

## Development Charges – July 2023 to June 2024

Presented To:	Finance and Administration Committee
Meeting Date:	March 28, 2023
Type:	Correspondence for Information Only
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Recommended by:	General Manager of Corporate Services

### Report Summary

This report provides information regarding routine indexation changes to Development Charges (DC) that will be effective July 1, 2023 in accordance with By-Law 2019-100.

### Relationship to the Strategic Plan, Health Impact Assessment and Community Energy & Emissions Plan (CEEP)

This report refers to operational matters and has no direct connection to the Community Energy & Emissions Plan.

### Financial Implications

This report has no financial implications as rates are prepared in accordance with the existing Development Charges By-Law 2019-100.

### Background

The following chart reflects the current DC rates effective until June 30, 2023:

Servicing	Single Family Dwellings (per unit)	Semi Detached Dwellings (per unit)	Multiples, Apartments and Small Residential (per unit)	Industrial (per sq ft)	Commercial / Institutional (per sq ft)
All Services	\$22,162	\$17,806	\$12,791	\$3.70	\$5.56
Excluding Water	\$20,908	\$16,799	\$12,066	\$3.43	\$5.29
Excluding Wastewater	\$16,300	\$13,097	\$9,408	\$2.46	\$4.31
Excluding Water and Wastewater	\$15,046	\$12,089	\$8,683	\$2.19	\$4.05

Development Charges are to be indexed per the Statistics Canada Quarterly Construction Price Statistics (Non-Residential Building Construction Index) in accordance with the Development Charges Act and By-Law 2019-100. The Development Charges are adjusted by NRBCPI so that funding reflects the impact to capital expenditures faced by the City on an annual basis.

Since no statistics are released for Sudbury, the inflationary change for Ottawa is used and in accordance with By-Law 2019-100. The increase for the period of December 2021 to December 2022 which was released in February 2023 is 9.9%.

Development charges are used to fund the growth-related portions of capital upgrades to city infrastructure like buildings, roads, intersections and water wastewater pipes. Development charges are not the only source of funding for infrastructure capital projects. Additional development charges decrease reliance on other capital funding sources for infrastructure projects such as the City tax levy, water & wastewater user fees, and/or reserves.

The chart below reflects the rates in effect starting July 1, 2023 until June 30, 2024. Appendix A contains the detailed development charge rate schedules.

<b>Servicing</b>	<b>Single Family Dwellings (per unit)</b>	<b>Semi Detached Dwellings (per unit)</b>	<b>Multiples and Apartments (per unit)</b>	<b>Industrial (per sq ft)</b>	<b>Commercial / Institutional (per sq ft)</b>
All Services	\$24,356	\$19,569	\$14,057	\$4.07	\$6.11
Excluding Water	\$22,978	\$18,462	\$13,261	\$3.77	\$5.81
Excluding Wastewater	\$17,913	\$14,393	\$10,339	\$2.70	\$4.74
Excluding Water and Wastewater	\$16,535	\$13,286	\$9,543	\$2.40	\$4.45

## **2024 Development Charges Background Study and By-Law**

The existing Development Charges By-Law expires on June 30, 2024. Staff has commenced the process for the 2024 Development Charges Background Study and Development Charges By-law. Recommendations will be presented to Council for their approval of a new Development Charges By-law to be in place to continue to collect Development Charges after June 30, 2024.