



TOWNSHIP OF NORTH HURON

REPORT

Item No.

REPORT TO: Reeve Vincent and Members of Council
PREPARED BY: Donna White
DATE: 22/08/2016
SUBJECT: Development Charges Update
ATTACHMENTS: N/A

RECOMMENDATION:

THAT the Council of the Township of North Huron hereby adopts the proposed Development Charges as recommended by the Director of Finance, in conjunction with the Background Study presented by B M Ross and further that the proposed amounts are to be included in the Draft Development Charges By-law which has to be available for public review by Friday, September 2, 2016 :

| | | | | | | | | | |
|----------------------------------|---------------------|----------------------------|------------------|----------------|--------------|-----------------------|-----------|-------|----------|
| Wingham Ward | | | | | | | | | |
| Residential Type | Persons Per Unit | Sanitary Sewage Service | Water Service | Transportation | Firefighting | Parks & Recreation | Admin | Total | |
| Single and Semi-Detached | 2.5 | \$ 3,453.12 | \$ - | \$ 754.29 | \$ 52.89 | \$ 270.00 | \$ 574.09 | \$ | 5,104.39 |
| Multiple Units & Townshouses | 2.1 | \$ 2,900.62 | \$ - | \$ 633.60 | \$ 44.43 | \$ 226.80 | \$ 482.23 | \$ | 4,287.68 |
| Apartments (2 Bedrooms +) | 1.5 | \$ 2,071.87 | \$ - | \$ 452.57 | \$ 31.73 | \$ 162.00 | \$ 344.45 | \$ | 3,062.62 |
| Apartments (Bachelor & 1 Bedroom | 1.1 | \$ 1,519.37 | \$ - | \$ 331.89 | \$ 23.27 | \$ 118.80 | \$ 252.60 | \$ | 2,245.93 |
| | | | | | | | | | |
| Blyth Ward | | | | | | | | | |
| Residential Type | Persons Per Unit | Sanitary Sewage Service | Water Service | Transportation | Firefighting | Parks & Recreation | Admin | Total | |
| Single and Semi-Detached | 2.5 | \$ - | \$ 912.30 | \$ 754.29 | \$ 52.89 | \$ 270.00 | \$ 574.09 | \$ | 2,563.56 |
| Multiple Units & Townshouses | 2.1 | \$ - | \$ 766.34 | \$ 633.60 | \$ 44.43 | \$ 226.80 | \$ 482.23 | \$ | 2,153.39 |
| Apartments (2 Bedrooms +) | 1.5 | \$ - | \$ 547.38 | \$ 452.57 | \$ 31.73 | \$ 162.00 | \$ 344.45 | \$ | 1,538.14 |
| Apartments (Bachelor & 1 Bedroom | 1.1 | \$ - | \$ 401.41 | \$ 331.89 | \$ 23.27 | \$ 118.80 | \$ 252.60 | \$ | 1,127.97 |
| | | | | | | | | | |
| East Wawanosh Ward | | | | | | | | | |
| Residential Type | Persons Per Unit | Sanitary Sewage Service | Water Service | Transportation | Firefighting | Parks & Recreation | Admin | Total | |
| Single and Semi-Detached | 2.5 | \$ - | \$ - | \$ 754.29 | \$ 52.89 | \$ 270.00 | \$ 574.09 | \$ | 1,651.26 |
| Multiple Units & Townshouses | 2.1 | \$ - | \$ - | \$ 633.60 | \$ 44.43 | \$ 226.80 | \$ 482.23 | \$ | 1,387.06 |
| Apartments (2 Bedrooms +) | 1.5 | \$ - | \$ - | \$ 452.57 | \$ 31.73 | \$ 162.00 | \$ 344.45 | \$ | 990.76 |
| Apartments (Bachelor & 1 Bedroom | 1.1 | \$ - | \$ - | \$ 331.89 | \$ 23.27 | \$ 118.80 | \$ 252.60 | \$ | 726.55 |

EXECUTIVE SUMMARY

The Township of North Huron passed By-law #43-2011 to implement Development Charges on October 17, 2011 and therefore the expiry date is October 17, 2016. The Development Charges Act requires that a Background Study be completed as part of the update and this study was posted on the Township website on August 9, 2016. There is a 60 day notice requirement before passage of the by-law.

In addition, there are further legislative changes as the Province passed Bill 73, Smart Growth for our Communities Act, 2015 on December 3, 2015 which amended the Development Charges Act. Subsequently, Ontario Regulation 428/15 was published and provided additional directives for the amended Act.

There are expanded reporting requirements for the Treasurer's Statement and the Background report must include an Asset Management Plan

DISCUSSION

The Development Charges Act requires a five year review. As part of the 2011 back ground study, all three wards adopted the charges that applied across the Township and the Wingham Ward differed by the inclusion of three sanitary sewer projects. The development and growth as anticipated has not occurred, however \$43,727.97 in total has been collected to December 31, 2015. At this time, the Development Charges are proposed for residential properties only.

The only new project included in the update is the new Blyth Well. As outlined in the B M Ross report, the recommendation is to adopt the full amount for East Wawanosh and Blyth wards (including the updated amount for the new well) and 50% of the sewer amount for the Wingham Ward. This results in a change in the dollar amount so that as per the recommendation, there will be a different charge for each ward on a go forward basis.

Council passed a motion on February 3, 2014 to allocate the Wingham ward sewer charge to the Northwest Sewer Trunk Replacement project only as the Force main and Josephine street projects were completed and funded with an alternative funding method.

The original amounts adopted by Council are included in the B M Ross presentation and have been updated annually on the anniversary date by inflation. The increase charge on a single family dwelling as per the recommendation is detailed as follows:

| Single Family Dwelling | Wingham | Blyth | East Wawanosh |
|---|---------------|-------------|---------------|
| 2016 Proposed | \$5,104.39 ** | \$2,563.56* | \$1,651.26 |
| 2011 Adopted Amount | \$4,500.00 | \$1,475.77 | \$1,475.11 |
| 2016 Current (Adopted (plus inflation) | \$4,752.00 | \$1,558.41 | \$1,558.41 |
| Increase | \$ 352.39 | \$1,005.15 | \$ 92.85 |

**** Wingham Ward includes 50% of sanitary sewer amount**

***Blyth Ward includes \$912.30 for the new well**

Due to the ongoing nature of the Shared Services project and the decision to engage Veolia as the Operator of the Township water and sewer systems, staff are recommending that this update contain only minimal changes until such time as information and research can be compiled relating to long term needs and various projects which will be investigated in the future.

FINANCIAL IMPACT

Development Charges collected offset the cost of servicing growth.

FUTURE CONSIDERATIONS

Following the Development Charges Update and Review of the Draft Background Report at the August 22th meeting, Council is required to set the Development Charges amounts and finalize the Background Report. A draft by-law, including the proposed amounts has to be available for public review by Friday, September 2 with a public meeting scheduled for September 19. The new by-law would be scheduled for passing at the October 17, 2016 meeting.

RELATIONSHIP TO STRATEGIC PLAN

Goal #4: - Our Administration is fiscally responsible and strives for operational excellence.

Donna White, Director of Finance

A handwritten signature in black ink, appearing to read "Sharon Chambers", is positioned above a horizontal line.

Sharon Chambers, CAO