



Corporation of the Township of Brock

Staff Report to the Mayor and Members of Council

From: Trena DeBruijn
Position: Director of Finance/Treasurer
Title / Subject: 2024 Development Charges Background Study and By-Law
Date of Report: June 4, 2024
Date of Meeting: June 10, 2024
Report No: 2024-FI-017

1.0 Issue / Origin

This report summarizes the steps taken to develop the new Development Charge Background study and By-law, outlines the new rates to be collected and summarizes any changes made since the draft background study was released.

2.0 Background

The purpose of this report is to provide Council with the proposed passage of the Development Charges By-law as updated by Hemson Consulting Ltd. in consultation with Township staff, presented in Attachment 1.

Development Charges (DC) are the primary way for Ontario municipalities to raise funds for required services and infrastructure improvements resulting from growth. The charges are intended to help pay for the cost of capital infrastructure required to provide municipal services to new development, such as roads, stormwater management, parks, community facilities and fire and protective services.

The legislative authority for municipalities to levy development charges is contained within the Development Charges Act, 1997. The *Development Charges Act* requires that municipalities review their Development Charges By-law every five (5) years. Note, on November, 28, 2022, Royal Assent was given to Bill 23, the *More Homes Built Faster Act, 2022* which allows for DC by-laws to expire every 10 years, instead of every five years (By-laws can still be updated any

time). The Township’s Development Charges By-law, 2881-2019-PL currently in effect was adopted by the Township of Brock on June 17, 2019.

Development in the Township of Brock is subject to development charges imposed by the Township of Brock as well as the Region of Durham and the applicable school boards.

The development charge rates currently in effect for the Township are detailed by service category below. These rates do not include development charges for the Region of Durham or applicable school boards.

Township of Brock Development Charges – Current Rates In Effect

Service Category (1)	Residential Dwellings (\$/Unit)				Non-Residential Charge (\$/m ² GFA)
	Singles & Semis Detached	Row Dwelling	Apartment House/Dwelling	Garden Suite Dwelling)	
General Government	\$407	\$334	\$243	\$243	1.93
Library Services/Parks & Recreation	\$12,125	\$9,869	\$7,177	\$7,177	\$0.00
Fire & Rescue	\$2,809	\$2,285	\$1,662	\$1,662	\$10.20
Public Works & Fleet	\$3,126	\$2,545	\$1,851	\$1,851	\$11.35
Roads and Related	\$9,483	\$7,718	\$5,613	\$5,613	\$34.44
TOTAL CHARGE	\$27,950	\$22,751	\$16,546	\$16,546	\$57.92

(1) The rates presented above for each service category are reflective of annual indexing since By-Law passage.

On March 28, 2024, Council was presented with the draft Development Charges rates. Since that time, staff have worked closely with Hemson Consulting Ltd. to refine and finalize the Development Charges Background Study, released May 27, 2024.

DISCUSSION:

The analysis required for the DC Background Study included the formulation of growth forecasts related to population, housing and employment, and the associated forecast of the capital infrastructure costs needed to service the proposed growth while maintaining the Township’s historical service levels to its residents and businesses.

The calculated and proposed development charge rates for the Township are detailed by service category below.

Table 2 –Development Charge Rates Effective June 10, 2024

Service Category (1)	Residential Dwellings (\$/Unit)			Non-Residential Charge (\$/m ² GFA)
	Singles & Semis Detached	Row Dwelling	Apartment House/Dwelling	
General Government	\$585	\$455	\$280	\$3.48
Library Services/Parks & Recreation	\$14,468	\$11,241	\$6,918	\$0.00
By-Law Services	\$212	\$165	\$101	\$1.26
Fire & Rescue	\$2,619	\$2,035	\$1,252	\$15.58
Public Works & Fleet	\$3,088	\$2,400	\$1,477	\$18.38
Roads and Related	10,410	\$8,089	\$4,978	\$61.95
TOTAL CHARGE	\$31,383	\$24,385	\$15,006	\$100.65

(1) Development-Related Studies are presented here for information purposes. Subject to legislative changes, the Township may not charge for Development-Related Studies as at June 10, 2024 unless the Act is amended. If the legislative change does not occur as anticipated, the Township will be ineligible to collect for studies and our Development Charge Pamphlet will need to be updated to remove and reflect the rates without them.

Once the By-Law presented in Attachment 1 is adopted by Council, the DC rates presented above are subject to the provisions of the Development Charges Act, 1997. The rates will be indexed annually in accordance with the Statistics Canada Quarterly, Construction Price Statistics and updated on the Township website at www.brock.ca and in the Development Charges Pamphlet available at Town Hall (1 Cameron Street East, Cannington). Indexation will begin in 2025.

It is proposed that the rates presented above be adopted through a single by-Law, for Development-Related Studies, Fire, Library, Parks & Recreation, By-Law Services and Services Related to a Highway which includes Public Works: Buildings and Fleet and Roads and Related.

Lastly, the Township DC By-laws have been prepared in accordance with the DCA requirements and, in Schedule A (Designation of Services), includes the ability to add Development-Related Studies back into the rate immediately upon amendment to the Act. This portion of the rate will not be levied until the DCA is formally amended to reflect the re-inclusion of studies as an eligible capital cost. In addition, at the time of writing this report, the DC rates are subject to a five-year phase in in accordance with the Act. This “phase in” is also under review and will be removed immediately upon amendment to the Act. The proposed amendments, “Changes to the Development Charges Act, 1997 to Enhance Municipalities’ Ability to Invest in Housing-Enabling Infrastructure” are currently posted for comment under ERO number 019-8371 by the Ministry of Municipal Affairs and Housing.

Public Consultation and Notice Requirements

The Township held a public meeting on May 27, 2024 in accordance with Section 12 of the Act. At that meeting, staff from Hemson Consulting Ltd. presented a slide show that provided an overview of the DC Background Study, and the proposed Development Charges By-law, which would establish development charges to be levied upon new development in the Township of Brock. The Public Meeting also provided an opportunity for the public to ask questions, provide comments, and provide input regarding the Background Study and By-law.

At the Public Meeting, Council heard all persons who applied to be heard and received written submissions whether in objection to, or in support of, the development charges proposed, of which there were none.

The timeline established for the Development Charges Background Study and By-law is summarized below:

- February 12, 2024 – Council Meeting – Council Information Session
- March 28, 2024 – Release of the Development Charges Background Study
- April 15, 2024 – Proposed Development Charges By-Law
- May 27, 2024 – Statutory Public Meeting – Council Meeting
- June 10, 2024 – Proposed Passage of the Development Charges By-Law

Changes to Draft DC Background Study Since Release on March 28, 2024 and Following Statutory Public Meeting

Following discussion with both Council and Staff, the gross project cost for the Sunderland Arena Expansion project has been changed from \$10,978,900 to \$10,200,000.

In addition, while still in the subdivision planning stage, staff understand that there is a proposal to significantly expand Marydel Park to allow for, among potential other uses, a multi use sports field, playground, washrooms and storage and parking. The proposed project cost included in the Development Charge Background Study has been increased from an initial \$293,530 to \$782,980.

Further, the recreation master plan, which has been approved by Council, has a number of parks related infrastructure requirements related to growth and while specific projects to advance have not yet been fully identified, there is a provision within the DC background study for additional growth-related parks infrastructure. Initially, the draft DC background study included a provision for \$1,000,000 and this has been increased to \$1,146,835.

Related Policies / Procedures

3.0 Financial / Budget Assessment

There are no direct financial or budgetary implications associated with the recommendations contained in this report.

The adoption of the proposed Development Charges By-laws will enable the Township to collect development charges from developers and builders to mitigate the cost of growth-related capital programs and the related burden to the Township's property tax base.

5.1 Asset Management

Appendix D, of the Development Charge Background Study, contains an Asset Management Plan, based on the growth-related costs included in the DC Study.

4.0 Climate Change Impacts

N/A

5.0 Communications

Once approved by Council, the Development Charge Rates as well as the Development Charge Background Study and By-Law will be posted on the Township's website for review. The Township will prepare a DC Pamphlet outlining the rates to be charged and will post on our website and will have copies available in our office.

6.0 Recommendation

THAT Report 2024-FI-017, 2024 Development Charges Background Study and By-law be received for information;

THAT Council express its intent that growth-related costs identified in the Development Charges Background Study as post-period benefit shall be paid for subsequently by development charges or other similar charges.

THAT Council state that it has given notice in accordance with Section 12 of the Development Charges Act, 1997, of its intention to pass a by-law under Section 2 of the Act.

THAT Council approve the Development Charges Background Study dated June 10, 2024 and the rate tables attached to this report as Attachment 1.

THAT Council state that it held a Public Meeting to consider the enactment of the Development Charges By-law in accordance with Section 12 of the Development Charges Act, 1997.

THAT Council state that it heard all persons who applied to be heard and received written submissions whether in objection to, or in support of, the Development Charges proposed at the Public Meeting.

AND THAT Council has determined that no further public meetings are required under Section 12(3) of the Development Charges Act, 1997.