

Report to Council

Report Title: Development Charges Background Study

Prepared By: Sonya Watson, Chief Administrative Officer

Department: Administration

Date: February 12, 2019

Report Number: CAO2019-04 **File Number:** C11AD

Attachments: Letter from B.M. Ross and Associated Limited,
Watson & Associates Report

Recommendation:

That the Council of the Municipality of Brockton hereby receives Report Number CAO2019-04 – Development Charges Background Study, prepared by Sonya Watson, Chief Administrative Officer for information purposes and in so doing receives the presentation from Matt Pearson from B.M. Ross and Associates Limited titled “Development Charges 101” for information purposes and authorizes staff proceeding with a Development Charges Background Study at a cost of \$29,500.00 + HST; and further authorizes an exemption to the Municipality of Brockton Purchasing and Procurement Policy due to a limited source supplier who is familiar with the infrastructure of the Municipality of Brockton.

Report:

Background:

To determine a development charge, a municipality must first do a background study. The background study provides a detailed overview of a particular municipality’s anticipated growth, both residential and non-residential; the services needed to meet the demands of growth; and a detailed account of the capital costs for the infrastructure projects needed to support that growth.

The Municipality of Brockton historically has not had development charges. In 2011 I understand it was considered but at the time there was not sufficient growth related projects to warrant the study. The Municipality of Brockton is currently looking at, or will have to consider in the near future, various hard infrastructure projects that are required to support growth in the community. I have included a few examples that would relate to a Development Charge Background Study:

- Service expansion in the East Ridge Business Park
- Bridge Replacements or Improvements

- Booster Station to support new growth on the West side of Walkerton
- Watermain replacements to support growth
- Discussions on Community Centre Expansion
- Roads Shop Replacement

Analysis:

Many area municipalities have had Development Charges in place for years. A Development Charge can be collected on the severance for each new “buildable lot”. Collection of development charges would occur when new lots are severed, during subdivision development discussions and upon the issuance of a building permit. Nearby municipalities with Development Charges include: Kincardine, Huron-Kinloss, Saugeen Shores, West Grey, Grey Highlands and the County of Grey. I have attached a simple video that helps to summarize the importance of Development Charges to support new growth projects. <https://guelph.ca/city-hall/budget-and-finance/development-charges/>

The Province was recently seeking comments on Development Charges as part of the consultations on Increasing Housing Supply in Ontario. This wrapped up in January, 2019. I have attached a report from Watson & Associates Economists Ltd. related to those consultations that outlines the need for Development Charges to sustain continued development but also outlines some details on Development Charges across Ontario.

Matt Pearson from B.M. Ross and Associates Limited has a long history dealing with development charges. Mr. Pearson will be attending the February 12th Council Meeting to provide a “Development Charge 101” presentation for Council and staff prior to budget discussions. The Development Charges background study is \$29,500.00 + HST and I am recommending it be included in the 2019 budget.

I have attached the letter from B.M. Ross and Associates Limited for Council’s review. BM Ross has actively worked in Brockton on various projects over the years and has much data that would be useful in regards to infrastructure projects that would be used towards completing this study.

Sustainability Checklist:

What aspect of the Brockton Sustainable Strategic Plan does the content/recommendations in this report help advance?

- | | |
|---|-----|
| • Do the recommendations help move the Municipality closer to its Vision? | Yes |
| • Do the recommendations contribute to achieving Cultural Vibrancy? | N/A |
| • Do the recommendations contribute to achieving Economic Prosperity? | Yes |
| • Do the recommendations contribute to Environmental Integrity? | N/A |
| • Do the recommendations contribute to the Social Equity? | N/A |

Financial Impacts/Source of Funding:

- Do the recommendations represent a sound financial investment from a sustainability perspective? Yes

A Development Charges Background Study is imperative to support the ongoing growth of the community in a fiscally responsible manner.

We seek Council's approval to include the \$29,500 + HST in the 2019 Budget and to move forward with a Development Charges Background Study.

Reviewed By:



Chief Financial Officer

Respectfully Submitted by:



Sonya Watson, Chief Administrative Officer