



## 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:** October 15, 2024  
**Report #:** RPT-0465-24  
**Subject:** 2024 Development Charges Background Study and By-law  
**Purpose:** For Approval

---

### Recommendation

---

Whereas the statutory Public Hearing regarding the County of Brant 2024 Development Charges Background Study and By-law was held and concluded on June 25, 2024 and Council determines that the public hearing requirements have been met;

That the 2024 Development Charges Background Study as released on May 24, 2024, Addendum No. 1 to the development charges background study released on June 20, 2024 and Addendum No. 2 to the development charges background study released on October 7, 2024 be approved;

That the forecast of anticipated development, capital project forecast and resulting calculations included in the development charges background study be approved;

That feedback from stakeholders gained through Stakeholders meetings on May 9, 2024 and August 21, 2024 as well as Statutory Public Meeting held on June 25, 2024 be received;

That staff responses to all stakeholder comments, be received;

That the by-law, being a by-law to approve development charges and to repeal By-law 100-19, as amended, be presented to the Council of the County of Brant for consideration with the new development charge rates coming into effect November 1, 2024.

### Strategic Plan Priority

---

Strategic Priority 1 - Sustainable and Managed Growth

Strategic Priority 3 - Economic Resilience

## **Impacts and Mitigation**

---

### **Social Impacts**

Development Charges (D.C.s) 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 Development Charges Background Study identified a total of \$831.92M worth of costs to be incurred over the life of the study (2024 – 2034), of which \$352.89M will be recovered through the current period residential and non-residential development charges and \$191.54M will be recovered through post-period Development Charges (future study periods).

Projects to be funded through the tax levy and other non-D.C. sources will be further analyzed as part of the Long Term Financial Plan and annual budgeting processes. The final order, priority and timing of projects will be optimized to ensure that needed infrastructure is available “just in time” and built in a manner that makes best use of scheduling efficiencies and available funding opportunities.

## **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, growth projections consistent with the new Official Plan, 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 – Stakeholders’ Meeting #1
4. May 24, 2024 – Release of Final Background Study
5. June 20, 2024 – Release of Addendum #1 Report to Background Study
6. June 25, 2024 – Mandatory Public Meeting
7. August 21, 2024 – Stakeholders’ Meeting #2
8. September 13, 2024 – Stakeholders’ Meeting #3
9. October 7, 2024 – Release of Addendum #2 Report to Background Study
10. October 15, 2024 – Presentation of Background Study and Draft By-law to the Administration and Operations Committee
11. October 22, 2024 – Consideration of Development Charges By-law by Council
12. November 1, 2024 – New Development Charges By-law Effective Dates

These project timelines were developed in accordance with legislative requirements for public participation and notice.

## 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.

Addendum #2 was released on October 7, 2024 and represents the results of staff consultation with the stakeholders' group, consideration of a number of submissions / requests on behalf of development interests and further discussion regarding the timing, scope and parameters of various proposed projects. Detailed changes made from the original Background Study figures are outlined in the addendum document, but a generalized summary of the more significant changes is provided below:

- Updated cost estimates became available for a number of projects over the course of the summer and resulted in adjustments accordingly, notably the Grand River Street North Reconstruction and Expansion and the Highway 403/Rest Acres Road Improvements and Interchange.
- The St. George Water Pollution Control Plant Expansion Project was subject to revised cost estimates and a grant amount of \$35 Million through the Provincial Housing-Enabling Water Systems Fund.
- The Paris Wastewater Treatment Plant Expansion gross capital cost was decreased from \$220 Million to \$150 Million. This represents the single most significant change from the original Development Charges Background Study. The original estimate of \$220 Million was established by a consultant as a preliminary figure and staff are working with the consultant to determine if there are scale and phasing options that will make this project more affordable for both the County and the development community. As the Environmental Assessment studies are ongoing, \$150 Million has been included as the current best estimate, however if there is a significant change in cost estimate, it is expected that an update to the Development Charges Background Study and By-law would be warranted.
- Discounted Growth-Related Interest Adjustments were made throughout the capital sheets, as identified by the stakeholders group as a required reduction.
- Benefit to Existing components were added to several projects, where it was identified by the stakeholders group that there would be a benefit that was not recognized.
- Several adjustments were made to project timing to recognize projects that are proceeding in advance of the dates in the first draft (i.e. Brant Sports Complex Addition) and those that are not expected to be completed within this study period (i.e. Field House and Event Facility).
- Indexing for the new Development Charges By-law will be adjusted to align with the new effective date, November 1.

A detailed list of the updated charges is provided in the Addendum #2 document and the draft by-law, but is summarized below:

	Residential					Non-Residential
	Single / Semi-Detached	Multiples	Apartment – 2+ Bedroom	Apartment – Studio / 1 Bedroom	Special Care	(per sq. ft. gross floor area)
Total County-Wide Services	\$33,572	\$21,957	\$23,101	\$15,196	\$11,974	\$6.47
Total Urban Services	\$28,583	\$18,693	\$19,667	\$12,938	\$10,195	\$8.58
<b><u>TOTAL (in serviced areas)</u></b>	\$62,155	\$40,650	\$42,768	\$28,134	\$22,169	\$15.05

For comparison, after the September 1 indexing was applied, the current development charge for a single / semi-detached home in an urban service area is \$47,073 and the charge for same home under the original background study would have been \$75,683. The proposed \$62,155 charge represents a 32% increase from the current rates.

Further, the current development charge for a non-residential unit is \$11.25 per square foot gross floor area and the charge for the same under the original background study would have been \$17.93 per square foot. The proposed \$15.05 charge represents a 34% increase from the current rates.

**Public / Stakeholder Engagement**

As noted before, the adoption of a Development Charges Background Study and By-law are legislated processes. Staff and the consultant have undertaken to exceed the required public notice requirements as follows:

- A Development Charges 101 session was held for members of Council to help enhance understanding of the process and proposed changes.
- A preliminary Stakeholders’ meeting was held in advance of the formal release of the Background Study and the Public Hearing.
- Notification of the Public Hearing was published more than twenty (20) days prior to the public hearing. Further, this hearing was noted at the first stakeholders’ meeting and the public was encouraged to participate in the Public Hearing through e-mails through distribution lists, posting on EngageBrant and social media postings.
- The Background Study and draft by-law were posted and available in advance of the Public Hearing and the Addendum and the amended draft by-law have been circulated and posted on the EngageBrant website.

- A formal public hearing was held by Council on June 25, 2024. These documents were reviewed at the meeting and any person who attended the meeting was able to make representation.
- A second stakeholders' meeting was held to address a number of themes / common questions raised through individual submissions. This afforded further informal discussion between the consultant, County staff and the development community.
- A third stakeholders' meeting was held to follow-up on the results of the consultant and staff's consideration of matters raised either through written submissions and/or at the previous meeting. This resulted in preliminary revised calculations being presented that would form the basis for the second addendum.
- The by-law will be passed following the public meeting and within one year of completing the Background Study.
- If the Background Study is approved, Council will repeal the existing by-laws and adopt the new by-law.
- Notice requirements following Council approval will be undertaken after the new by-law is adopted.

Written submissions were received by a number of stakeholders which were responded by staff and the consultant. A number of changes / amendments were made in response to these submissions. Written submissions and responses were exchanged with the following:

- Keleher Planning & Economic Consulting Inc. on behalf of the Brantford Home Builders' Association
- Davies Howe on behalf of UrbanMetrics
- MTE Consultants
- Sifton Properties Ltd.

Information on these submissions are available for viewing on the EngageBrant page, linked under 'Documents'. There were no formal comments / questions submitted through the engagement page or from members of the public not representing development interests.

Discussions are ongoing with certain stakeholders regarding development-charges related matters, which are outside of this by-law. These include discussions on D.C. Credits, Front-Ending agreements and a site specific request related to potential cost sharing on a project that would service future development not yet approved in the Official Plan. These matters will be addressed, but will not impact the approval and implementation of the Background Study and By-law.

### Summary and Recommendations

Staff recommends that the 2024 Development Charges Background Study and By-law be approved, effective November 1, 2024. Failure to move forward with the implementation of the new charges will put funding for the identified projects at risk, negatively affecting both the County's ability to move forward with growth and infrastructure availability for new development.

The 2024 Development Charges Background Study and By-law are drafted to be effective for a period of ten (10) years, being the maximum allowed by legislation. It is expected, however, that further updates will likely be required well in advance of this period to respond to changing needs, significant cost variances, new priorities and changes in project scheduling. Staff will be providing annual updates on the status of the Development Charges reserves, commenting on the timeline for the next update as part of that review.

Next steps include:

1. Notice of Development Charges By-law Passage and Appeal Timelines
2. Last date for appeal to be 40 days after the by-law is passed (December 1, 2024)
3. Preparation of mandatory pamphlet explaining the by-law as well as plain-language communications regarding the implementation, timing and application of development charges under the new by-law.

In the event of appeal, staff will notify Council and prepare a report on next steps.

### **Attachments**

---

1. Addendum #2 to the Background Study
2. 2024 Development Charge Background Study and Addendum #1 (previously distributed – available at:  
<https://engagebrant.ca/42785/widgets/180529/documents/131053>)
3. Addendum #1 to the Background Study (previously distributed – available at:  
<https://engagebrant.ca/42785/widgets/180529/documents/133164>)

### **Reviewed By**

---

N/A

### **Copied To**

---

1. Alison Newton, CAO
2. Senior Management Team
3. Heather Bailey, Manager of Budgets and Long-Term Financial Planning
4. 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