

BUDGET COMMITTEE REQUEST:

Provide details on how much of the Community Services Commission capital budget is covered through DCs.

RECOMMENDATIONS:

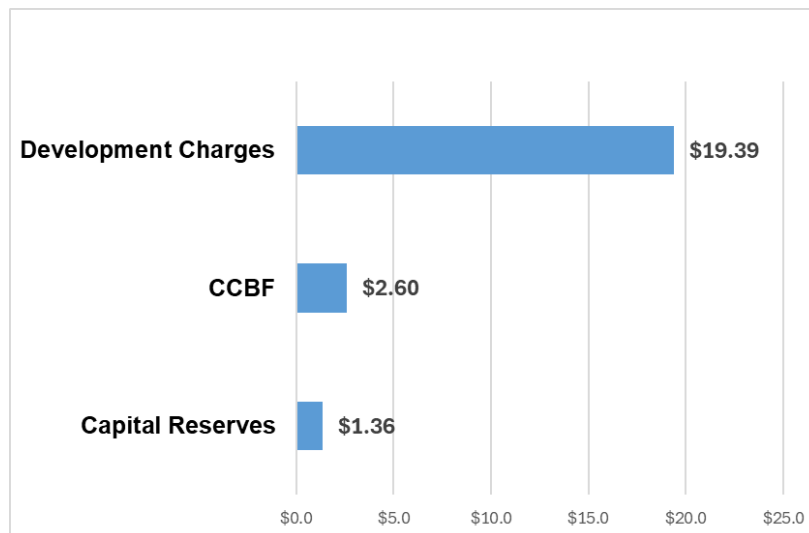
- That the information be received.

KEY FACTS:

- Development charges (DCs) fund \$19.39 million, or 83%, of the growth management portion of the Community Services capital program.

COMMENTS/OPTIONS:

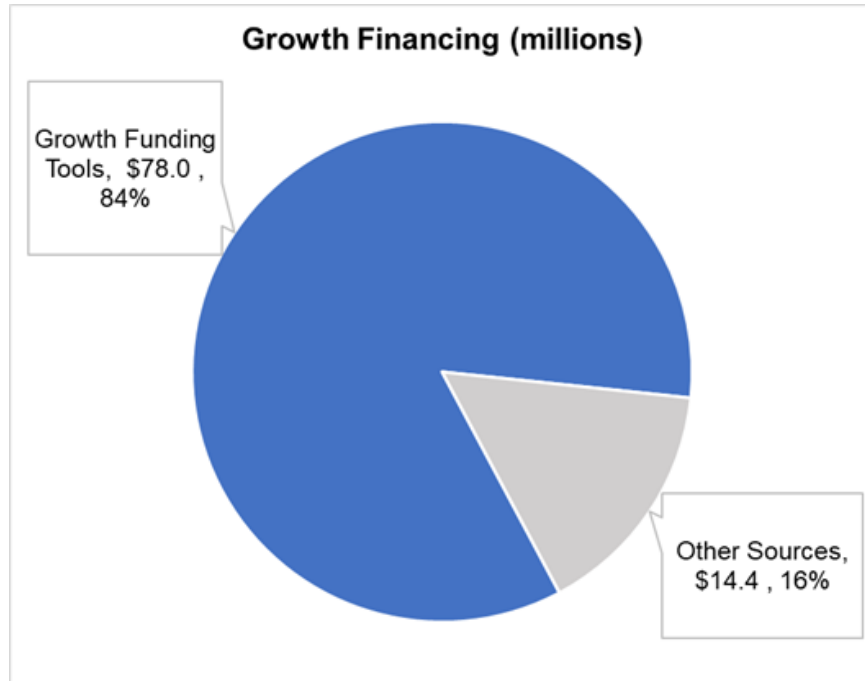
The 2025 growth management capital program within the Community Services Commission totals \$23.34 million. Development charges fund \$19.39 million, or 83%, of the growth management portion of the Community Services capital program. There is \$3.96 million in funding from town reserves and reserve funds to finance the Fire Station 4 Renovation and Expansion project. The town share of funding is required because the new station will not only provide an expanded facility to serve growth, but also replace the existing Fire Station 4.



On a town-wide basis, the capital budget is built on a framework based on “drivers” as discussed on page 21 of the budget book. The “Growth” capital project category here is different than the Growth Management strategic priority area which is part of Council’s

strategic plan. Projects that are classified as “Growth” are projects where the main driver is to meet increased capital needs (such as infrastructure and land) required to expand services to accommodate anticipated growth. The town utilizes the Growth Funding Tools (GFTs) of development charges, community benefits charges, and parkland dedication to recover the costs of infrastructure needed to maintain service levels as the town grows to the greatest extent possible to minimize the cost to existing taxpayers. These tools are legislated through the *Development Charges Act, 1997* and the *Planning Act*.

The town’s 2025 total Growth-related capital program is \$92.4 million. As shown in the below chart, GFTs fund \$78.0 million, or 84%, of the growth-related capital program.



Within the growth-related projects, \$14.4 million in funding from town reserves and reserve funds is required for financing the portion of certain projects that include benefits to existing residents. In addition, this funding also covers certain services that are not eligible for full collection through GFTs. Examples of projects where town funding is required include:

- Benefits to Existing: where a portion of the project is related to rehabilitating existing assets or driven by existing residents.
 - Examples in the 2025 Budget include the Fire Station 4 Renovation and Expansion project (\$3.96M), the purchase of new transit buses which are partially driven by increasing ridership amongst existing residents (\$7.29M), adding Pedestrian Crossover Signals not only to areas experiencing growth but also in existing neighbourhoods (\$1.15M), and road widenings (\$0.9M).

- Services that are ineligible or limited under GFTs: certain services are not eligible for development charges, and may receive limited funding through community benefits charges.
 - Examples in the 2025 budget include parking related projects (\$0.04M).

There is limited funding from GFTs in the other capital categories of Infrastructure Renewal and Program Initiatives. Capital projects that are classified as Infrastructure Renewal in the 2025 Budget are not funded at all by GFTs. There is a small portion of funding from GFTs for projects classified as Program Initiatives as shown in the below chart. This includes funding for the following three projects that are partially growth related, but predominantly driven by accomplishing strategic goals:

- The Towne Square Rehabilitation project and the Burnet Park Art Installation project are partially funded by community benefits charges
- The Paint Booth Conversion at Central Operations Depot is partially funded by development charges.

