

REPORT

Council

Meeting Date: June 20, 2022

FROM: Finance Department

DATE: June 7, 2022

SUBJECT: Development Charges Background Study

LOCATION:

WARD: Town-wide

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RECOMMENDATION:

1. That the staff report dated June 7, 2022, entitled *Development Charges Background Study* from the Finance department, be received.
2. That the minutes of the Development Charges Steering Committee meeting on April 22, 2022 be approved.

KEY FACTS:

The following are key points for consideration with respect to this report:

- A meeting of the Development Charges Steering Committee took place on April 22, 2022.
- The Development Charges (DCs) background study and draft by-law were released on May 13, 2022.
- Notice has been placed in the Oakville Beaver newspaper and on the town's website in accordance with the *Development Charges Act, 1997* (DCA).
- A meeting with the development community for consultation on the proposed DC background study and by-law was held on May 27, 2022.
- The public meeting and a DC background study presentation from Watson & Associates Economists Ltd. is scheduled for June 20, 2022.
- Consideration of the DC background study and proposed by-law will take place at the Council meeting on July 12, 2022.

BACKGROUND:

The town began the 2022 DC update process in October 2021 in which Watson & Associates Economists Ltd. were retained to undertake the background study

required to implement a new DC by-law. As part of this work, the amount, type and location of growth were determined, as well as the existing and planned (transit) level of service. This was used to determine the service standard and funding envelope available to provide services to meet the growth needs identified through the various master plans undertaken by the town.

This report provides an update on the process followed to date and the meetings scheduled to consider the proposed background study and by-law.

COMMENT/OPTIONS:

Over the past several months staff has been working with Watson & Associates to meet the legislative requirements of the DCA for passage of a new by-law. The current DC by-law expires in February 2023, as such, a new background study and by-law has been prepared. As growth forecasts beyond 2031 are still being finalized, this is a technical update to the background study with updated capital costs and project timing based on previously completed master plans to 2031. Once final growth forecasts beyond 2031 are finalized, new service area master plans will be completed that will inform a full update to the DC Background Study in the next few years.

A Development Charges Steering Committee meeting was held on April 22, 2022 to provide an overview of the updated calculations for development charges. The minutes of this meeting are attached as Appendix A to this report. In May, a meeting was held with key stakeholders in the development community to review the background information and provide an opportunity to address questions related to the background material. A public information meeting has also been scheduled to provide an opportunity for those not involved in the process to date to review the background material.

In accordance with the DCA, prior to passing a development charge by-law, the Council shall:

- Complete a development charge background study;
- Hold at least one public meeting;
- Give at least 20 days notice of the public meeting; and
- Ensure that the proposed by-law and background study are made available to the public as well as posted on the Municipality's web site at least 60 days prior to passing the DC by-law.

In compliance with the *Act* the following timetable has been set:

- May 13, 2022
 - Release of background study and proposed by-law.
- May 18, 2022 and May 26, 2022

- Notice posted on the town website and the Oakville Beaver, respectively, notifying the public of the release of the background information and draft by-law on May 13, 2022 and Council's intent to consider the by-law at the Council meeting on July 12, 2022.
- June 20, 2022
 - Public Information Meeting
 - DC Update presentation from Watson & Associates
- July 12, 2022
 - Public Hearing and consideration of proposed by-law

CONSIDERATIONS:

(A) PUBLIC

Notice of the statutory public meeting will be completed in accordance with the requirements of the *Development Charges Act, 1997*

(B) FINANCIAL

Development charges are the main source of funding for the growth-related land and infrastructure required to maintain service levels as the town grows. The 2022 Development Charges background study and proposed by-law allow for this financial tool to continue to be used in a fiscally responsible manner.

(C) IMPACT ON OTHER DEPARTMENTS & USERS

Input from various departments has been included to ensure that information in the Development Charges Study is accurate and reflects the growth-related requirements of all programs eligible for inclusion in the Development Charge.

(D) CORPORATE STRATEGIC GOALS

This report addresses the corporate strategic goal(s) to:
Be accountable in everything we do
Be fiscally sustainable

(E) CLIMATE CHANGE/ACTION

N/A

APPENDICES:

Appendix A – DC Steering Committee Meeting Minutes

Prepared by:

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Manager, Development Financing & Investments

Recommended by:

Jonathan van der Heiden
Deputy Treasurer and Director of Finance

Submitted by:

Nancy Sully
Commissioner, Corporate Services and Treasurer