



Municipality of Clarington 2020 Development Charges Background Study

Municipal-Wide D.C. By-law Public Meeting

November 30, 2020



Introduction

Public Meeting Purpose

- This meeting is a mandatory requirement under the *Development Charges Act* (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
- This public meeting is to provide a review of the Development Charges (D.C.) proposal and to receive public input on the proposed policies and charges related to the proposed **Municipal-Wide D.C. By-law**

Background

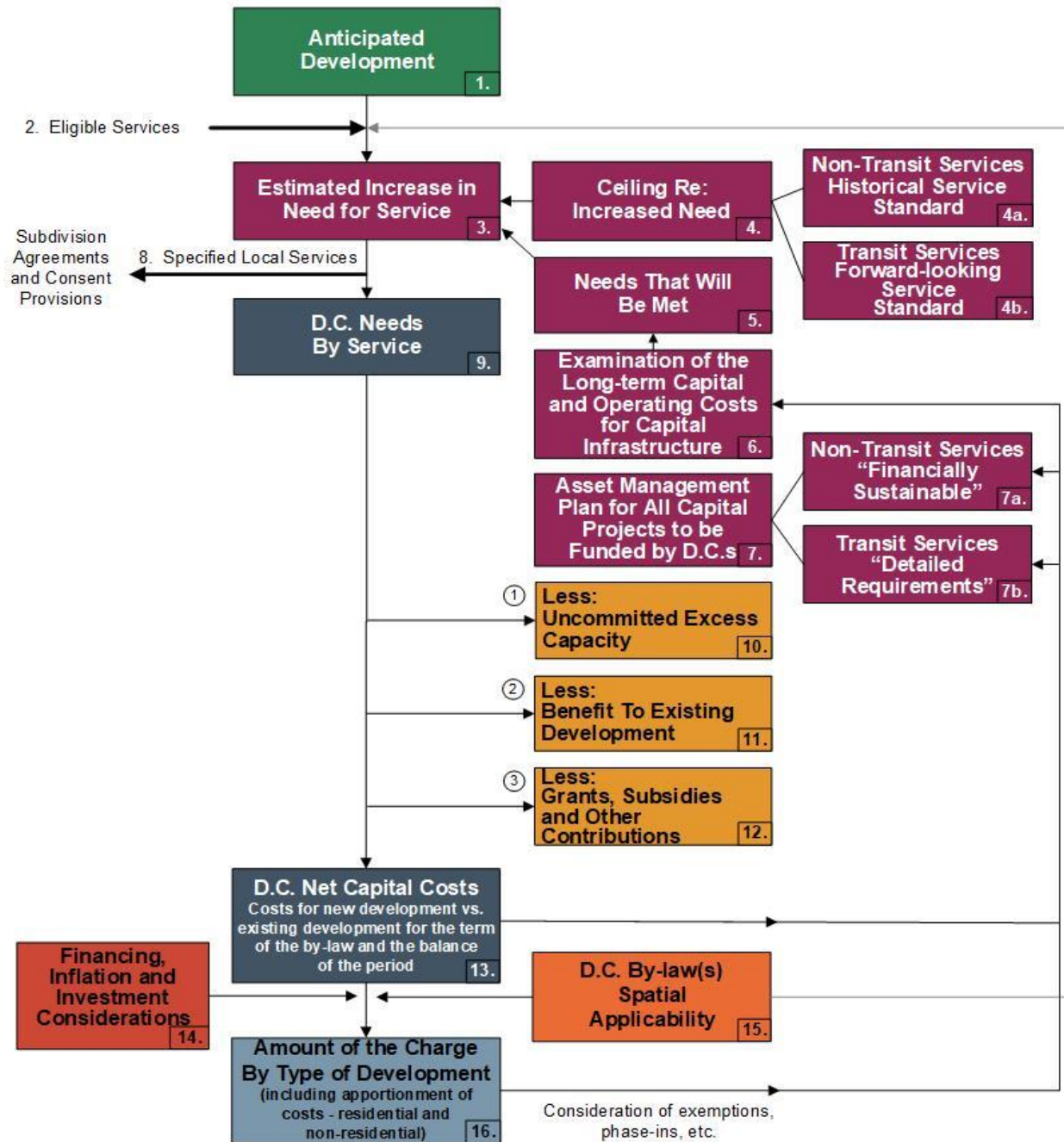


- The Municipality of Clarington's D.C. By-law 2015-035 came into effect on July 1, 2015
- Under the requirements of the D.C.A., a D.C. by-law expires 5 years after the date it came into effect (i.e. June 30, 2020)
- The Municipality's existing by-law expiry was extended under the *Coronavirus (COVID-19) Support and Protection Act, 2020* which came into force on April 14, 2020
 - Act allowed any municipal by-laws set to expire during the state of emergency to continue to be in effect for six months after the provincial emergency declaration period comes to an end.
 - On July 24, 2020, the *Reopening Ontario (A Flexible Response to COVID-19) Act, 2020*, came into effect, ending the declared provincial state of emergency
- The Municipality must adopt a new by-law before January 24, 2021 in order to continue collecting D.C.s

Study Process



The Process of Calculating a Development Charge under the Act that must be followed





D.C. Calculations

Growth Forecast



- Consistent with Region of Durham Official Plan to 2031

Time Horizon	Residential ¹		Non-Residential	
	Net Population	Residential Units	Employment ²	Sq.m. of G.F.A.
Early 2020	98,394	36,112	21,861	
Early 2030	128,526	47,843	28,314	
Mid 2031	133,734	49,799	28,918	
Incremental Change				
10-year (2020-2030)	30,132	11,731	6,453	408,000
11-year (2020-2031)	35,340	13,687	7,057	461,000

1. Excludes institutional population

2. Excludes No fixed place of work & work at home



Increase in Need for Service

D.C. Service/Classes of Service Definitions

10-Year Services/Classes of Service (2020-2029)

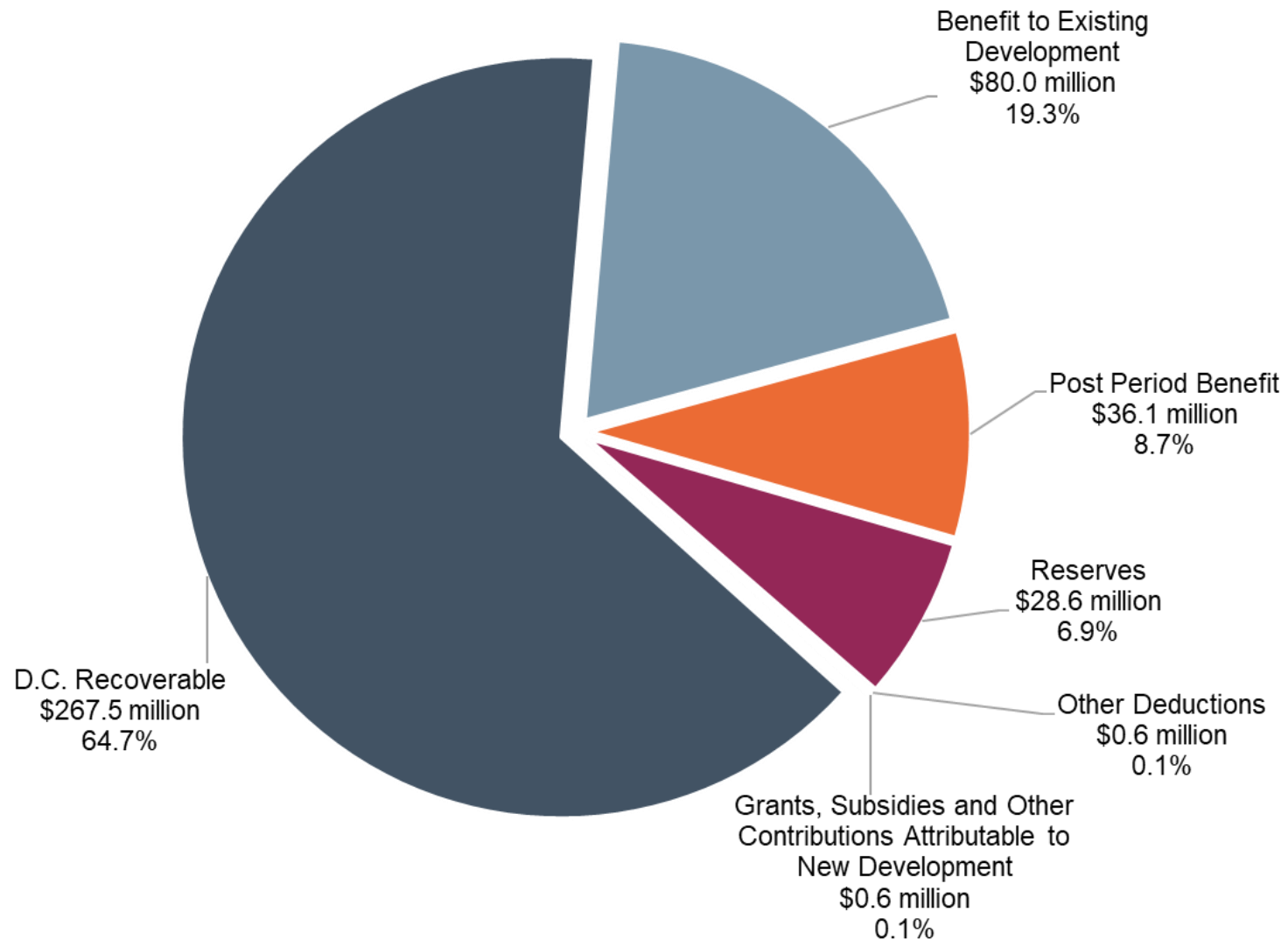
- Fire Protection
- Parks and Recreation
- Library
- Growth Studies

11-Year Services (2020-2031)

- Services Related to a Highway

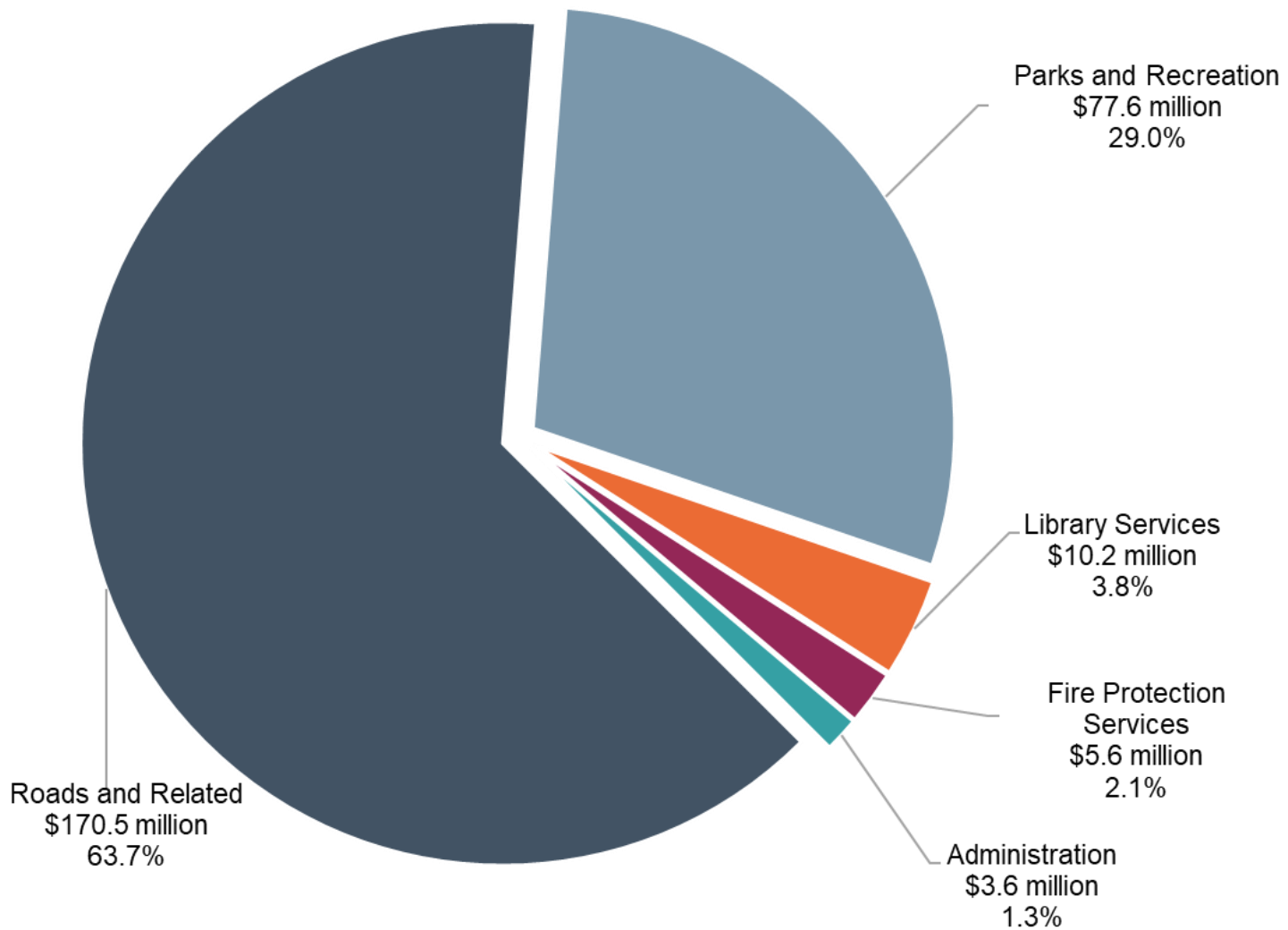
Anticipated Growth-Related Capital Needs

Gross Capital Costs - \$413.4 million



D.C. Recoverable Costs by Service

\$267.5 million



Calculated Schedule of Development Charges

Municipal-Wide Services



Service	RESIDENTIAL				NON-RESIDENTIAL (per sq.m. of Gross Floor Area)	
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	Industrial	Non-Industrial
Services Related to a Highway	12,006	6,392	3,924	9,841	34.02	103.86
Fire Protection Services	454	242	148	372	2.47	2.47
Parks and Recreation Services	7,678	4,088	2,510	6,293	-	-
Library Services	1,007	536	329	825	-	-
Growth Studies	316	168	103	259	0.97	0.97
Total Municipal Wide Services	21,461	11,426	7,014	17,590	37.46	107.30



D.C. Impacts and Municipal Comparisons

Municipality's Current and Calculated Development Charges

Single Detached Residential Dwelling Unit



Residential (Single Detached) Comparison

Service	Current	Proposed
Municipal Wide Services:		
Services Related to a Highway	7,882	12,006
Fire Protection Services	911	454
Operations Services	884	n/a
Parking Services	45	n/a
Parks and Recreation Services	7,154	7,678
Library Services	844	1,007
Growth Studies	428	316
Total Municipal Wide Services	18,148	21,461

Municipality's Current and Calculated Development Charges

Non-Residential Development (per sq.m. of gross floor area)



Industrial (per sq.m.) Comparison

Service	Current	Calculated
Municipal Wide Services:		
Services Related to a Highway	27.76	34.02
Fire Protection Services	5.19	2.47
Operations Services	5.05	n/a
Parking Services	0.26	n/a
Parks and Recreation Services	-	-
Library Services	-	-
Growth Studies	2.46	0.97
Total Municipal Wide Services	40.72	37.46

Commercial/Institutional (per sq.m.) Comparison

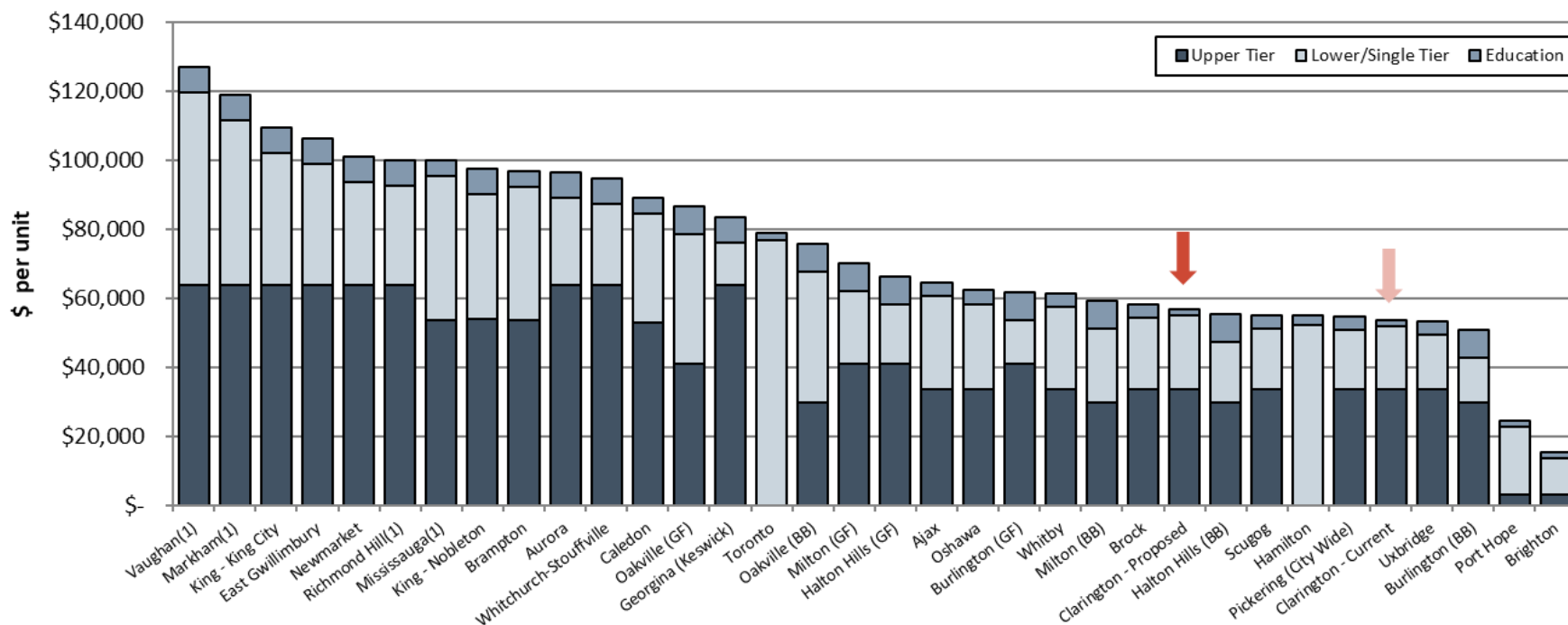
Service	Current	Calculated
Municipal Wide Services:		
Services Related to a Highway	62.08	103.86
Fire Protection Services	5.19	2.47
Operations Services	5.05	n/a
Parking Services	0.26	n/a
Parks and Recreation Services	-	-
Library Services	-	-
Growth Studies	2.46	0.97
Total Municipal Wide Services	75.04	107.30

Municipal D.C. Comparison

Single Detached Residential Dwelling Unit



Residential Development Charges
Per Single Detached Dwelling for Greater Toronto Area Municipalities
as of November 9, 2020



BB=Built Boundary & GF=Greenfield.

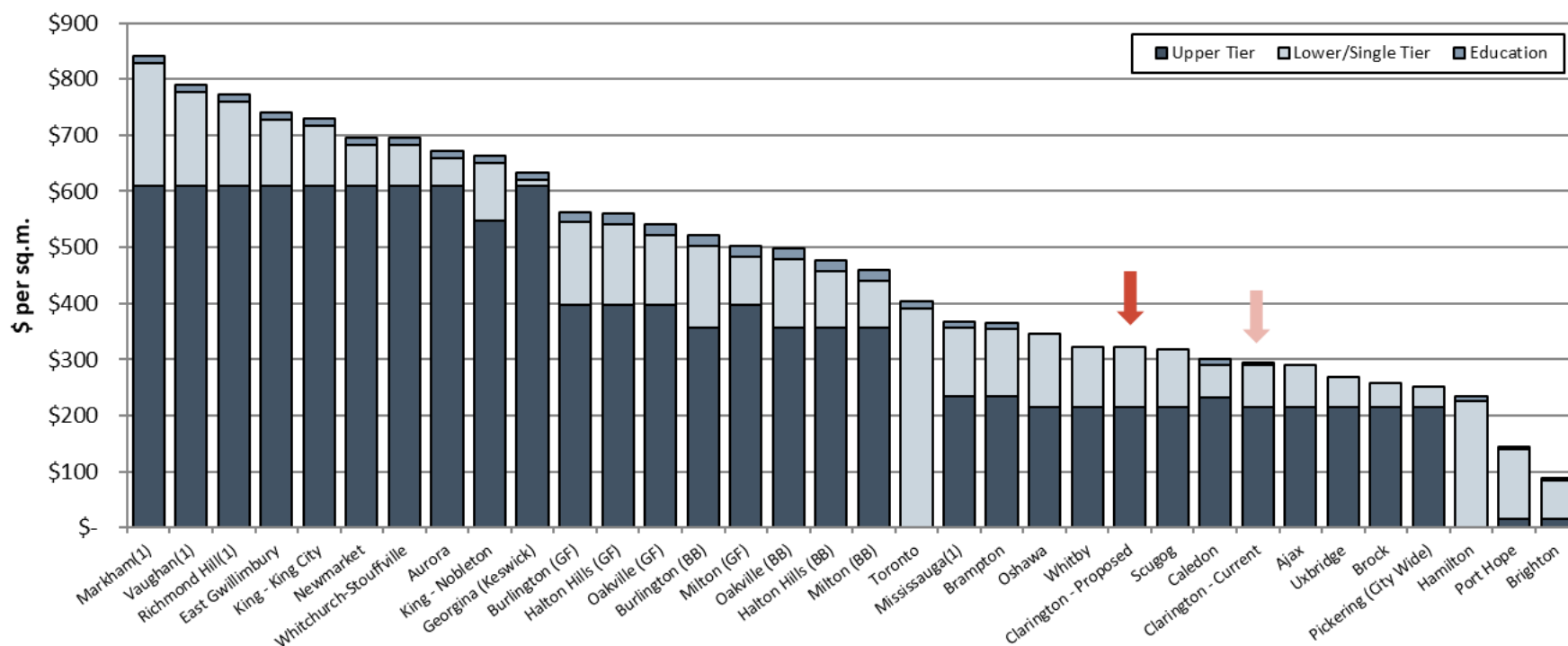
(1) A component of the charge has been converted from a per hectare charge

Municipal D.C. Comparison

Square Meter of Commercial Gross Floor Area



Non-Residential Development Charges
Per GFA of Commercial Floor Area for Greater Toronto Area Municipalities
as of November 9, 2020



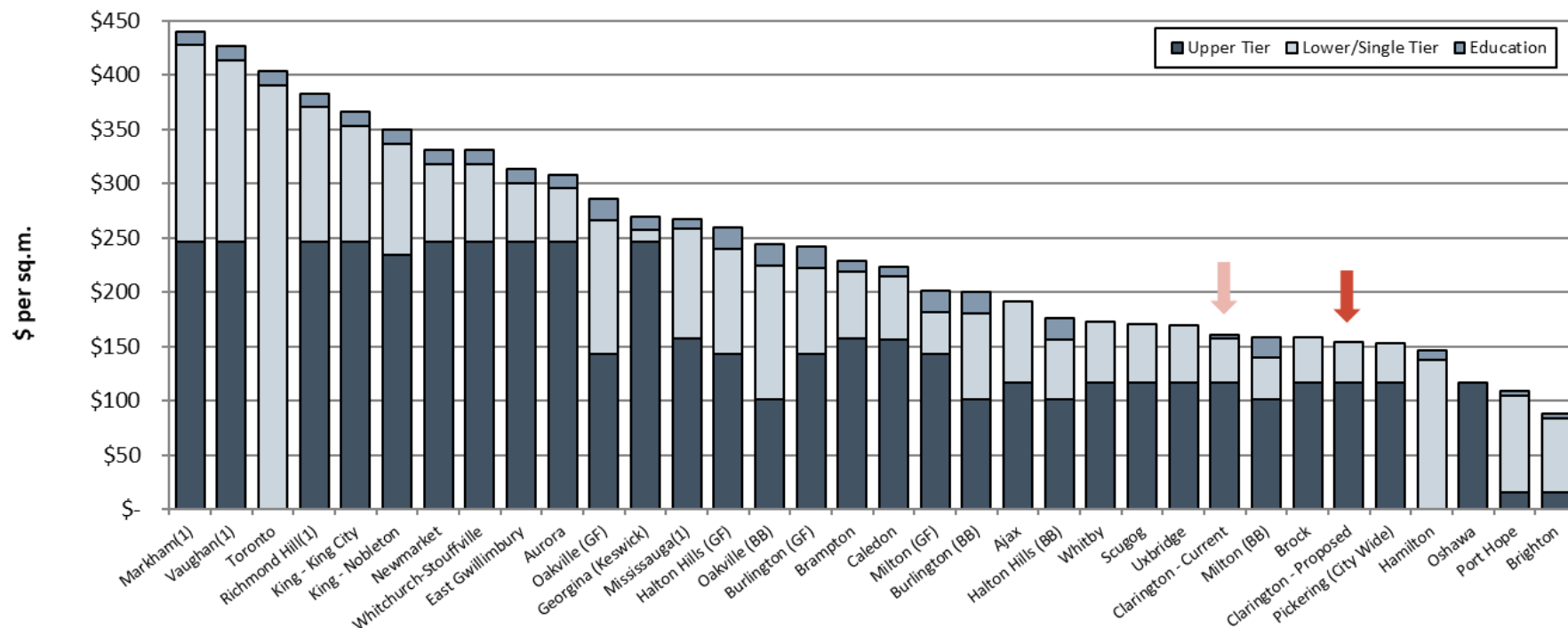
BB=Built Boundary & GF=Greenfield.

Municipal D.C. Comparison

Square Meter of Industrial Gross Floor Area



Non-Residential Development Charges
Per GFA of Industrial Floor Area for Greater Toronto Area Municipalities
as of November 9, 2020



BB=Built Boundary & GF=Greenfield.



D.C. By-law Policies

D.C. By-Law Policies



Timing of Collection

- The Municipality's D.C. by-law will continue to provide for calculation and collection of the charges at the time of building permit issuance
 - Rental housing and institutional developments would pay D.C.s in 6 equal annual payments, commencing from the date of occupancy
 - Non-profit housing would pay D.C.s in 21 equal annual payments, commencing from the date of occupancy
- Municipality's current policy allows for deferrals for apartment buildings with at least 3 stories
- 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 of the complete application
 - Charges to be frozen for a maximum period of 2 years after planning application approval



D.C. By-Law Policies

Interest Charges and Indexing

- The D.C.A. allows municipalities to charge interest on installment charges, and on charges determined at Site Plan or Zoning By-law Amendment application
 - The Municipality is establishing a *Municipal Interest Rate Policy* to be discussed separately
- The current D.C. by-law provides for mandatory indexing of the charge on January 15th of each year
 - Timing of indexing to be moved to July 1st of each year to align with the Region of Durham D.C. indexing provisions

D.C. By-law Policies

Statutory Exemptions



- The D.C.A. provides statutory exemptions for:
 - Industrial building expansions (may expand by 50% with no D.C.)
 - Residential intensification (within existing residential buildings or structures ancillary to existing residential buildings):
 - May add up to two apartments for a single detached home as long as size of home doesn't double
 - Add one additional unit in medium & high-density buildings
 - The creation of a second dwelling unit in prescribed classes of new residential buildings, including structures ancillary to dwellings
 - Upper/Lower Tier Governments and School Boards



D.C. By-Law Policies

Non-Statutory D.C. Exemptions – Full Exemption

- Hospitals and colleges or universities
- Buildings used for research purposes located in the Clarington Science Park or the Clarington Energy Park
- Buildings or structures used for agricultural or agri-tourism purposes and farm bunkhouses;
- Places of worship
- Garden Suites
- Temporary buildings and sales offices
- For existing industrial buildings, enlargements of 100% or less, on the same lot excluding those within the large industrial property class
- Existing commercial buildings less than 250 m², located in Revitalization areas, enlargements of 50% or less;
- Conversion of a heritage building, located in Revitalization areas
- Affordable Housing developments that qualify under the Ontario Community Housing Renewal Strategy and/or the National Housing Strategy Co-Investment Fund.



D.C. By-Law Policies

Non-Statutory D.C. Exemptions – 50% Exemption

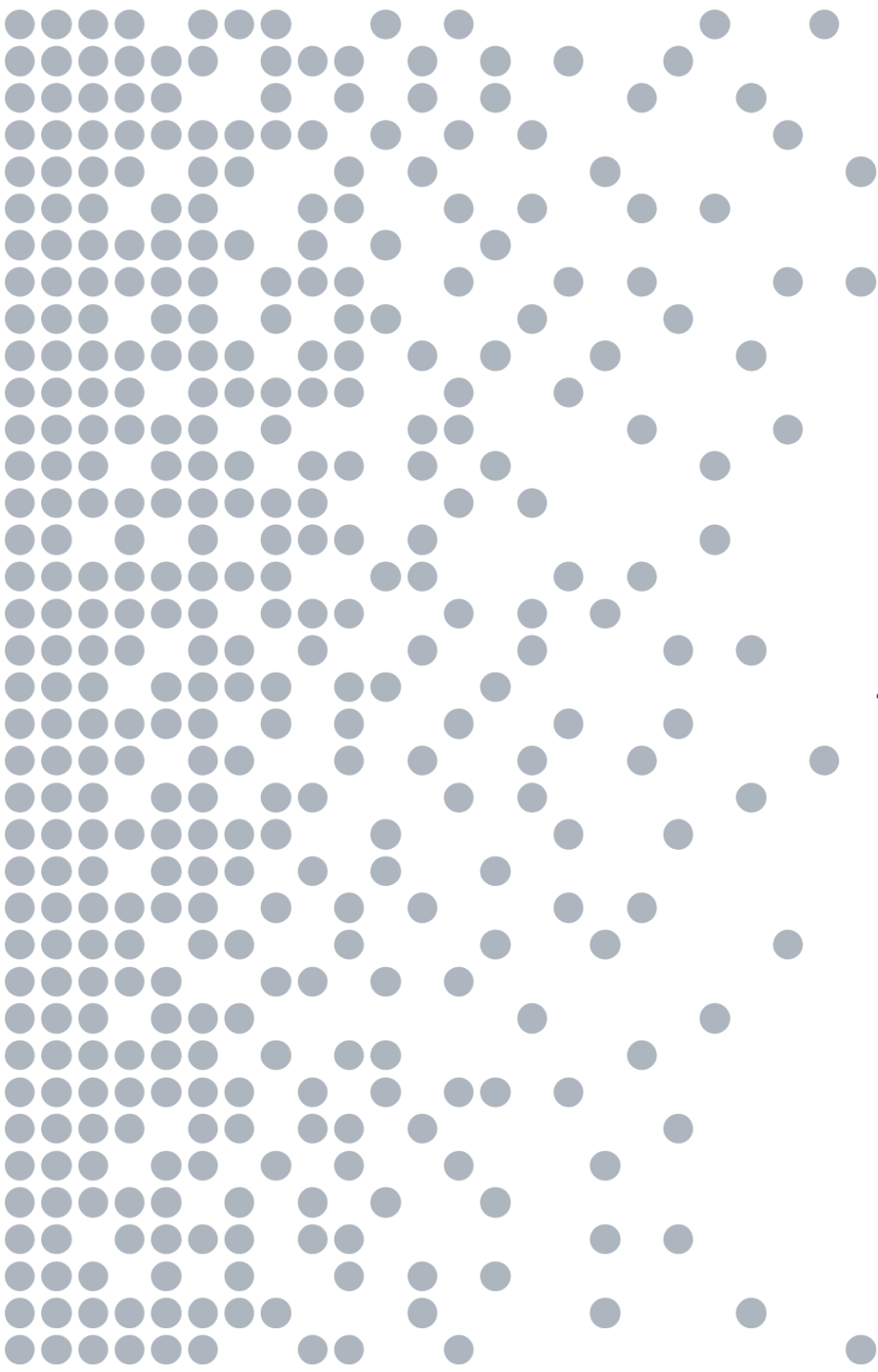
- New industrial buildings on a vacant lot; and
- Purpose built rental housing developments within Regional Urban Centres and Regional Corridors designated in the Clarington Official Plan.

D.C. By-Law Policies

Redevelopment Credits



- Redevelopment credits on conversions or demolitions of existing buildings or structures are generally granted to recognize what is being replaced on site (not specific in the Act but provided by case law)
 - Redevelopment credits granted within 5-years of demolition
- Brownfield credits are available equal to the costs of assessment and cleanup, but not to exceed the total otherwise payable,
 - Does not apply to redevelopment for a gas service station
- Expropriated land credit for a building relocated within the boundary of the original lot
- D.C. refunds for the relocation of a heritage building upon re-designation on new lot



Next Steps

Next Steps



- Receive feedback from public meeting
- Consideration of addenda to the D.C. Background Study (if applicable)
- Anticipated date of by-law passage – December 14, 2020
- By-law effective date – December 15, 2020