



Administration and Operations Committee Report

To: To the Chair and Members of the Administration and Operations Committee
From: Heather Boyd, General Manager of Corporate Services
Heather Mifflin, Director of Finance, Treasurer
Date: July 16, 2024
Report #: RPT-0377-24
Subject: 2024 Development Charges Update – Project Update
Purpose: For Approval

Recommendation

That the 2024 Development Charges Update presentation of the final report and by-law be deferred for consideration at the September Council meeting;

That a by-law to amend the County of Brant Development Charges By-law Number 100-19, removing the expiration date of the current by-law, be brought forward for Council's consideration on July 23, 2024;

And that staff continue to work with members of the development community and the public who have expressed an interest in meaningful dialogue regarding the Development Charges Background Study and By-law to respond to questions and address concerns raised and to present any proposed amendments through an addendum to the Background Study in September.

Strategic Plan Priority

Strategic Priority 1 - Sustainable and Managed Growth

Strategic Priority 3 - Economic Resilience

Impacts and Mitigation

Social Impacts

Development charges are a legislative tool which provides municipalities with a source of revenue for capital works required to support the growth and development which benefit from those projects. They are highly-regulated and support the concept of “growth pays for growth” while accelerating the timing of development-supporting infrastructure.

Environmental Impacts

No environmental impacts are anticipated as a result of the recommendations of this report.

Economic Impacts

The recommendations of this report will have an economic impact in that development projects that proceed to the stage that development charges are payable between September 1 and October 1 would be subject to the current Development Charges rates, not the new rates. Based on units filed in 2023, this could result in an estimated loss of revenue of \$304,400.

Report

Background

The County of Brant hired Watson & Associates Ltd. to undertake an update of its Development Charges Background Study and By-law in 2023. County staff and the consultant have worked diligently to prepare a defensible and thorough review of the development charges program, proposed project lists and fee calculations. As a reminder, the timelines for the Development Charges Process were as follows:

1. May 2023 – April 2024 – Data collection, staff review, DC Calculations and policy work
2. April 30, 2024 – Council Workshop / DC 101 Presentation
3. May 9, 2024 – Stakeholder Meeting
4. May 24, 2024 – Release of Final Background Study
5. June 20, 2024 – Release of Addendum Report to Background Study
6. June 25, 2024 – Mandatory Public Meeting
7. July 23, 2024 – Council Consideration of By-law.

These project timelines were developed in accordance with legislative requirements for public participation and notice and were based on ensuring that the County's new by-law would be in place before the expiration of the current by-law, August 31, 2024.

On June 6, 2024, the Province gave Royal Assent to Bill 185 (Cutting Red Tape to Build More Homes Act), which had some significant impacts on Development Charges legislation and was the primary reason for issuing an addendum report. Of note, changes to re-instate certain studies as eligible capital costs and the removal of the mandatory phase-in of charges have a considerable impact on the overall increase in charges from the current study to those that would be implemented as of September 1, 2024 under the new by-law.

At its meeting on June 25, 2024, Council heard from several members of the development community expressing concerns about the proposed increase in charges and limited time to fully review the background study and addendum.

Analysis

The County of Brant 2024 Development Charges Background Study and Draft By-law are nearing completion and have been presented to the public, the development community and to Council, with direction being given by Council to proceed to bring the final study and by-law forward for Council's consideration.

Staff and the consultant are prepared to bring the study forward on July 23, having met all legislative requirements for a public hearing and 60-days between the publication of the Background Study and Council's consideration. If Committee does not support deferring this project until September, staff are prepared to bring the documents forward at that time.

However, at the public hearing on June 25, there were a number of concerns / questions raised by the development community, specifically with regards to the scale of the proposed

increase and requesting additional time to review the documents and enter into dialogue with County staff and our consultant. Since the public hearing, the County has received several detailed submissions from developers, with specific questions regarding the background study and related figures.

County staff and the consultant are working to respond to these submissions as they come in, but recognize that there may be insufficient time for back and forth discussions / deliberations with the authors, who are generally working on behalf of a number of development interests, to arrive at a common understanding. Staff appreciate the respectful and professional manner of these submissions and are hopeful that further opportunities for dialogue may resolve a number, if not all, of the concerns and questions raised.

Staff is requesting that the Development Charges Update be deferred to provide an opportunity for more detailed discussion with the development community, but would commit that regardless of the status of discussions, the report and by-law would be presented to Council in September, as further delays will result in additional lost revenues and impact other finance projects, including the final presentation of the Long Term Financial Plan and the 2025 Budget.

Deferral of the project until September will also provide additional time for staff to finalize communication documents and infographics regarding the new fees, the timing of development charge calculations and interest / indexing impacts.

If Council approves the Development Charges By-law in September, with an October 1 effective date, then the resulting delay in implementation would be limited to one (1) month.

Summary and Recommendations

Staff recommends that the presentation of the final report on the 2024 Development Charges Update, Background Study and By-law to Council be deferred until September to facilitate further meaningful discussion with the development community and other stakeholders, to respond to questions raised and to consider challenges / proposals put forward. Staff further recommends that this deferral be limited to ensure that discussions continue in a timely manner and this and other financial projects are not stalled indefinitely.

Attachments

None

Reviewed By

N/A

Copied To

1. Alison Newton, CAO
2. Heather Bailey, Manager of Budgets and Long-Term Financial Planning
3. Byron Tan, Watson & Associates, DC Consultant

By-law and/or Agreement

By-law Required	Yes
Agreement(s) or other documents to be signed by Mayor and /or Clerk	No