



City of Burlington Development Charges Update Study

Public Meeting
March 2, 2022



Introduction

Public Meeting Purpose

- This meeting is a mandatory requirement under the *Development Charges Act, 1997*, as amended (D.C.A.)
- Prior to Council's consideration of a by-law, a background study must be prepared and available to the public a minimum of 2 weeks prior to a public meeting and provided on the municipality's website 60 days prior to by-law passage
- Purpose of the public meeting is to provide an overview of the proposed amendment and to receive public input on the matter

Development Charges Update Study and By-law Amendment



- Development Charges (D.C.) Update Study prepared to amend the City's 2019 D.C. Background Study and By-law 29-2019
- Purpose of the proposed D.C. by-law amendment is to:
 - Reflect recent amendments to the D.C.A. made through the *More Homes, More Choice Act*, and *COVID-19 Economic Recovery Act*, including:
 - Changes to the D.C. recoverable costs (i.e. removal of the 10% statutory deduction, updates to capital cost estimates and reallocation of service specific growth-related studies);
 - Changes to the timing of calculation and collection of D.C.s and statutory exemptions
 - Provide updates to the capital cost estimates underlying the D.C. based on the City's 2021 Capital Budget and Forecast
- All other components of the 2019 D.C. Background Study and D.C. By-law 29-2019 remain unchanged

Changes to the D.C.-Eligible Costs



- Changes to the D.C. recoverable costs include:
 - Removal of the 10% statutory deduction from the calculation of the charge for Administration/Growth-Related Studies, Library, and Parks and Recreation services
 - Updates to capital needs for Transportation, Storm Drainage, Transit, Parks and Recreation, Library, and Growth-Related Studies services

| Service/Class | D.C. Eligible Costs | | |
|--------------------|----------------------------|------------------------|--------------------|
| | 2019 D.C. Background Study | 2021 D.C. Update Study | Change (\$) |
| Transportation | \$68,812,940 | \$63,762,437 | \$(5,050,503) |
| Storm Drainage | \$8,645,296 | \$8,823,196 | \$177,900 |
| Fire | \$1,052,521 | \$1,052,521 | \$- |
| Transit | \$1,127,118 | \$4,064,980 | \$2,937,862 |
| Parks & Recreation | \$6,505,132 | \$14,405,554 | \$7,900,422 |
| Library | \$483,336 | \$2,305,863 | \$1,822,527 |
| Studies | \$90,738 | \$179,738 | \$89,000 |
| TOTAL | \$86,717,081 | \$94,594,288 | \$7,877,207 |

D.C. Update Study – Calculated Charges (indexed)



| Service/Class | RESIDENTIAL | | | | | | NON-RESIDENTIAL (per m ² of GFA) | |
|------------------------|---|---------------------------------------|--|--------------------------------------|-----------------------------------|---------------------------------|--|----------------|
| | Single and Semi- Detached Dwelling | Apartments - 2 or more Bedrooms | Apartments - Bachelor or 1 Bedroom | Multiples - 3 or more Bedrooms | Multiples - 1 or 2 Bedrooms | Special Care/Special Need | Retail | Non-Retail |
| Transportation | \$8,198 | \$4,169 | \$3,072 | \$5,902 | \$4,673 | \$2,636 | \$128.76 | \$65.69 |
| Storm Drainage | \$1,672 | \$850 | \$626 | \$1,204 | \$952 | \$537 | \$5.28 | \$5.28 |
| Fire | \$172 | \$88 | \$64 | \$124 | \$98 | \$55 | \$1.75 | \$1.75 |
| Transit | \$661 | \$336 | \$248 | \$476 | \$377 | \$212 | \$6.85 | \$6.85 |
| Parks & Recreation | \$4,735 | \$2,408 | \$1,774 | \$3,409 | \$2,699 | \$1,522 | \$2.29 | \$2.29 |
| Library | \$758 | \$385 | \$284 | \$546 | \$432 | \$244 | \$0.37 | \$0.37 |
| Growth-Related Studies | \$29 | \$15 | \$11 | \$21 | \$17 | \$10 | \$0.30 | \$0.30 |
| TOTAL | \$16,224 | \$8,251 | \$6,079 | \$11,681 | \$9,248 | \$5,217 | \$145.60 | \$82.53 |



Calculated vs. Current D.C.s

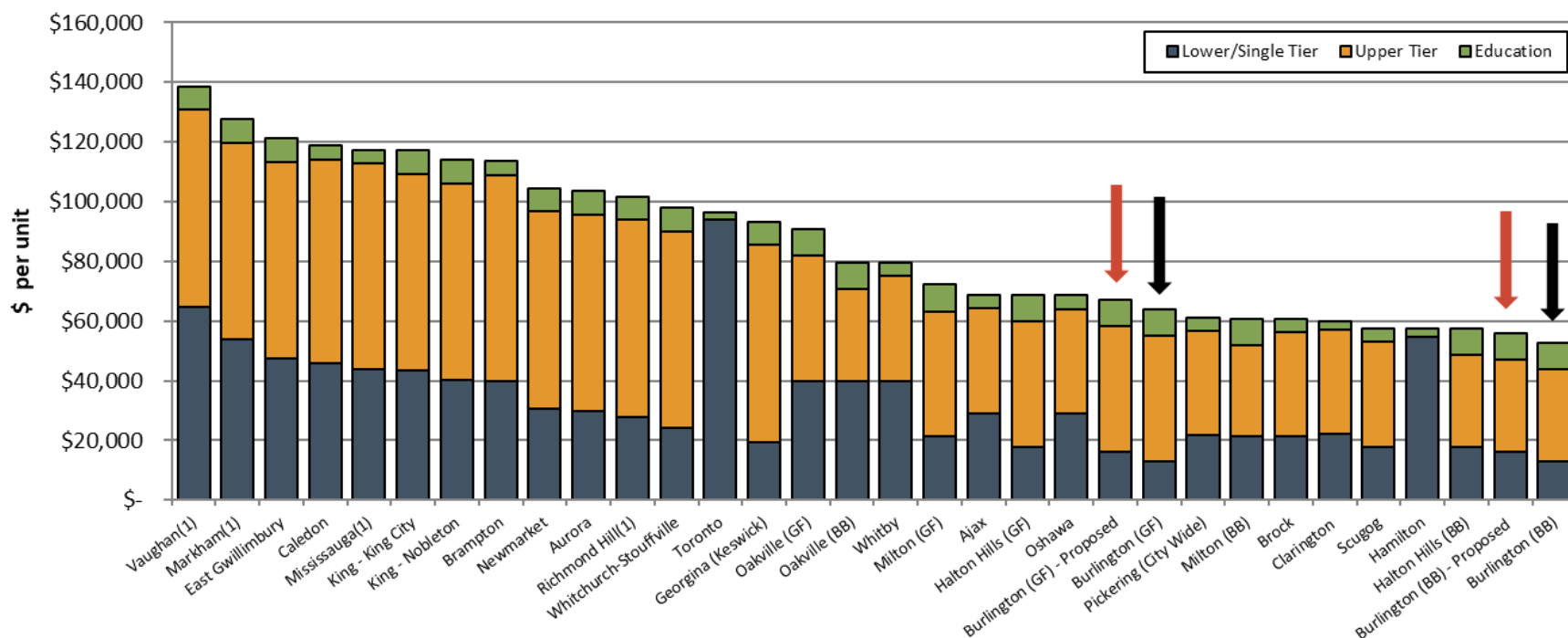
Residential (Single Detached Comparison and 2-Bedroom Apartment)

| Service/Class of Service | Single Detached Unit | | 2-Bedroom Apartment | |
|--------------------------------------|----------------------|-----------------|---------------------|----------------|
| | Current | Proposed | Current | Proposed |
| Transportation | \$8,849 | \$8,198 | \$4,501 | \$4,169 |
| Storm Drainage | \$1,589 | \$1,672 | \$808 | \$850 |
| Fire | \$172 | \$172 | \$88 | \$88 |
| Transit | \$184 | \$661 | \$94 | \$336 |
| Parks & Recreation | \$2,144 | \$4,735 | \$1,091 | \$2,408 |
| Library | \$159 | \$758 | \$81 | \$385 |
| Growth-Related Studies | \$15 | \$29 | \$7 | \$15 |
| Total Municipal Wide Services | \$13,112 | \$16,224 | \$6,670 | \$8,251 |

Municipal Comparison



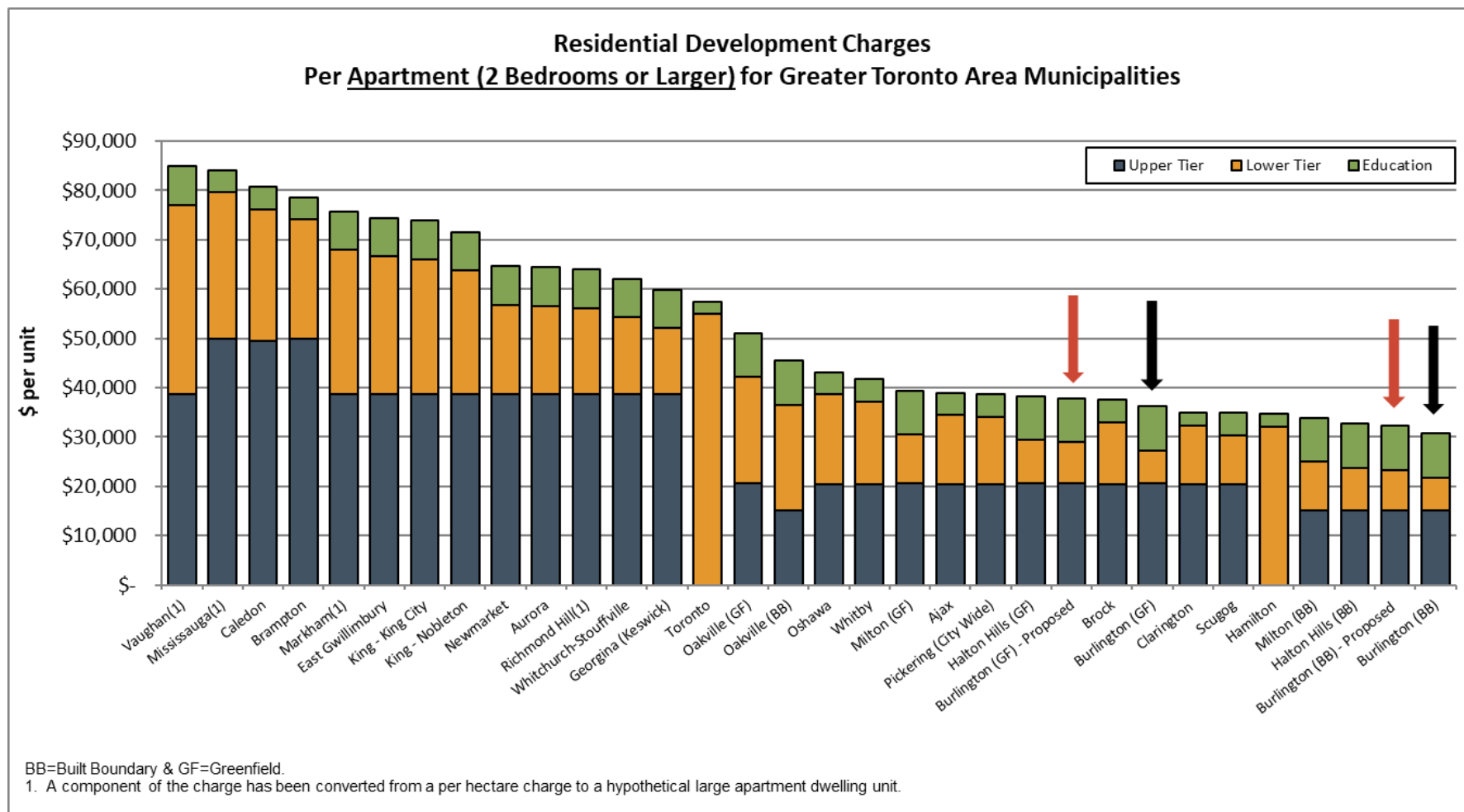
Residential Development Charges
Per Single Detached Dwelling for Greater Toronto Area & Select Municipalities



BB=Built Boundary & GF=Greenfield.

1. A component of the charge has been converted from a per hectare charge to a hypothetical single detached unit.

Municipal Comparison



Calculated D.C.s vs. Current D.C.s

Non-Residential (Per Square Meter of Gross Floor Area)

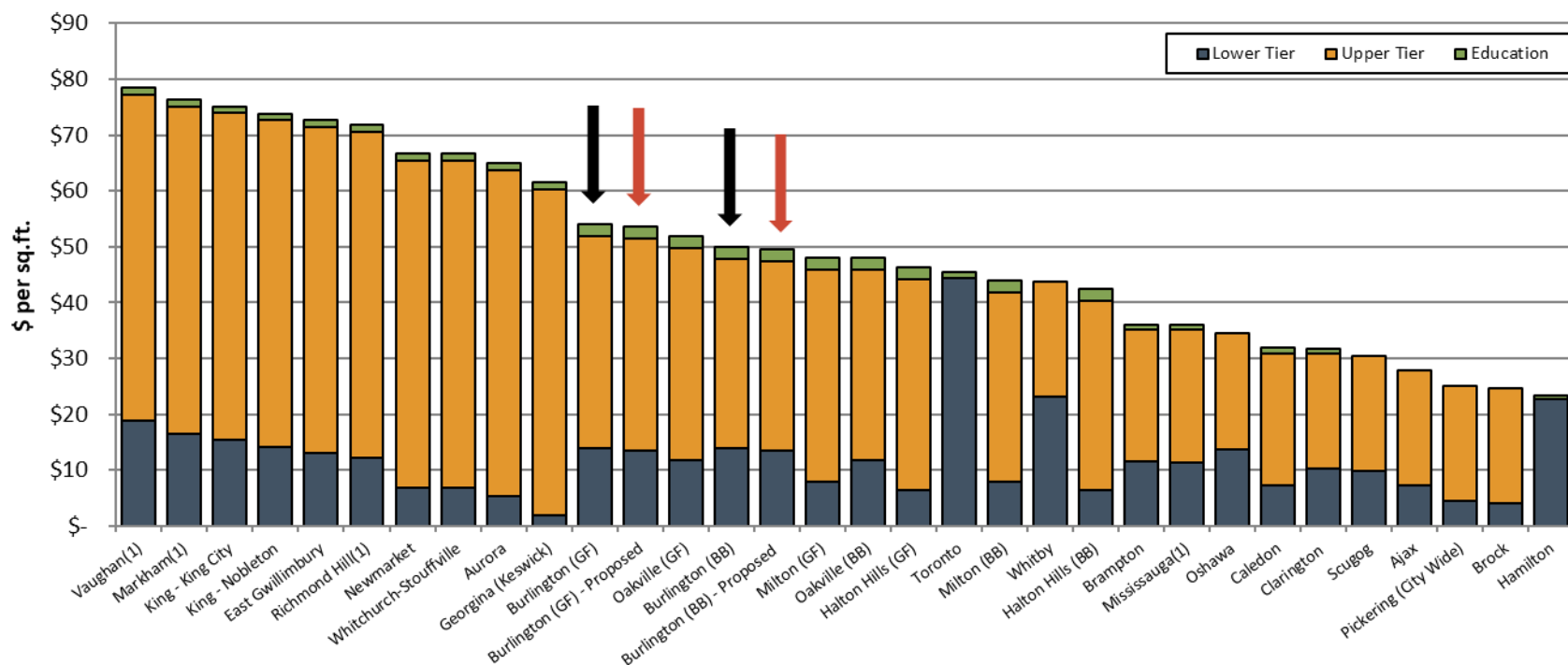


| Service/Class of Service | Retail | | Non-Retail | |
|--------------------------------------|-----------------|-----------------|----------------|----------------|
| | Current | Proposed | Current | Proposed |
| Transportation | \$138.98 | \$128.76 | \$70.90 | \$65.69 |
| Storm Drainage | \$5.98 | \$5.28 | \$5.98 | \$5.28 |
| Fire | \$1.75 | \$1.75 | \$1.75 | \$1.75 |
| Transit | \$1.88 | \$6.85 | \$1.88 | \$6.85 |
| Parks & Recreation | \$1.02 | \$2.29 | \$1.02 | \$2.29 |
| Library | \$0.07 | \$0.37 | \$0.07 | \$0.37 |
| Growth-Related Studies | \$0.15 | \$0.30 | \$0.15 | \$0.30 |
| Total Municipal Wide Services | \$149.83 | \$145.60 | \$81.75 | \$82.53 |

Municipal Comparison



Non-Residential Development Charges
Per GFA of Retail Floor Area for Greater Toronto Area & Select Municipalities



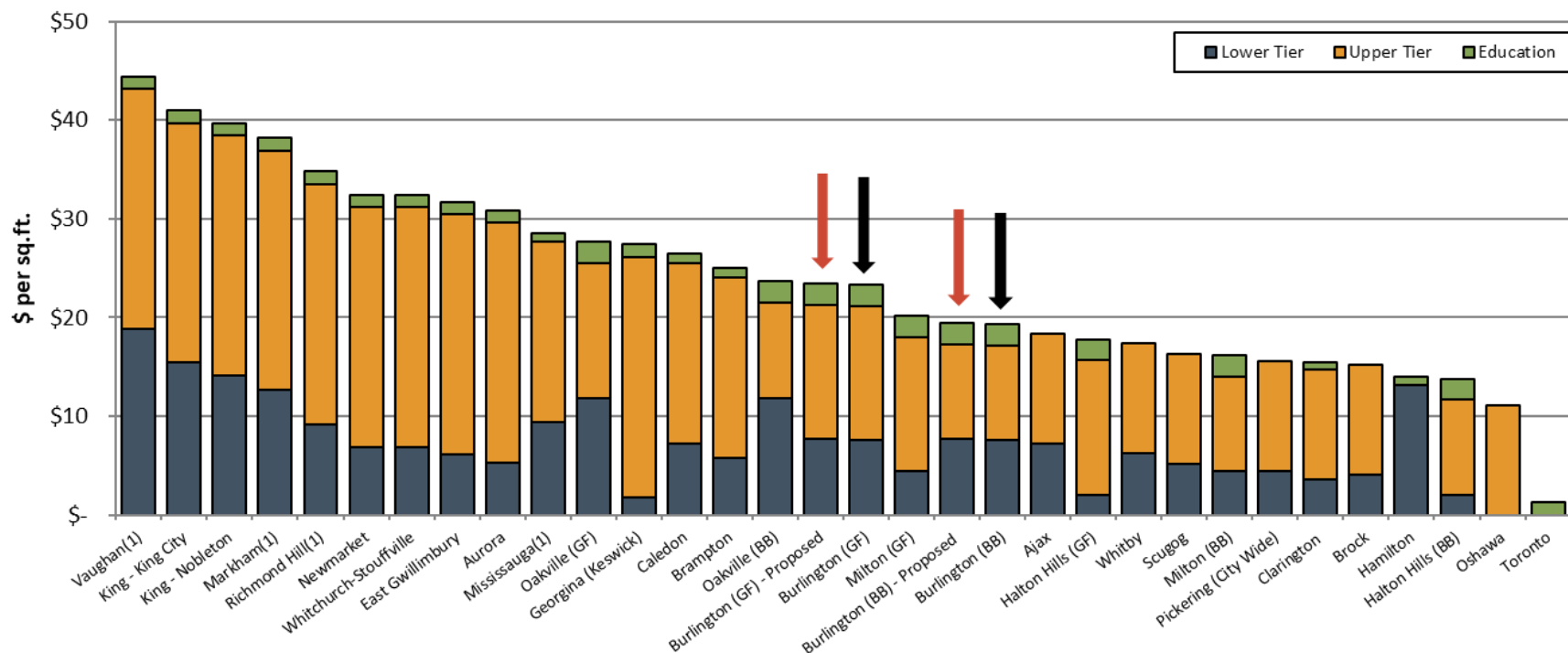
BB=Built Boundary & GF=Greenfield.

1. A component of the charge has been converted from a per hectare charge to a hypothetical charge per sq.ft. of G.F.A.

Municipal Comparison



Non-Residential Development Charges
Per GFA of Industrial Floor Area for Greater Toronto Area & Select Municipalities



BB=Built Boundary & GF=Greenfield.

1. A component of the charge has been converted from a per hectare charge to a hypothetical charge per sq.ft. of G.F.A.



D.C. By-law Policies

Calculation and Collection of D.C.s

- **Except for the following, policies within By-law 29-2019 remain unchanged**
- Rental housing and institutional developments will pay D.C.s in 6 equal annual payments, commencing from the date of occupancy
- Non-profit housing will pay D.C.s in 21 equal annual payments, commencing from the date of occupancy
- D.C. for developments proceeding through Site Plan or Zoning By-law Amendment will be determined based on the charges in effect on the day the application is made
 - Charges to be frozen for a maximum period of 2 years after planning application approval
- Interest on installment payments and charges calculated at Site Plan or Zoning By-Law Amendment application will be imposed based on the prime lending rate of the City's financial institution

D.C. By-law Policies (cont'd)

Statutory Exemptions



- Residential intensification (within existing residential buildings or structures ancillary to existing residential buildings)
- The creation of a second dwelling unit in prescribed classes of new residential buildings, including structures ancillary to dwellings
- For greater clarity in interpreting the application of the exemptions under S.2(3)(b) of the D.C.A. an “existing residential building” is defined as:
 - A residential building/dwelling, containing at least one dwelling unit, that existed on a parcel of land as of May 11, 2021 and which was not exempt from the payment of D.C.s pursuant to Section 2(3)(b) of the Act; or
 - The first residential building/dwelling, containing at least one dwelling unit, constructed on a vacant parcel of land after May 11, 2021, and for which D.C.s were paid.
- Land vested in or leased to a university that receives regular and ongoing operating funds from the government for purposes of post-secondary education



D.C. By-law Policies (cont'd)

Non-Statutory Exemptions

- Full exemption from the payment of D.C.s is being proposed for non-profit housing development
- For the purposes of the exemption, a “non-profit housing development” means development of a building or structure intended for use as residential premises by:
 - a corporation to which the *Not-for-Profit Corporations Act*, 2010 applies, that is in good standing under that Act and whose primary objective is to provide housing;
 - a corporation without share capital to which the *Canada Not-for-profit Corporations Act* applies, that is in good standing under that Act and whose primary objective is to provide housing; or
 - a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*.

Next Steps



- Council will receive input from the public and consider any amendments to the D.C Update Study and draft amending By-law
- Council anticipated to approve D.C Update Study and consider adoption of amending D.C. By-law – March 22, 2022
- By-law effective date – April 1, 2022