

Town of Georgina 2016 Development Charges Study Statutory Public Meeting



Wednesday, May 25, 2016

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Consulting Ltd.



GEORGINA

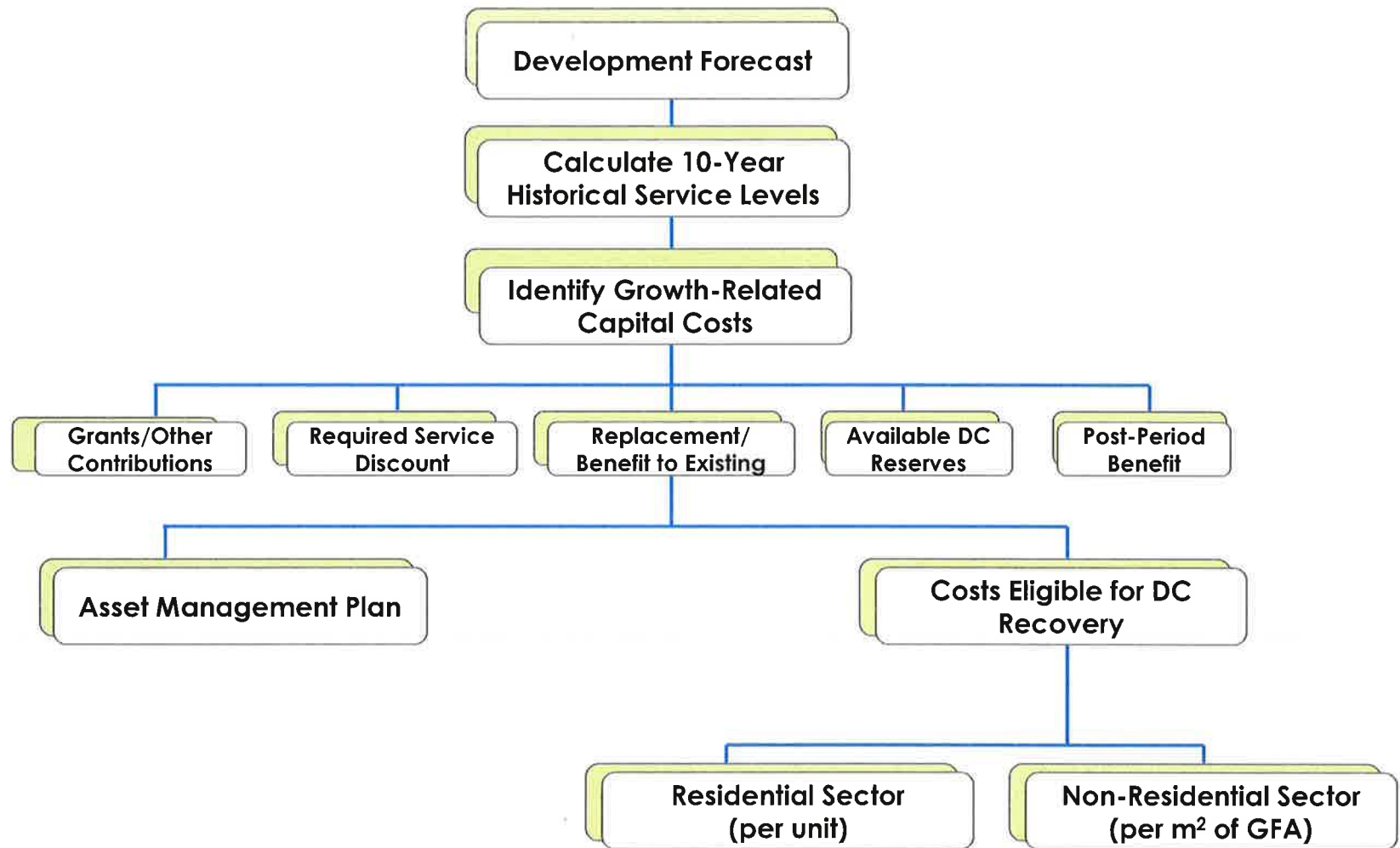
What Are Development Charges?

- Charges imposed on development to fund “growth-related” capital costs
- Pays for new infrastructure and facilities to maintain service levels
- Principle is “growth pays for growth”

Overview of the *Development Charges Act (DCA)*

- DCs imposed by by-law
- Town's by-law expires Jul 18, 2016
- Prior to passing a by-law, Town must:
 - Undertake a background study
 - Hold at least one public meeting
- Appeals adjudicated at OMB

Study Process



Development Forecast

- 2 planning horizons:
 - 10 years for general 'soft' services (2016-2025)
 - Long term for engineered services (2016-2036)
- Two types of charges
 - Town-wide uniform charges
 - Area specific charges
 - Keswick
 - Sutton
 - Sutton High Street Sewer

Town-Wide Services

Service	Cost Recovery	Planning Period	Comments
Library Board	90%	10 years	Same as current by-law
Fire Services	100%	10 years	Same as current by-law
Parks and Recreation	90%	10 years	Same as current by-law
Operations	100%	10 years	Costs recovered to 90% under current by-law – now 100%
General Government	90%	10 years	Same as current by-law
Town-wide Roads and Related	100%	to 2036	Same as current by-law Planning period from 2031 to 2036
Town-wide Stormwater Management	100%	to 2036	New service - not in current by-law

Area-Specific Services

Service	Cost Recovery	Planning Period	Comments
Keswick Roads, Water & Sewer	100%	to 2036	Same as current by-law Planning period from 2031 to 2036
Sutton Roads, Water & Sewer	100%	to 2036	Same as current by-law Planning period from 2031 to 2036
Sutton High Street Sewer	100%	to 2036	Same as current by-law Planning period from 2031 to 2036

DC Capital Program

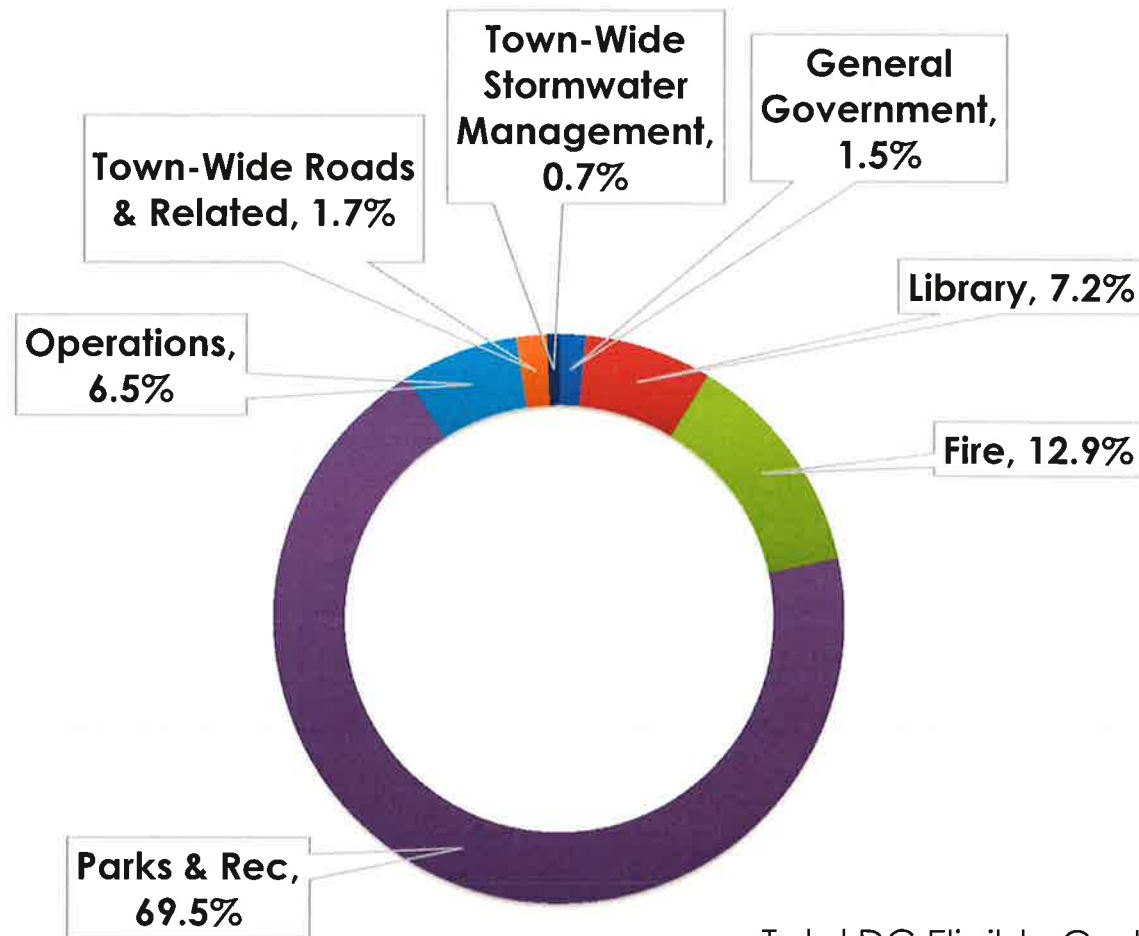
Presented to Council on March 23rd

	Town-Wide Capital Program (\$ millions)	Area-Specific Capital Programs (\$ millions)
Total Gross Cost	\$66.7	\$9.8
Less: Grants & Subsidies	\$1.0	\$0.0
Less: Benefit to Existing Share	\$7.8	\$4.1
Less: 10% Discount	\$4.1	\$0.0
Less: Reserve Funds	\$4.2	\$1.6
Less: Post-Period Benefit	\$21.7	\$0.0
DC Eligible Costs	\$28.0	\$4.1

DC Capital Program

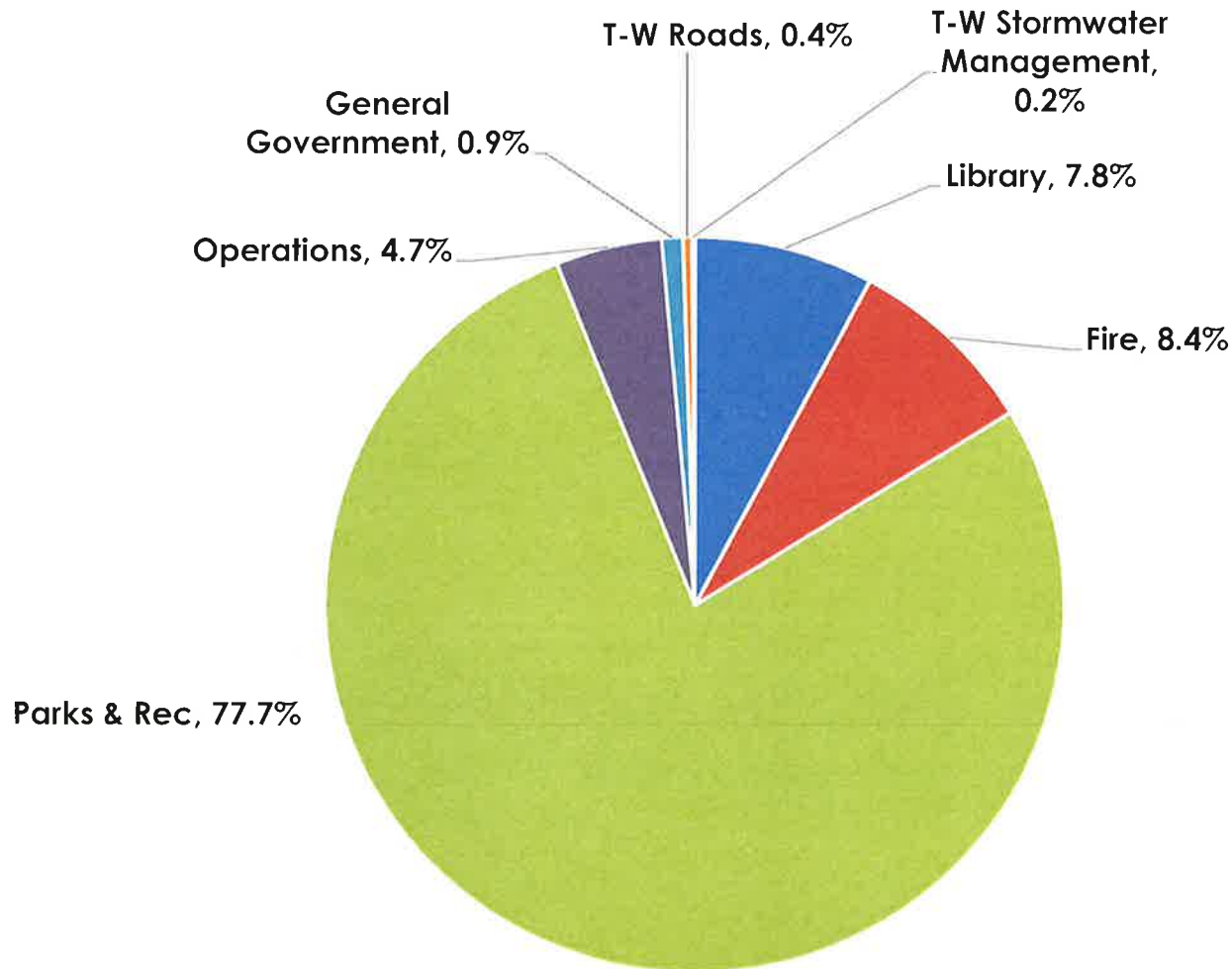
- Town must fund the following from non-DC sources (i.e. property taxes)
 - \$11.9 million in benefit to existing
 - \$4.1 million in 10% discount
- Town must find interim financing for
 - \$21.7 million in “post period” benefits
 - Town can expect to fund these costs through future DCs (2026-2031)

DC Eligible Costs – Town-Wide



Total DC Eligible Costs = \$28.0 million

Maximum Permissible Town-Wide Residential Rates



Town-wide Residential Charges / Unit

Singles & Semis
\$11,830

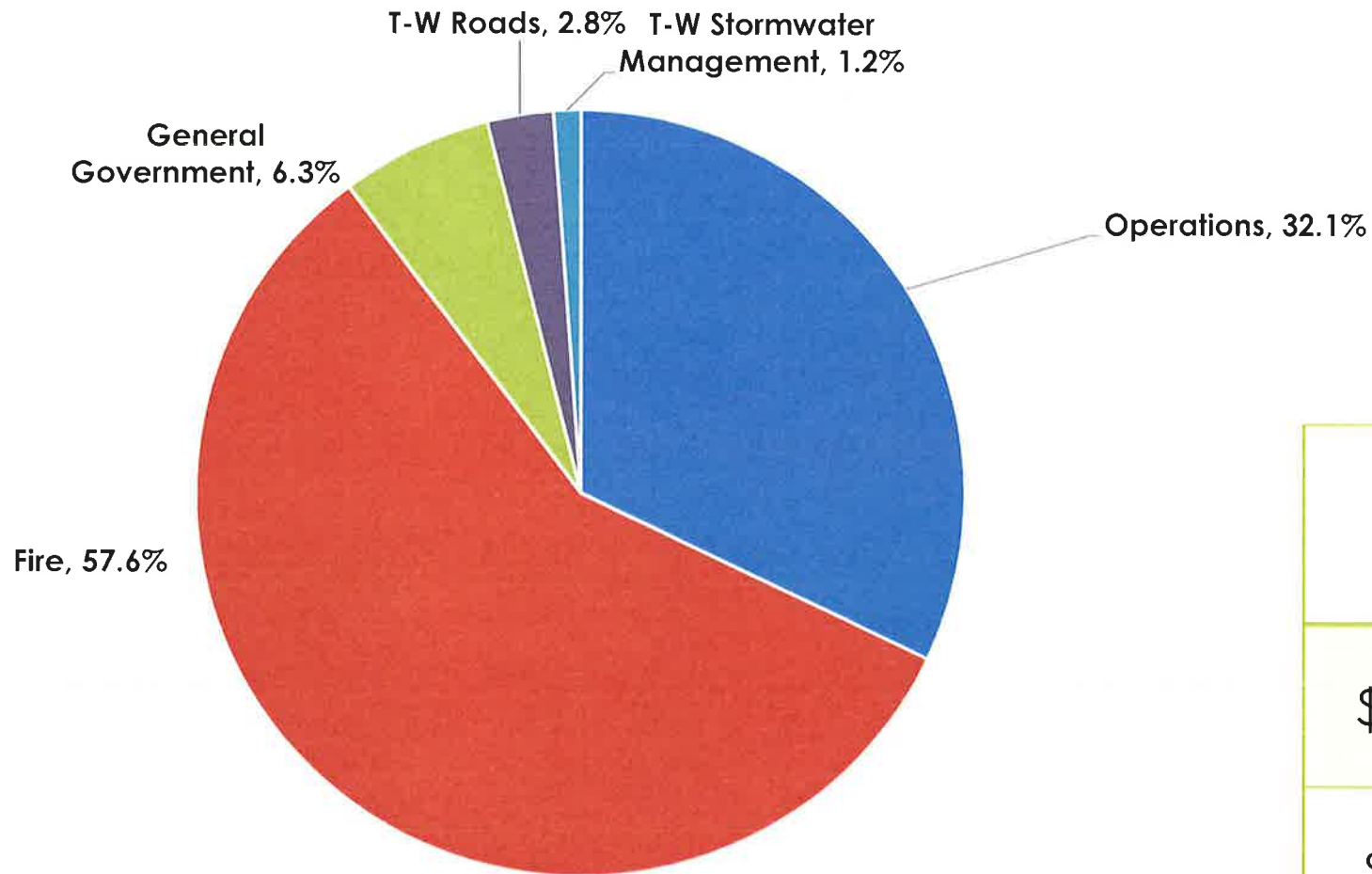
Rows & Other
Multiples
\$9,530

Apartments
650 sq.ft +
\$8,310

Apartments
<650 sq.ft
\$5,734

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Maximum Permissible Town-Wide Non-Residential Rates



Non-Residential Charges

\$8.19 / sq.m.

\$0.76 / sq.ft.

Maximum Permissible Area Specific DCs

DC Area	Calculated Residential DC \$/SDU	Calculated Non-Residential DC \$/sq.m.
Town-wide	\$11,830	\$8.19
Keswick Roads, Water, Sewer	\$225	\$1.10
Sutton Water, Sewer	\$315	\$1.54
Sutton High Street Sewer Sewer	\$3,139	\$0.00

Current vs. Calculated Single/Semi Detached Unit Charge

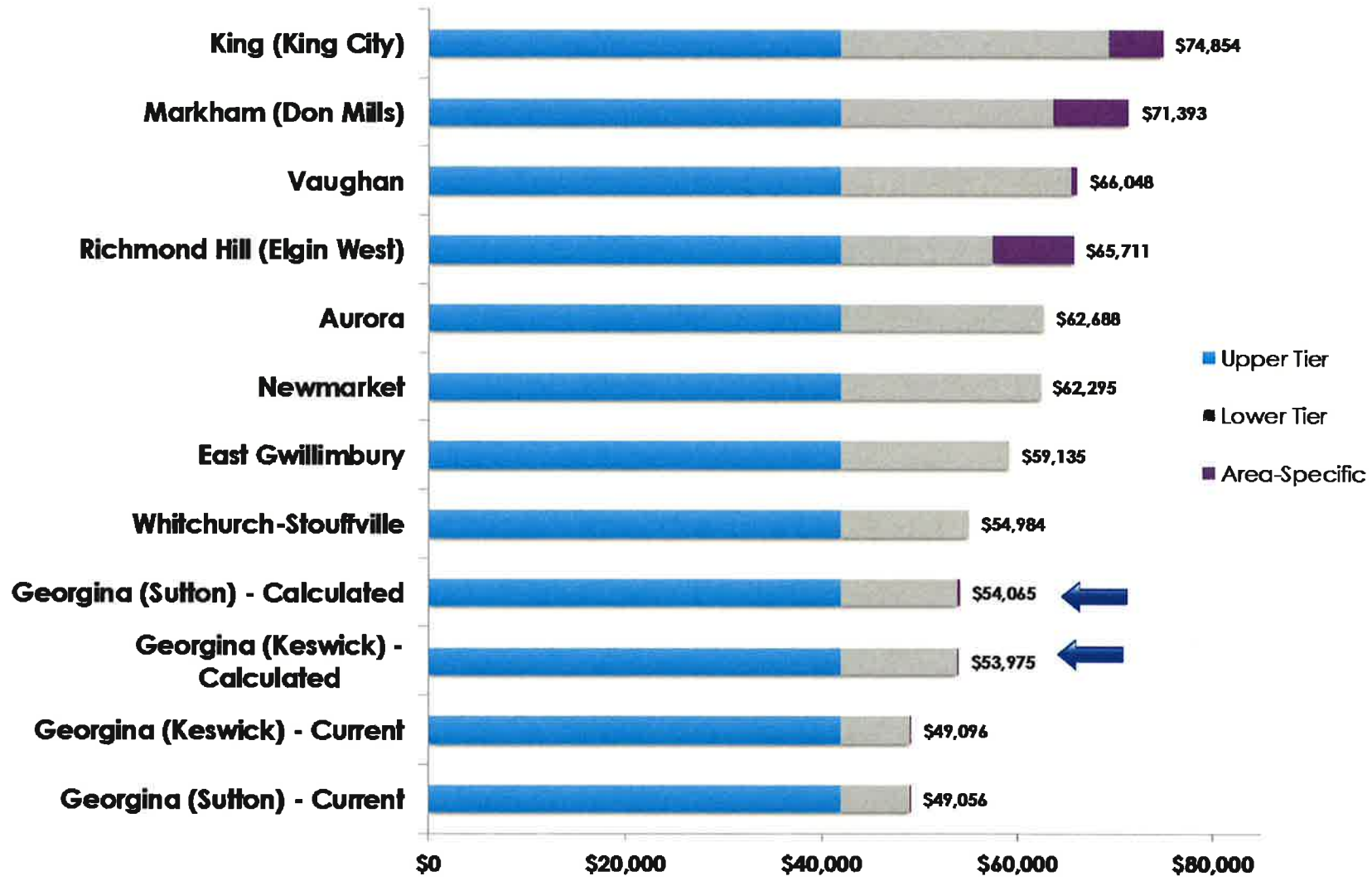
Service	Current Charge \$/SDU	Calculated Charge \$/SDU	Difference \$
Town-Wide	\$7,113	\$11,830	\$4,717
Keswick	\$7,176	\$12,055	\$4,879
Sutton	\$7,136	\$12,145	\$5,009
Sutton High Street Sewer	\$8,362	\$14,969	\$6,607

Current vs. Calculated Non-Residential Charge (Per sq.m.)

Service	Current Charge \$/Sq.m	Calculated Charge \$/Sq.m	Difference \$
Town-Wide	\$4.31	\$8.19	\$3.89
Keswick	\$4.74	\$9.29	\$4.56
Sutton	\$4.41	\$9.74	\$5.32
Sutton High Street Sewer*	\$4.31	\$8.19	\$3.89

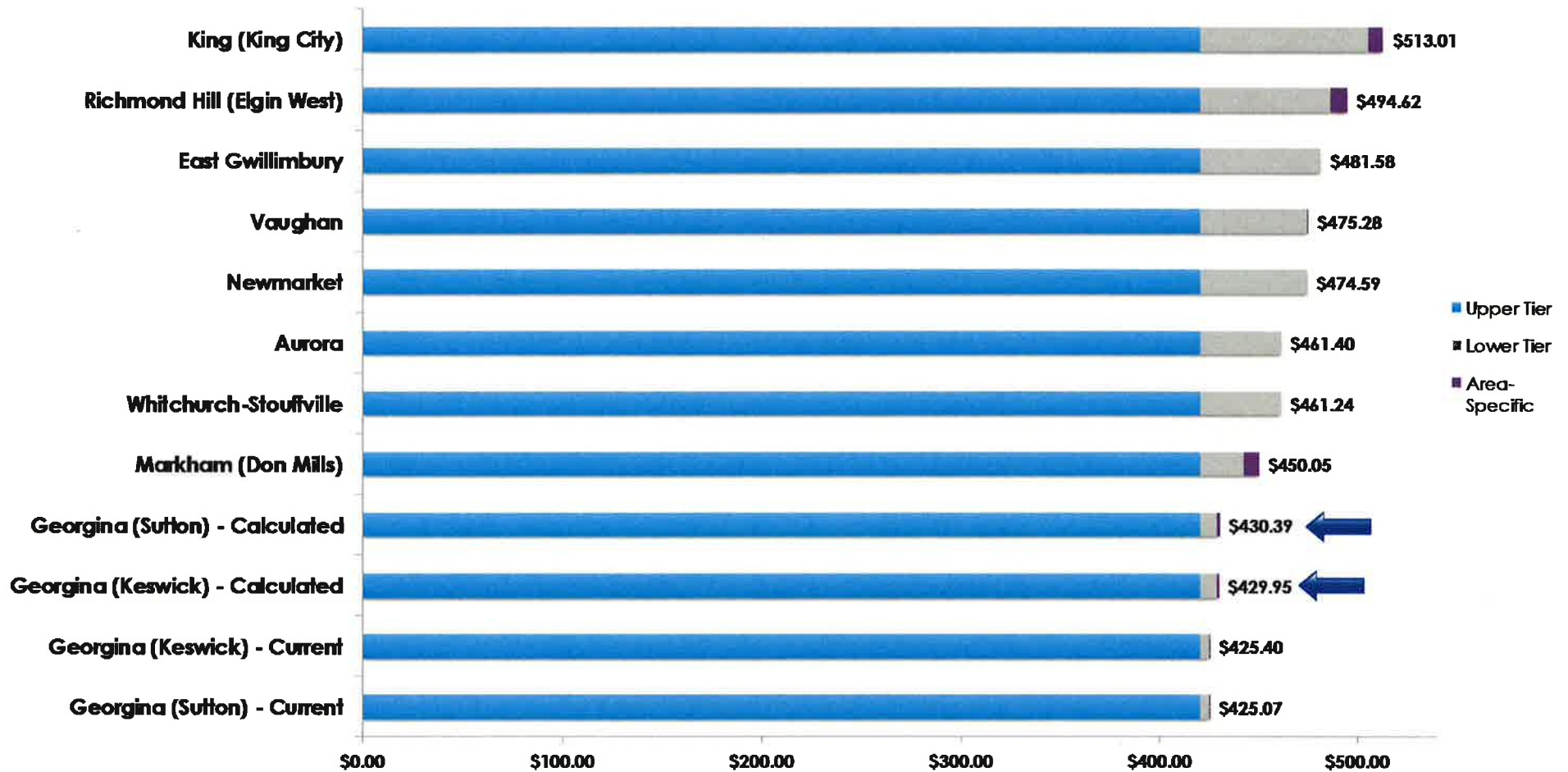
Note*: DCs levied on residential development only in Sutton High Street Sewer Service Area. Non-residential development in the area pays only the Town-wide charge.

Residential Rate Comparison

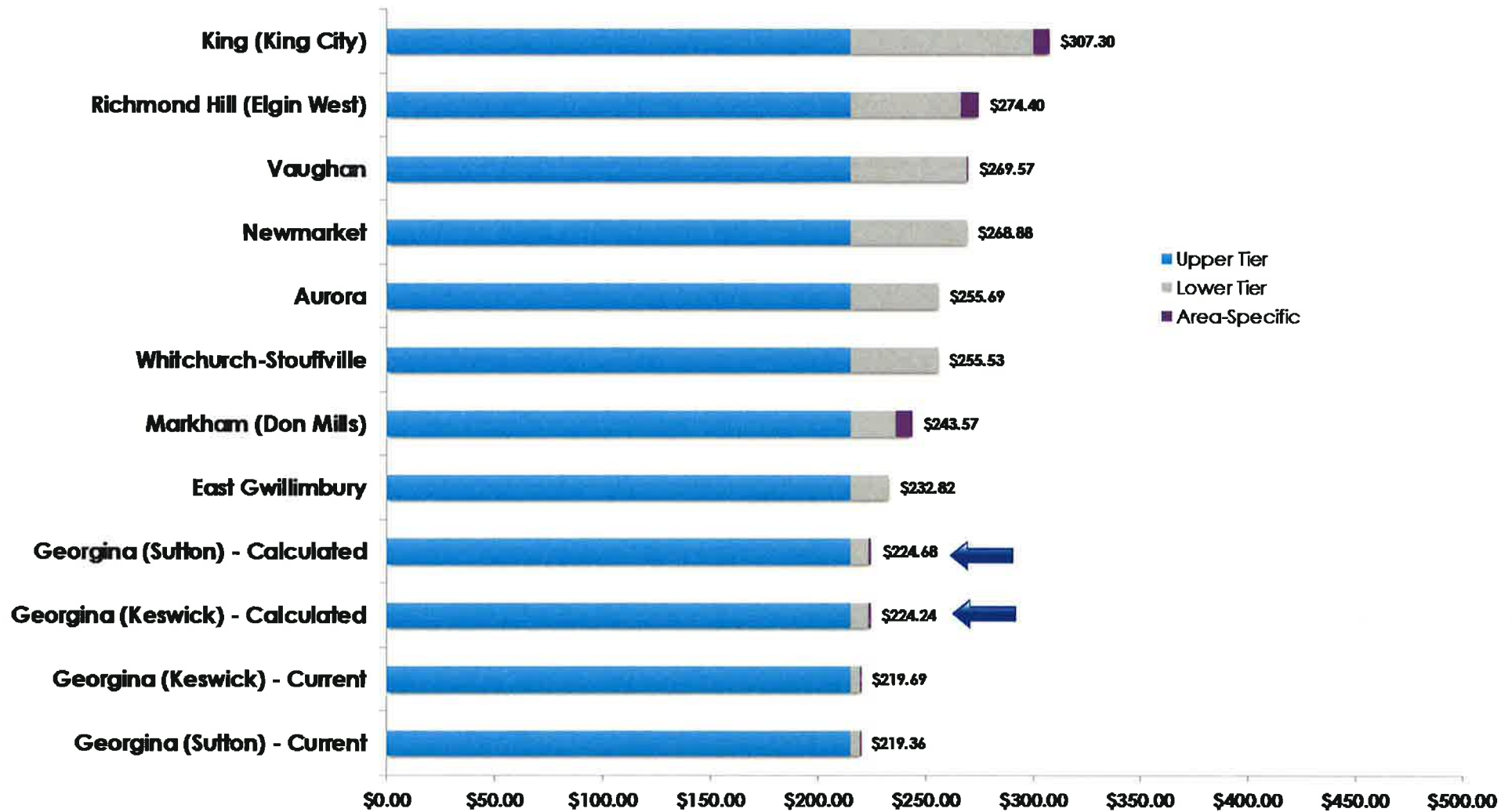


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Commercial Rate Comparison



Industrial Rate Comparison



Current By-law: Exemptions

- Statutory
 - Board of education
 - Municipality or local board
- Discretionary
 - Farm buildings used for agricultural purpose
 - Indian lands
 - Place of worship, including churchyards, cemeteries, and burial grounds
 - Accessory uses not exceeding 10 sq.m. of non-residential GFA

Current By-law: Other Provisions

- DCs may be indexed every July
- DC credits for redevelopment provided redevelopment occurs within 5 years
- Local services not funded through DCs
- Timing of payment
 - Default collection is building permit issuance
 - *DCA* provides for early or late collection under agreement
- **Proposed change to definition of small apartment from 1 bedroom to <650 sq.ft.**

Public Consultation

Activity	Date
Stakeholder consultation (process & by-law)	27 January
Council information session	23 March
Advertised public meeting	18 April
Released Background Study and Draft By-law	22 April
Stakeholder consultation (study & rates)	26 April
Public open house	26 April
Statutory Public Meeting	25 May
Stakeholder consultation (additional discussion)	2 June
By-law passage	22 June