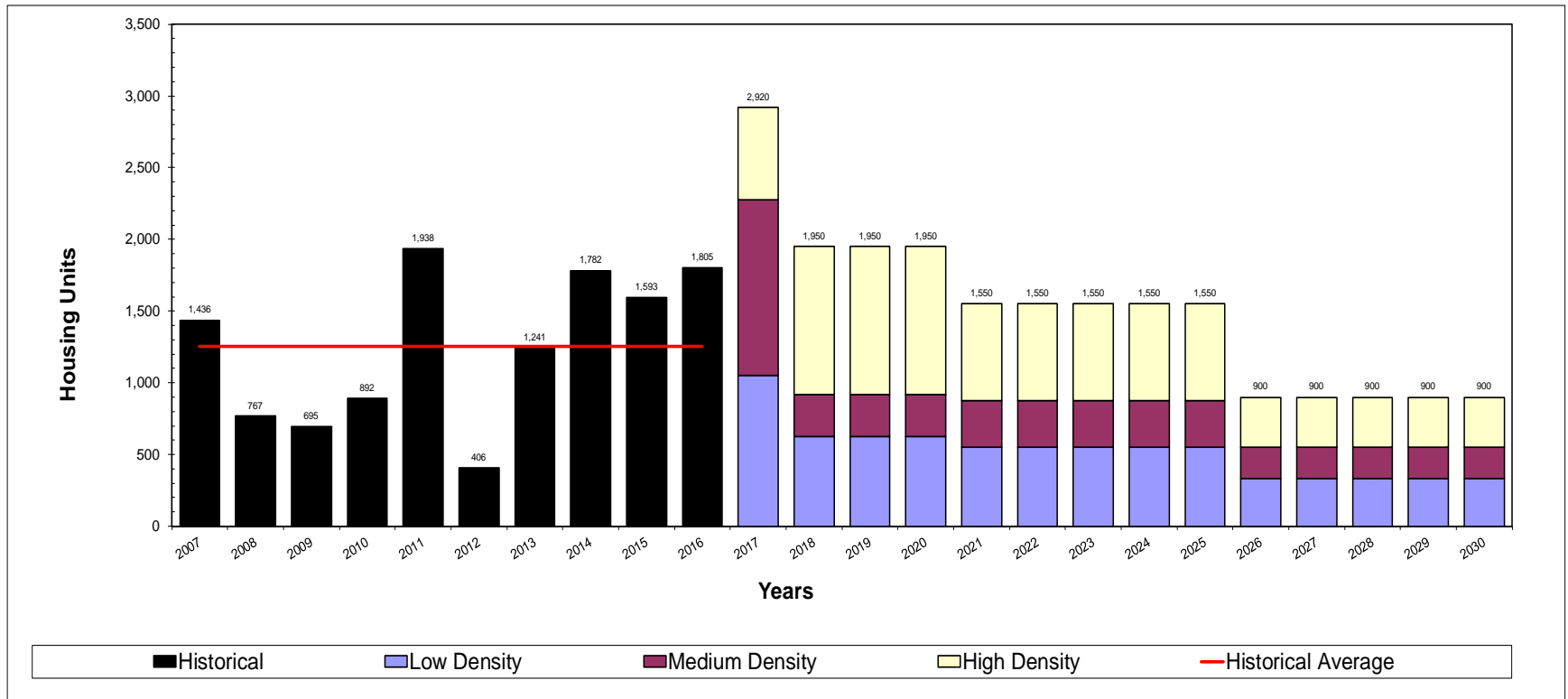
Local Service Policies

- ❑ As part of the D.C. process, need to define what is included in the D.C. and what is a developer responsibility
- ❑ Generally, a developer is responsible for :
 - Storm Water Management Quality and Quantity Works, including Downstream or adjacent Erosion Works
 - Internal roads, sidewalks, streetlights, private entrances
 - Parkland – land accepted based on certain quality level (i.e. clearing, grubbing, rough grading, fencing, etc.)

Relationship Between Needs to Service Growth vs. Funding



Growth Forecast



Source: Historical housing activity (2007-2016) based on Statistics Canada building permits, Catalogue 64-001-X1B

2017 housing growth derived by Watson & Associates Economist Ltd.

1. Growth Forecast represents calendar year.

Growth Forecast Summary

Measure	10 Year	15 Year
	2017-2026	2017-2031
(Net) Population Increase	42,360	48,716
Residential Unit Increase	17,420	21,020
Non-Residential Gross Floor Area Increase (ft ²)	12,773,000	16,278,600

Source: Watson & Associates Economists Ltd. Forecast 2017

Current Development Charges

Service	Residential				Special Care Dwellings	Non-Residential
	Single & Semi Detached	Multiples	Apartments with >= 2 Bedrooms	Apartments with < 2 Bedrooms		per ft ²
Services Related to a Highway	14,494	10,609	8,456	6,083	4,165	9.31
Transit Services	589	431	344	247	169	0.31
Fire Protection Services	475	348	277	199	137	0.24
Municipal Parking	372	272	217	156	107	0.20
Parks and Recreation	9,010	6,594	5,256	3,781	2,589	0.42
Library Services	71	52	41	30	20	-
General Government	272	199	159	114	78	0.14
Total	25,283	18,505	14,750	10,610	7,265	10.62

Summary of Services Under Consideration

- Municipal-Wide Services
 - Fire Protection Services;
 - Services Related to a Highway;
 - Parks and Recreation;
 - Library Services;
 - Transit Services;
 - Municipal Parking; and
 - General Government (Studies).

Changes from the December 22, 2017 DCBS

Based on the stakeholder meeting consultations, the following changes were made (which will be documented in an Addendum Report):

- Services Related to a Highway – Roads Capital:
 - Project 10: AT Cycle Lanes, Routes and Pathways
 - Changed timing from 2017-2026 to 2017 to 2031
 - Changed Gross Cost from \$41.49 million to \$28.66 million
 - Added a Post Period Benefit of \$1.7 million
 - Increased the Grant funding from \$400,000 to \$1,045,380
 - Changed D.C. amount for this period from \$36.9 million to \$23.0 million
 - Project 11: AT Studies
 - Changed timing from 2017-2026 to 2017 to 2031
 - Changed Gross Cost from \$1 million to \$1.4 million
 - Changed D.C. amount for this period from \$0.9 million to \$1.26 million

Changes from the December 22, 2017 DCBS

- Services Related to a Highway – Roads Capital:
 - Revised the Benefit to Existing for the Following:
 - Project 23: Sixth Line Phase 3 – from 10% to 20%
 - Project 64: RWD/SSR Intersection – from 30% to 0%
 - Project 65: RWD/QEW EB Off-Ramp – from 30% to 0%
 - Project 67: RWD/QEW Westbound Off Ramp – from 30% to 0%
 - Project 72: Traf/QEW New Westbound Ramp – from 30% to 0%
 - Revised Grants/Other Contributions from Metrolinx:
 - Project 73: N/S BRT 1 – from \$16.76 million to \$12.56 million
 - Project 74: N/S BRT 2 – from \$10.96 million to \$8.22 million
 - Project 76: AT Crossing – West – from \$0 to \$2.46 million
 - Added Projects:
 - New Project 77: Burnhamthorpe East Section – \$15.73 million – 20% BTE – D.C. amount of \$12.58 million
 - New Project 78: Burnhamthorpe West Section – \$15.69 million – 20% BTE – D.C. amount of \$12.55 million

Changes from the December 22, 2017 DCBS

□ Transit:

- Revised the Benefit to Existing and Post Period percentages based on revised ridership forecast allocations for North Oakville vs. East, South and West Oakville. The Revised percentages are as follows:
 - Benefit to Existing: changed from 68% to 77%
 - Post Period Benefit: changed from 10% to 7%
 - D.C. eligible amount changed from \$13.04 million to \$11.74 million

□ General Government (Studies):

- Project 3: 2030 Fire Master Plan – changed to 100% Post Period
- Project 4: 2035 Fire Master Plan – changed to 100% Post Period
- Project 5: 2019 Transit Master Plan – changed benefit to existing from 0% to 40% to match 2013 D.C. Study
- Project 6: 2024 Transit Master Plan – changed benefit to existing from 0% to 40% to match 2013 D.C. Study

Summary of Calculated Development Charges

Service	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	Special Care/Special Dwelling Units	(per ft ² of Gross Floor Area)
Municipal Wide Services:						
Services Related to a Highway	17,329	9,313	5,616	12,625	5,280	8.46
Transit Services	655	352	212	477	200	0.29
Fire Protection Services	897	482	291	653	273	0.44
Municipal Parking	329	177	107	240	100	0.14
Parks and Recreation	13,019	6,996	4,219	9,485	3,967	0.65
Library Services	924	497	299	673	282	0.05
General Government	535	288	173	390	163	0.24
Total Municipal Wide Services	33,688	18,105	10,917	24,543	10,265	10.27

Comparison of Town-Wide Residential Development Charges

Residential (Single Detached) Comparison

Service	Current	December 22, 2017 Calculated Charges	Revised Calculated Charges
Municipal Wide Services:			
Services Related to a Highway	14,494	16,768	17,329
Transit Services	589	728	655
Fire Protection Services	475	897	897
Municipal Parking	372	329	329
Parks and Recreation	9,010	13,019	13,019
Library Services	71	924	924
General Government	272	556	535
Total Municipal Wide Charge	25,283	33,221	33,688

Comparison of Town-Wide Non-Residential Development Charges

Non-Residential (per ft².) Comparison

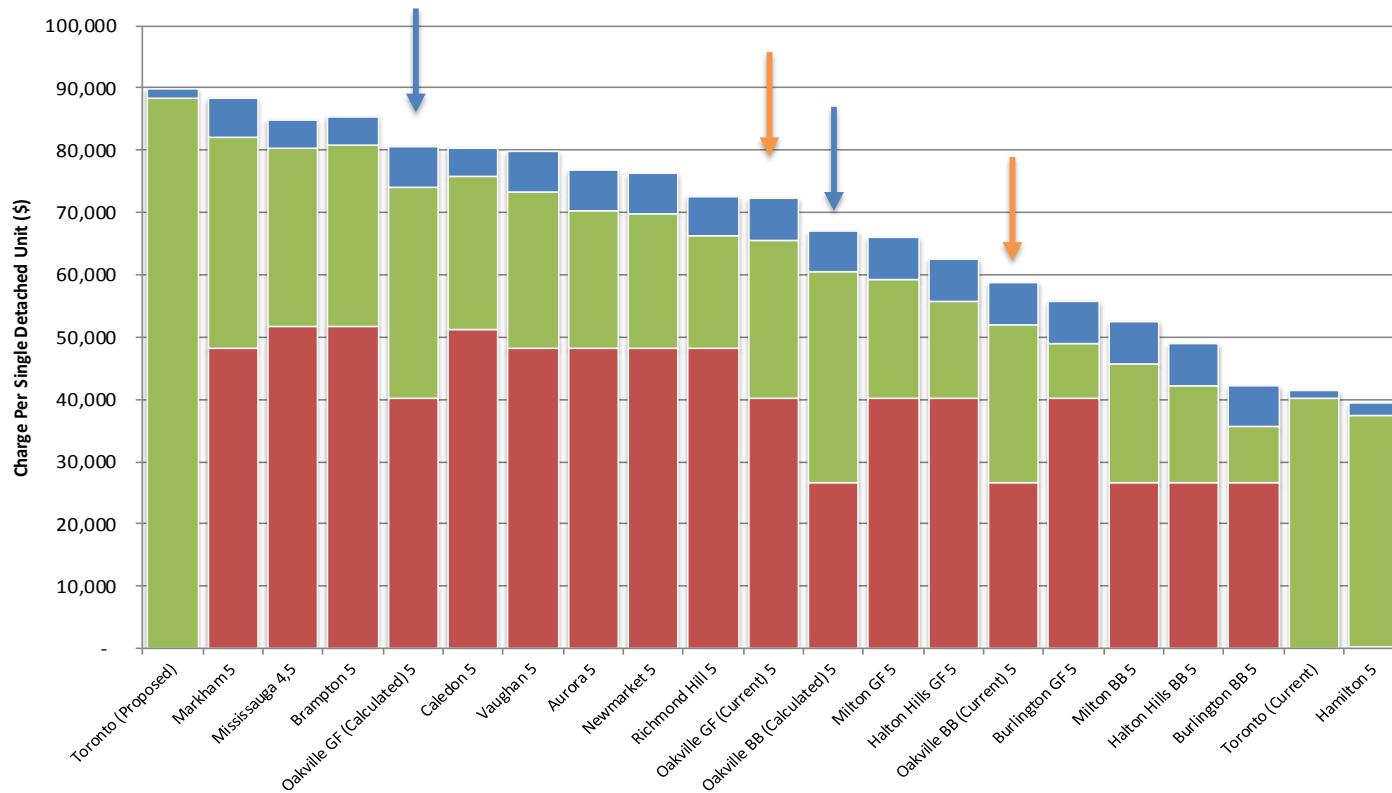
Service	Current	December 22, 2017 Calculated Charges	Revised Calculated Charges
Municipal Wide Services:			
Services Related to a Highway	9.31	8.18	8.46
Transit Services	0.31	0.33	0.29
Fire Protection Services	0.24	0.44	0.44
Municipal Parking	0.20	0.14	0.14
Parks and Recreation	0.42	0.65	0.65
Library Services	-	0.05	0.05
General Government	0.14	0.25	0.24
Total Municipal Wide Charge	10.62	10.04	10.27

Issues arising from Stakeholder Consultation

- Transitional Period:
 - Request for the D.C. to be phased-in. The Town will have to fund the portion of the D.C. being discounted from non-D.C. sources arising from any transition that may be suggested and approved.
- Building Permit Issuance:
 - In accordance with the provisions of the DC By-law, development charges are calculated and payable as of the date the building permit is issued. If a complete building permit application is submitted at least 10 business days prior to the new DC By-law coming in force and no resubmission is required, and all other applicable law has been complied with, which includes the payment of all fees and charges, prior to the date on which the new DC By-law comes into force, then the old rates may apply for the purpose of calculating and payment of the applicable development charges.

Residential Development Charges Comparison

Development Charge Rates for GTA West Municipalities
Residential Per Single Detached Unit
(As of January 26, 2018)

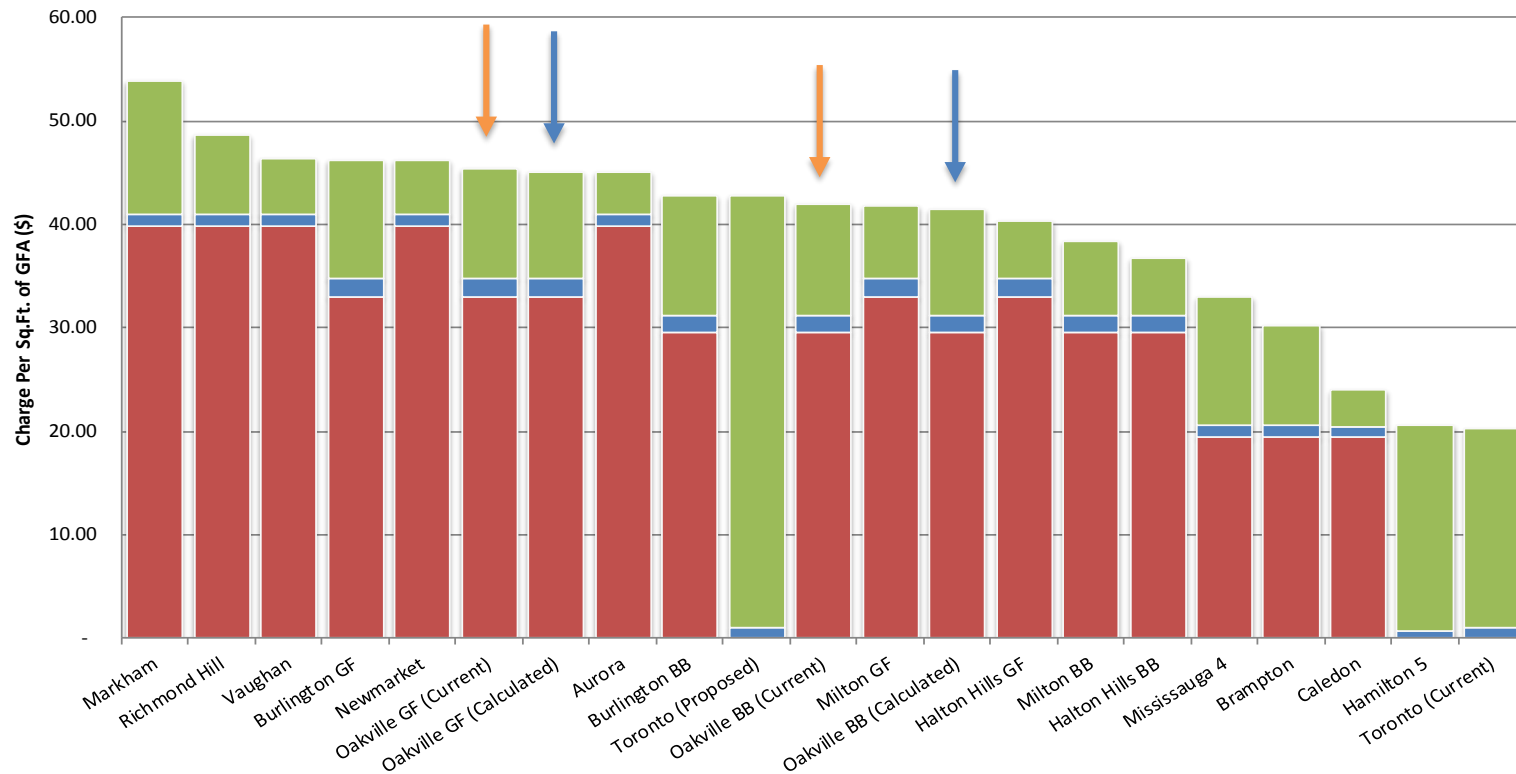


Notes:

- (1) All Charges are based on Municipal-Wide and does not include Area Specifics
- (2) GF - Greenfield and includes Recovery Area
- (3) BB - Built Boundary
- (4) Includes a Stormwater Charge based on area - assuming 12 homes per Acre
- (5) Upper Tier information includes Go Transit Charge if applicable

Non-Residential – Commercial Development Charges Comparison

Development Charge Rates for GTA West Municipalities
Commercial Per Square Foot of GFA
(As of January 26, 2018)



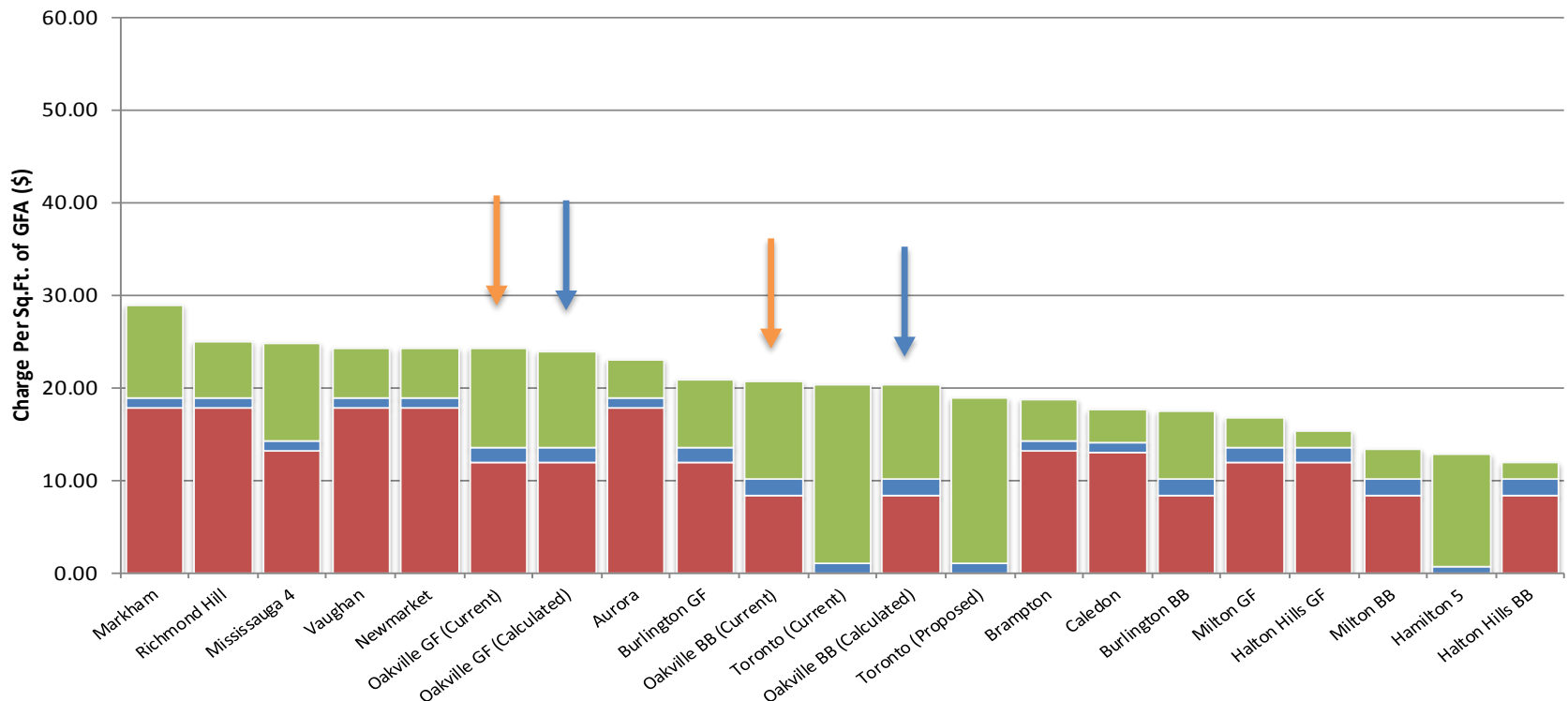
Notes:

- (1) All Charges are based on Municipal-Wide and does not include Area Specifics
- (2) GF - Greenfield
- (3) BB - Built Boundary
- (4) Includes a Stormwater Charge based on area - assuming 33% lot coverage
- (5) Based on GFA of over 10,000. First 5,000sq.ft. is \$9.97/sq.ft., Second 5,000sq.ft. is \$14.96/sq.ft.

■ Upper Tier ■ Education ■ Lower Tier

Non-Residential – Industrial Development Charges Comparison

Development Charge Rates for GTA West Region Municipalities
Industrial Per Square Foot of GFA
(As of January 26, 2018)



Notes:

- (1) All Charges are based on Municipal-Wide and does not include Area Specifics
- (2) GF - Greenfield
- (3) BB - Built Boundary
- (4) Includes a Stormwater Charge based on area - assuming 33% lot coverage
- (5) For new Industrial development under 10,000 sq.ft., the rate is \$9.12/sq.ft

■ Upper Tier ■ Education ■ Lower Tier

Next Steps

- Addendum Report will be released (the week of February 5th, 2018)
- Council will review all public input and consider policies, charges and adopt a By-law (February 26, 2018)