

# City of Barrie

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**Development Charges  
Public Meeting  
December 10, 2012**

# Purpose of Meeting

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- ❑ The meeting is a mandatory requirement under the *Development Charges Act*
- ❑ Prior to Council's consideration of a by-law, a background study must be prepared and available to the public a minimum 14 days prior to a public meeting
- ❑ Public meeting is to provide for a review of the DC proposal and to receive public input on the proposed policies and charges
- ❑ This DC study represents an interim update of the Barrie City-wide development charge by-law

# Background

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- This interim Background Study has been prepared pursuant to the requirements of the *Development Charges Act, 1997* (s.10), and accordingly, recommends updated development charges and policies for the former City of Barrie urban boundary, excluding additional land (i.e. Annexed Area) added to the southern urban boundary in 2009
- A Secondary Plan/Master Plan process is presently being undertaken for the Annexed Area which will define the amount, type and timing of development which will be considered as part of a revised City-wide background study later in 2013

# Study Process

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- ❑ Policy Review and discussions with staff
- ❑ Growth forecast
- ❑ Detailed discussions with staff regarding future needs to service growth
- ❑ Study distributed to Council (November 2012)
- ❑ Stakeholders meeting and presentation (November 22, 2012)
- ❑ Report preparation and release to public (November 23, 2012)
- ❑ Public meeting (December 10, 2012)
- ❑ Council consider by-law for adoption (February 2013)

# Development Charges

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## Purpose:

- ❑ To recover the capital costs associated with residential and non-residential growth within the municipality
- ❑ The capital costs are in addition to what costs would normally be required as part of a subdivision (i.e. internal roads, sewers, watermains, roads, sidewalks, streetlights, etc.)
- ❑ Municipalities are empowered to impose these charges via the *Development Charges Act, 1997 (DCA)*

# Limitations of Services

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- A DC may not provide for:
  - Parkland acquisition
  - Municipal Halls
  - Tourism, Arts/Culture Facilities, Museums
  - Solid Waste Service
  - Hospitals
  - Vehicle & Equipment with average life of <6 years
  - Computer Equipment

# Overview of DCA (Simplified Steps)

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1. Identify amount, type and location of growth
2. Identify servicing needs to accommodate growth
3. Identify capital costs to provide services to meet the needs

# Overview of DCA (Simplified Steps)

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4. Deduct:
  - Grants, subsidies and other contributions
  - Benefit to existing development
  - Statutory 10% deduction (soft services)
  - Amounts in excess of 10 year historic service calculation
  - DC reserve funds (where applicable)
5. Net costs then allocated between residential and non-residential benefit
6. Net costs divided by growth to calculate the development charge



# Overview of DCA Policy Matters

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## Exemptions:

- Mandatory exemptions
  - For industrial building expansions (may expand by 50% with no DC)
  - May add up to 2 apartments for a single as long as size of home doesn't double
  - Add one additional unit in medium and high density buildings
  - Upper/Lower Tier Governments and School Boards

# Overview of DCA Policy Matters

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## Exemptions:

- Discretionary exemptions
  - Reduce in part or whole DC for types of development or classes of development (e.g. industrial or churches)
  - May phase-in over time
  - Redevelopment credits to recognize what is being replaced on site (not specific in the Act but provided by case law)

# Overview of Barrie's Existing DCA Exemptions

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- ❑ Any municipality or their local boards
- ❑ A place of worship
- ❑ A board of education
- ❑ A university or college
- ❑ Land contained within the City Centre Planning Area
- ❑ Development charges are discounted for non-profit (50%) and industrial categories of development

# Proposed Changes to Exemptions for 2012/13 DC Update

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- Staff have suggested that all exemptions and discounts should continue, however consideration be given to:
  - Removal of the retail discount as the calculated non-residential charge is less than the current discounted retail charge in place.

# Proposed Changes to Exemptions for 2012/13 DC Update

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- Staff have suggested that all exemptions and discounts should continue, however consideration be given to:
  - Removal of the retail discount as the calculated non-residential charge is less than the current discounted retail charge in place.
  - The City is currently reviewing the merits of introducing an exemption for storage sheds. Consideration needs to be given to the nature of the exempted use (i.e. storage sheds or all ancillary uses), as well as specific parameters pertaining to the exemption (i.e. building size, amount/percent of exemption, permitted/prohibited on-site uses, etc).

# Growth Forecast Increase

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The 2012 development charge forecast provides for the following growth:

<b>Measure</b>	<b>10 Year (2012-2022)</b>	<b>19 Year 2012-2031</b>
(Net) Population Increase	12,888	27,575
Residential Unit Increase	8,579	18,331
Non-Residential Gross Floor Area (sq.ft.)	8,004,500	13,444,500
Source: Watson & Associates Economists Ltd. Forecast 2012		

# Summary of Services Considered

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- **City-Wide Engineered Services:**
  - Roads and Related
  - Wastewater Services
  - Water
  - Storm Water Management
- **City-Wide Other Services:**
  - Protection Services (Fire and Police)
  - Paramedic
  - Parks and Recreation
  - Library Services
  - Transit
  - Administration

# Increased Service Needs Attributable to Anticipated Development

Increased Service Needs Attributable to Anticipated Development	Gross Capital Cost Estimate	Less Deductions*	Potential DC Recoverable Cost
<b>Engineered Services</b>			
Roads and Related	395,539,757	193,573,148	201,966,609
Wastewater Services	250,977,376	168,163,468	82,813,907
Water Services	297,152,704	165,842,963	131,309,740
Storm Water Management	75,127,404	43,877,592	31,249,812
<b>Total Engineered Services</b>	<b>1,018,797,240</b>	<b>571,457,171</b>	<b>447,340,069</b>
<b>Other Services</b>			
Protection Services	50,200,062	38,033,145	12,166,917
Transit	33,322,000	30,784,314	2,537,686
Parks & Recreation Services	119,483,600	96,080,230	23,403,370
Library Services	5,027,302	2,745,959	2,281,343
Administration	2,515,000	982,858	1,532,142
Paramedics	7,751,069	7,112,463	638,606
<b>Total Other Services</b>	<b>218,299,032</b>	<b>175,738,968</b>	<b>42,560,064</b>
<b>Grand Total</b>	<b>1,237,096,272</b>	<b>747,196,139</b>	<b>489,900,133</b>

\* Other Deductions Include: Post Period Benefit, Benefit to Existing Development, Grants, Subsidies and Other Contributions Attributable to New Development (e.g. 10% Statutory Deduction)



# Review of City-Wide Calculated Charges

Service	RESIDENTIAL				RETAIL	ALL OTHER NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per ft <sup>2</sup> of Gross Floor Area)	(per ft <sup>2</sup> of Gross Floor Area)
<b>Engineered Services</b>						
Roads and Related	12,521	7,241	5,321	9,361	6.32	3.16
Wastewater	4,329	2,503	1,839	3,236	3.33	3.33
Water	6,455	3,732	2,743	4,825	4.82	4.82
Storm Water Management	1,292	747	549	966	1.50	1.50
<b>Sub-total</b>	<b>24,596</b>	<b>14,223</b>	<b>10,452</b>	<b>18,388</b>	<b>15.97</b>	<b>12.81</b>
<b>Other Services:</b>						
Protection	739	427	314	552	0.43	0.43
Libraries	423	245	180	316	0.01	0.01
Paramedic	95	55	41	71	0.02	0.02
Parks and Recreation	4,334	2,506	1,842	3,240	0.16	0.16
Transit	360	208	153	269	0.09	0.09
Administration	159	92	68	119	0.09	0.09
<b>Sub-total</b>	<b>6,111</b>	<b>3,533</b>	<b>2,598</b>	<b>4,567</b>	<b>0.80</b>	<b>0.80</b>
<b>Total Development Charge</b>	<b>30,707</b>	<b>17,756</b>	<b>13,050</b>	<b>22,955</b>	<b>16.77</b>	<b>13.61</b>

# Comparison of Current and Calculated Charges

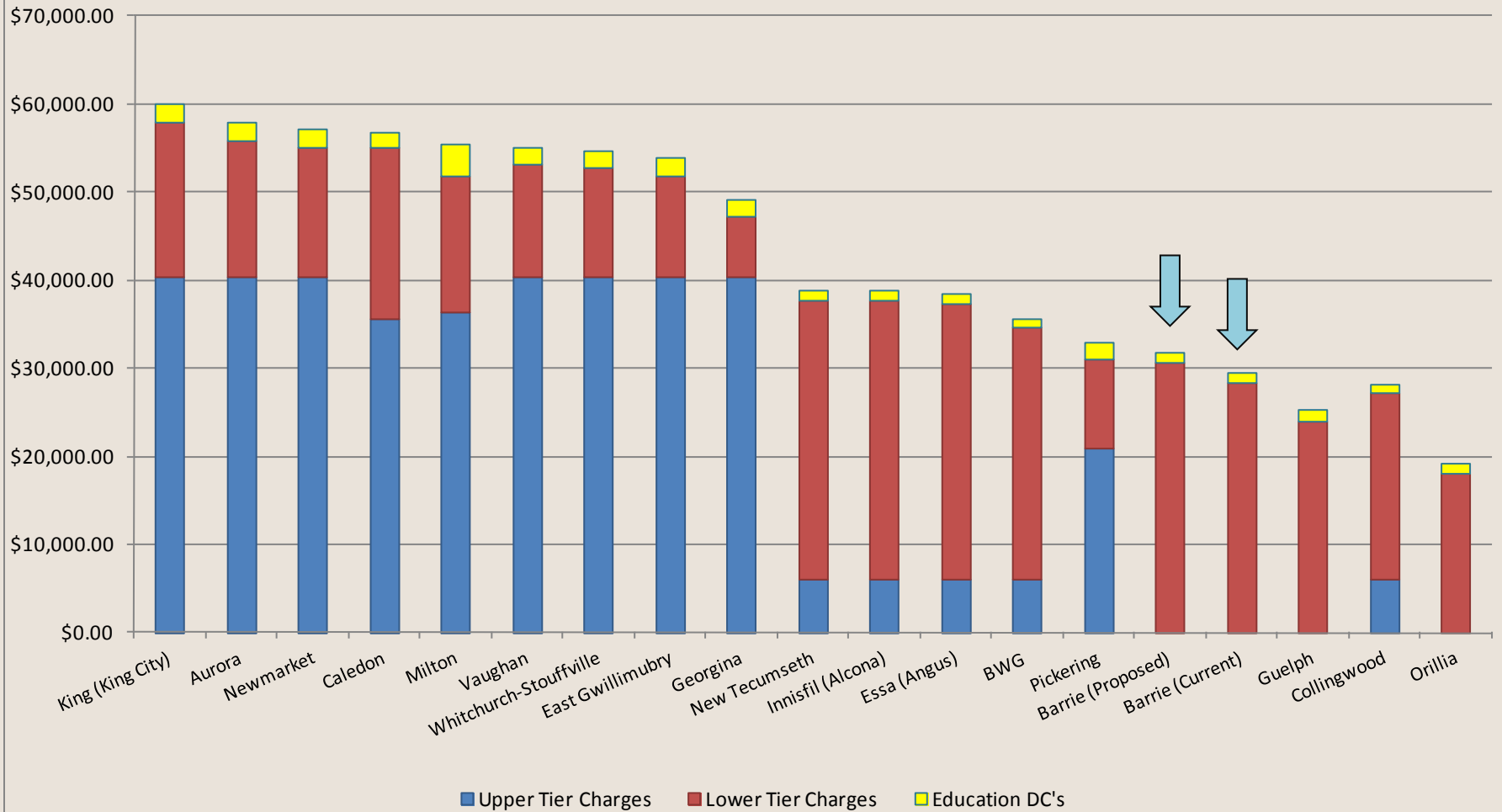
Service	Per Single & Semi Detached Unit				Retail per sq.ft. of GFA			
	Current	Calculated / Recommended	Difference	%	Current <sup>1</sup>	Calculated / Recommended	Difference	%
<b>Engineered Services</b>								
Roads and Related	12,505	12,521	16	0.1%	10.00	6.32	(3.68)	-0.37
Wastewater	3,862	4,329	467	12.1%	3.68	3.33	(0.35)	-9.5%
Water	5,402	6,455	1,053	19.5%	5.07	4.82	(0.25)	-4.9%
Storm Water Management	1,371	1,292	(79)	-5.8%	0.90	1.50	0.60	66.7%
<b>Sub-total</b>	<b>23,140</b>	<b>24,596</b>	<b>1,457</b>	<b>6.3%</b>	<b>19.65</b>	<b>15.97</b>	<b>(3.68)</b>	<b>-18.7%</b>
<b>Other Services:</b>								
Protection	675	739	64	9.5%	0.45	0.43	(0.02)	-4.4%
Libraries	541	423	(118)	-21.8%	0.01	0.01	-	0.0%
Paramedic	95	95	-	0.0%	0.02	0.02	-	0.0%
Parks and Recreation	3,399	4,334	935	27.5%	0.13	0.16	0.03	23.1%
Transit	421	360	(61)	-14.5%	0.11	0.09	(0.02)	-18.2%
Administration	82	159	77	93.9%	0.07	0.09	0.02	28.6%
<b>Sub-total</b>	<b>5,213</b>	<b>6,111</b>	<b>897</b>	<b>17.2%</b>	<b>0.79</b>	<b>0.80</b>	<b>0.01</b>	<b>1.3%</b>
<b>Total Development Charge</b>	<b>28,353</b>	<b>30,707</b>	<b>2,354</b>	<b>8.3%</b>	<b>20.44</b>	<b>16.77</b>	<b>(3.67)</b>	<b>-18.0%</b>

<sup>1</sup> \$20.44 per sq.ft. is a calculated retail charge but is not used. Sections 9(2)(c) and (d) from 2008-111 set out special provisions relating to the development charges for industrial (\$10.88 per sq.ft.) and retail (\$16.94 per sq.ft.) uses.

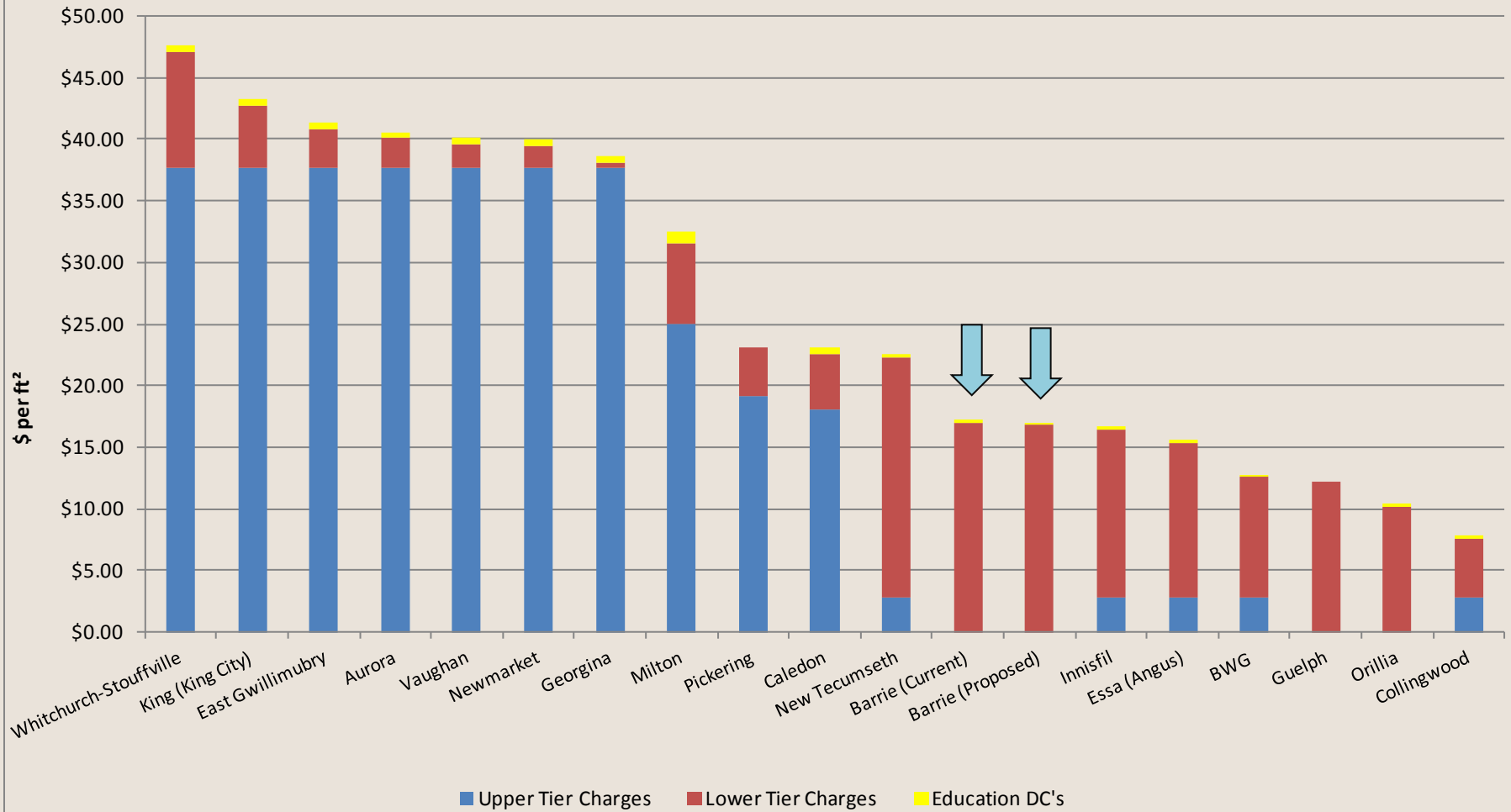
# Comparison of Current and Calculated Non-residential Charges

Type of Development	Current	Recommended	Difference \$	Difference %	Comments
Retail	\$16.94	\$16.77	\$(0.17)	-1.0%	As calculated.
Industrial	\$10.88	\$11.08	\$0.20	1.8%	\$10.88 current charge X 1.8% January 2013 annual index.
All Other	\$15.44	\$13.61	\$(1.83)	-11.9%	\$16.77 as calculated above, with 50% of retail roads charge. (i.e. \$16.77 – 3.16 = \$13.61)

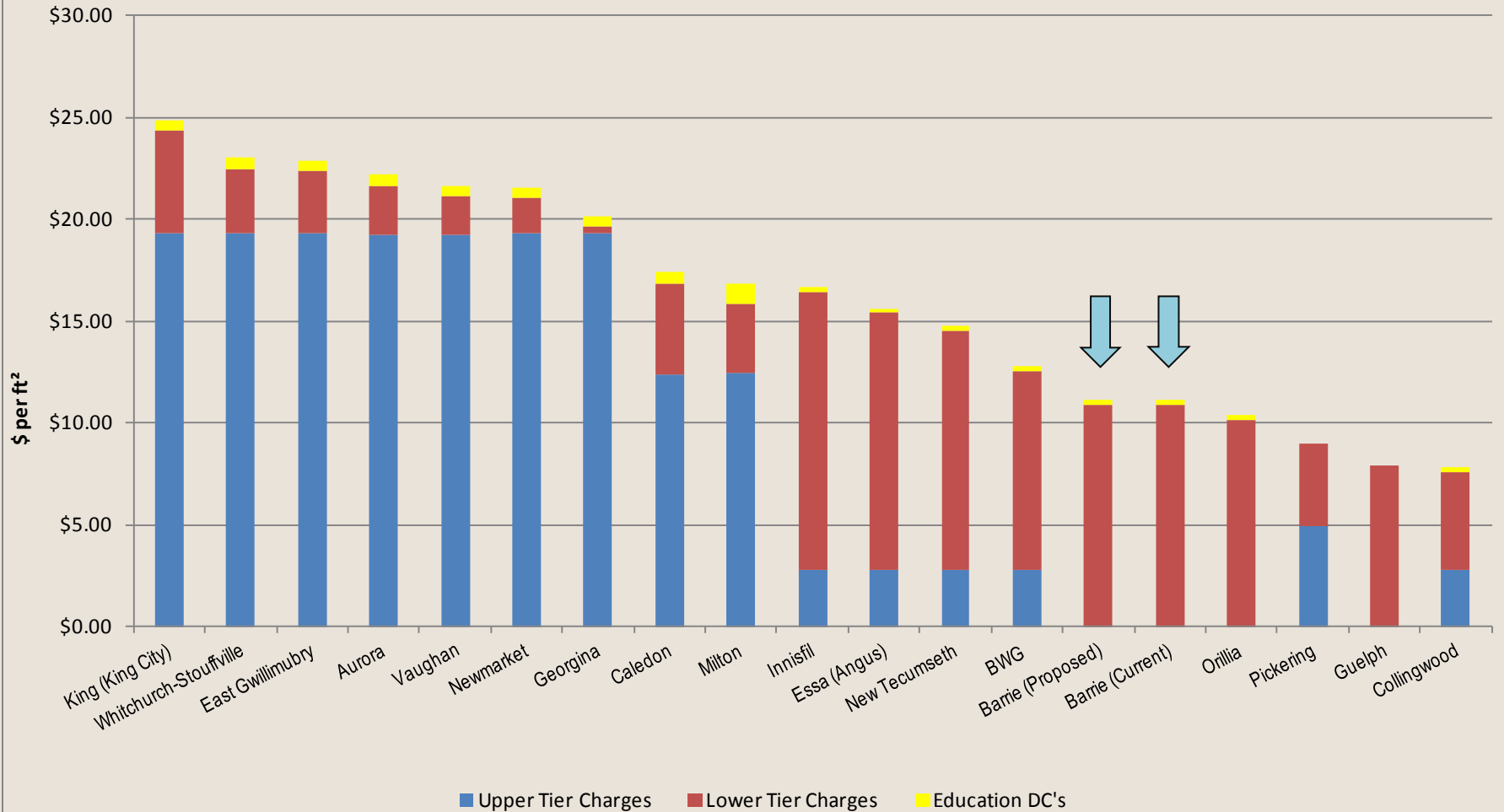
# Development Charge Rates for Municipalities in Simcoe and Selected Greater Golden Horseshoe - Single Detached & Semi Detached Dwelling - (As of October, 2012)



# Development Charge Rates for Municipalities in Simcoe and Selected Greater Golden Horseshoe - Commercial/Retail DC's Per Fully Serviced Ft<sup>2</sup>. of GFA - (As of October, 2012)



# Development Charge Rates for Municipalities in Simcoe and Selected Greater Golden Horseshoe - Industrial DC's Per Fully Serviced Ft<sup>2</sup>. of GFA - (As of October 2012)



# Next Steps

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- Based upon input received from the public, Council will consider adoption of a by-law
- Council considers adoption of background study and passage of by-law in February 2013
- Prepared updated City-wide DC Background Study including Annexed Area subsequent to the Secondary Plan approval in 2013