

Development Charges, Discounts and Exemptions

DEVELOPMENT CHARGE BACKGROUND STUDY

Presented April 15, 2019



Background

Current Development Charge (DC) by-law 2014-108 will expire on August 26, 2019

Propose to replace the current by-law on June 17, 2019

Passing a DC by-law

Requires the completion of a DC Background Study

- Underway since June of 2018
- Watson & Associates are consultants used

Timeline

April 15	Staff Report – Discounts and Exemptions
April 17	Draft DC Background Study and by-law
May 2	Public Info Centre/Stakeholder Session
May 13	Public Meeting
May 27	Recommendation to General Committee
June 17	DC By-law Passage

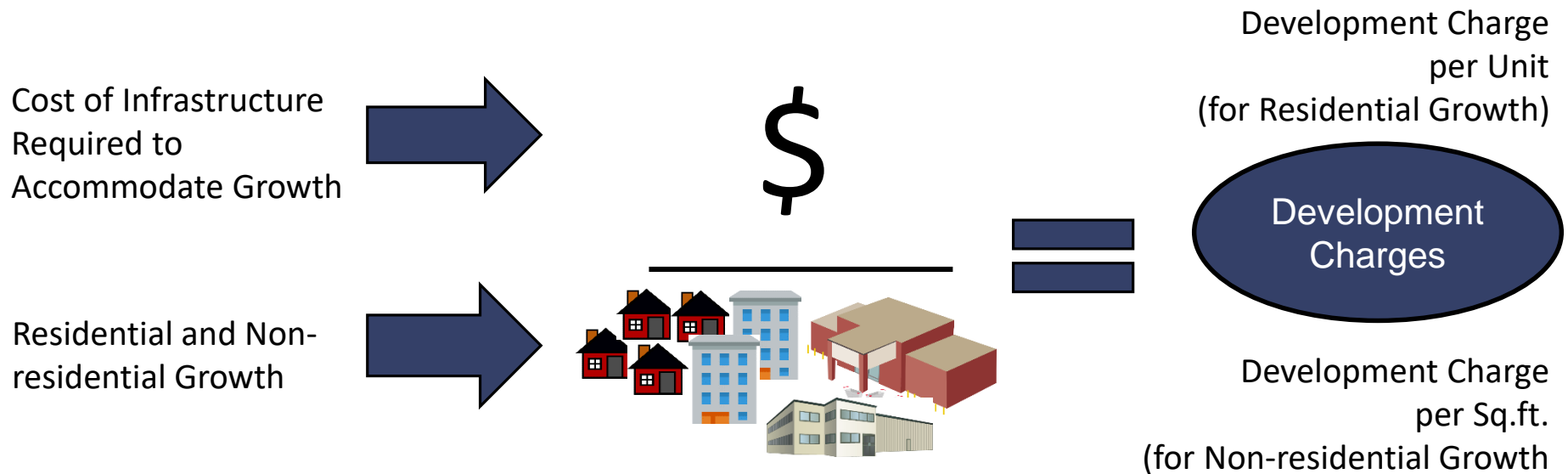
Development Charges

Municipalities are empowered to impose development charges via the Development Charges Act (DCA)

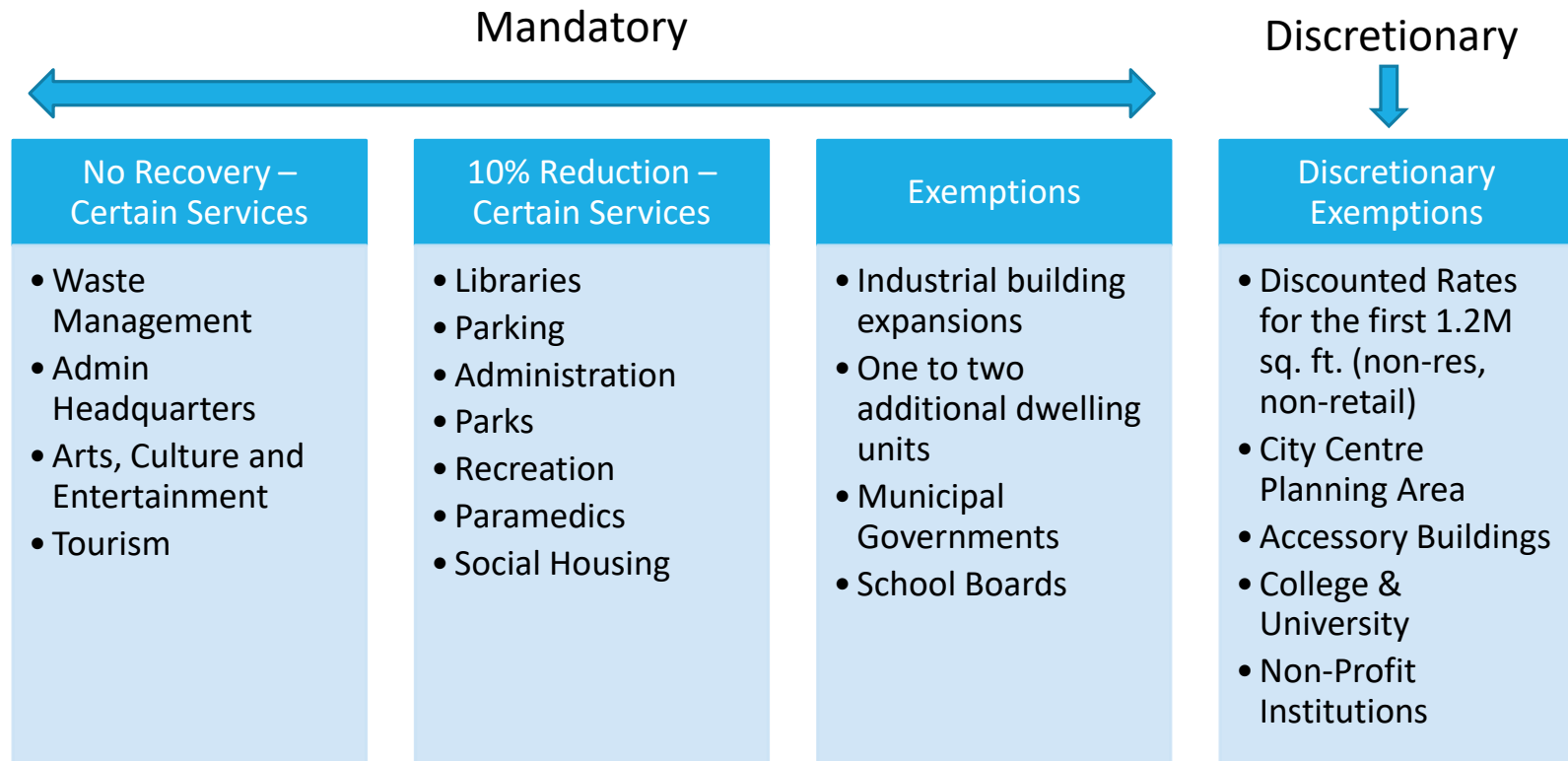
Their purpose is to recover the capital costs associated with residential and non-residential growth within a municipality to lessen the burden to the current tax/user base

The concept is that “growth pays for growth”

Development Charge Cash Flow



Development Charge Discounts and Exemptions



By-law 2014-108

Discretionary Exemptions & Discounts

Successful in providing over \$9M in discretionary discounts

Non-residential, non-retail - \$8.5M

- Manufacturing
- Storage
- Industrial Buildings
- Industrial with space leased to retail tenants
- Office space
- Retirement and Seniors residences
- Assisted Living Facility

City Centre Planning Area (CCPA) - \$127K

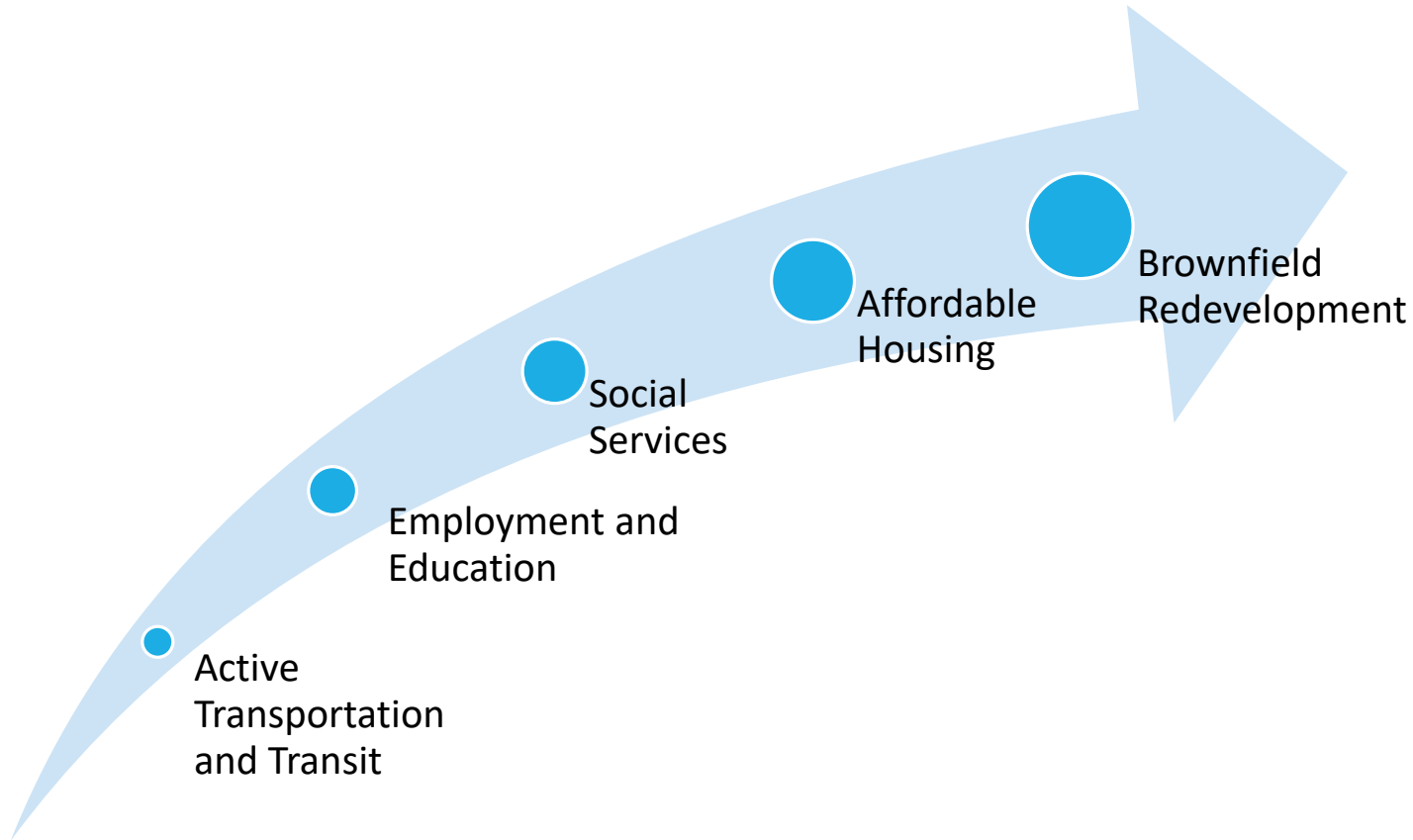
- Automotive repair and gas station

College/University Buildings - \$800K

Non-profit Institutions - \$40K



Incentives – Getting it Right



Recommendation

- Keep the DC discounts for accessory buildings, college/universities and non-profit institutions in the DC bylaw – **Funded from in year budgets**
- Use the CIP under the Planning act as the mechanism for providing grants
- Staff to report back in the fall on a Community Improvement Plan in support of Growing our Economy
- Establish a Community Improvement Reserve with \$2.5 million from the Commercial/Industrial Reserve
- Between the passage of the new DC by-law and the report back to GC, Council will have the opportunity to consider grants to the development community utilizing the proposed funding from this reserve (on a case by case basis)

In Support of Growing Our Economy

Questions?
