



# Staff Report to Council - for Direction

**Title:** Growth Studies Development Charge

**From:** Sam Dinsmore, Director of Corporate Services

**Date:** November 21, 2024

**Report Number:** CS-2024-043

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## Staff Recommendation:

That Council approve the inclusion of a Growth Studies Development Charge starting on January 1, 2025; and

That Council direct staff to bring forward the by-law to add the Growth Studies Development Charge to the December 5, 2024, Council meeting.

## Report Summary:

After some recent legislative changes through Bill 185 the County can now collect development charges to fund Growth Studies for eligible service areas. Attachment #1 is a memorandum from the County's Development Charges consultant outlining the changes to the legislation and the effect it will have on the County. Attachment #2 is the draft by-law that staff recommend that Council passes to include Growth Studies in the County's Development Charges By-law.

## Background/Analysis:

Bill 185 made a number of changes to the Development Charges Act and the report goes through the high-level details of the changes.

Inclusion of Growth Studies - Bill 23 removed the ability for municipalities to collect development charges for studies, however with the passing of Bill 185 studies have been re-included as eligible capital costs. Staff are recommending that the attached amending by-law be passed and that the County start collecting a Growth Studies development charge starting on January 1, 2025.

Removal of Mandatory Phase-In - previous legislation made it mandatory for municipalities to phase-in changes to development charges. This phase-in started at 80% in year one and 100% by year five. This change doesn't apply to the County due to the more gradual phase-in that is currently in the County's Development Charges by-law.

Reduction of Rate Freeze Timeline - before the passing of Bill 185 all municipalities had to freeze development charges for site plan/zoning by-law amendments for 24 months, and this has now been lowered to 18 months. For the County to implement this change the background study and by-law would have to be re-opened. At this time staff aren't recommending making this change as it is projected to have a minimal impact on

development charge collections. When the County re-visits the background study and by-law this housekeeping matter will be addressed.

There are other minor changes including the ability to post information on the County's website rather than solely relying on newspapers. Bill 185 also allows the County to pass the amending by-law, to add Growth Studies, rather than having to do a full review with the appeal process.

**Financial/Staffing/Legal/IT Considerations:**

By passing the amending by-law the County will be able to fund \$1.26M over the next ten-year period for the studies as listed in Table 3-1 of Attachment #1. Once the phase-in is completed, in 2031, the Growth Studies will add \$273 per single/semi-detached unit build in the County.

With the inclusion of the Growth Studies through the amending by-law this category will be included in the mandatory updates done at a minimum of every ten years.

**Interdepartmental Consultation:**

Senior Management Team

**Link to Strategic Goals and Objectives:**

Growth and Innovation - Promote responsible growth

**Link to Departmental Plan Goals and Objectives, if any:**

Development Charges are an important funding tool for growth related capital projects. By passing this by-law the County will be able to also fund growth related studies through development charges which will lessen the dependency on the tax levy.

**Report Author:**

Sam Dinsmore, Director of Corporate Services

**Approved for Submission:**

Sean Morphy, Deputy Chief Administrative Officer

**Attachments:**

Attachment #1 - Memorandum from Watson & Associates

Attachment #2 - Draft Amending By-law