

# City of Brampton

## DEVELOPMENT CHARGES BACKGROUND STUDY AND DRAFT DEVELOPMENT CHARGE BY-LAWS

### Public Meeting of Council

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June 22<sup>nd</sup>, 2009

3:00pm

Council Chambers

Flower City



[brampton.ca](http://brampton.ca)

## Objectives of Development Charge Review

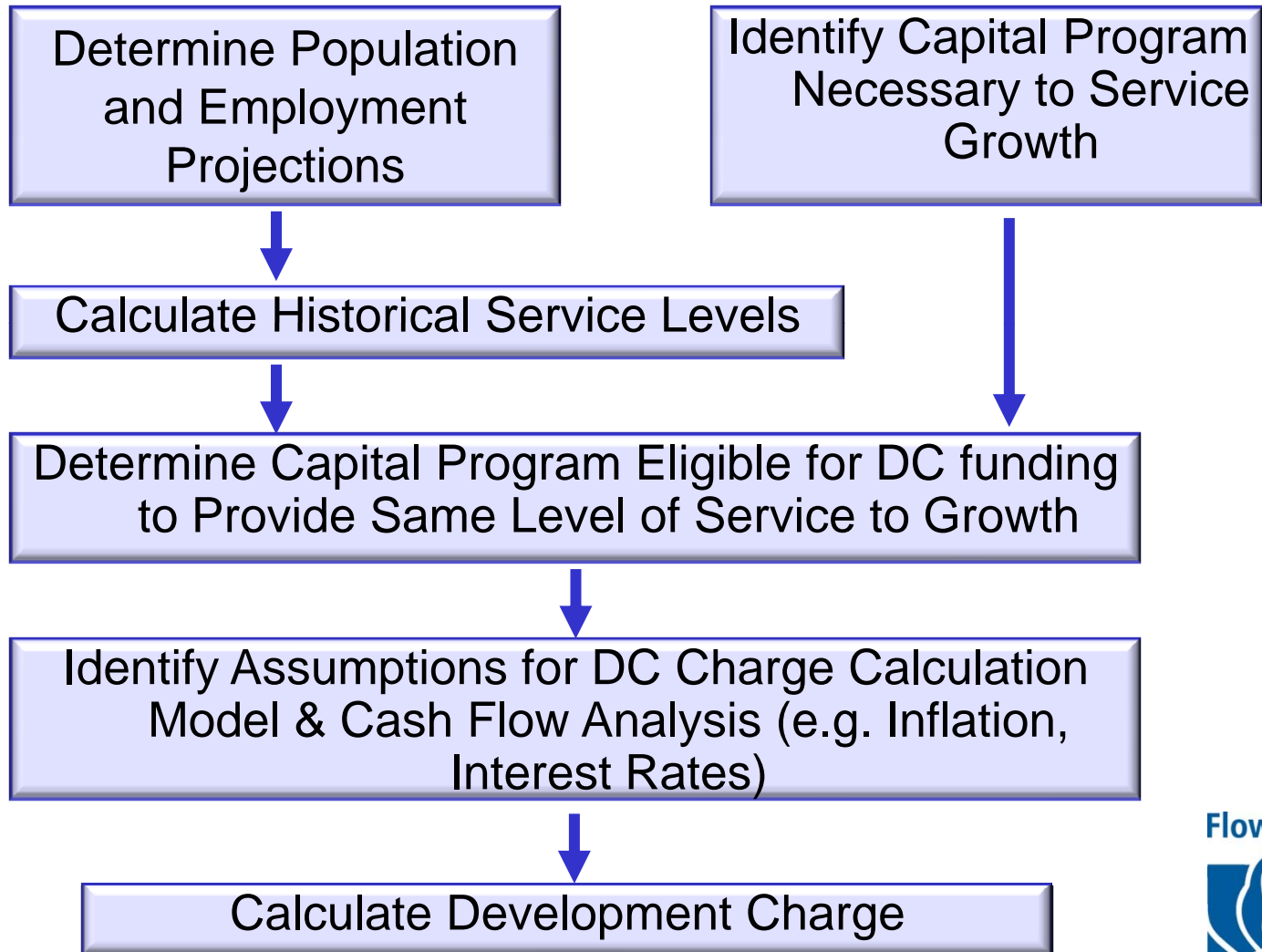
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- Present a “Full Cost” Study that includes a calculation of DC Rates to recover as much of the cost associated with growth as allowed under current legislation
- Mitigate financial risk for the City by adjusting the timing of the Capital Program to produce an affordable DC program (\$300 million internally financed debt limit)
- Ensure that financial considerations are balanced with the need to provide infrastructure in advance of development
- Suggest measures to support residential and non-residential growth in light of current economic climate

## OVERVIEW

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## Steps in Calculating the Charge



## Population & Employment Projections

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Forecast	Existing	2018	2031
Population	466,300	587,600	707,000
Households	135,627	175,537	217,600
Employment	177,510	252,610	318,800

Based on census population, excluding the undercount.

## Growth Related Capital Forecast

- Based on Capital Forecasts submitted by Operating Departments and Master Plans (Transit and Transportation Master Plan, Parks, Culture and Recreation Master Plan etc.)

Service	10 Year Forecast (\$M)	23 Year Forecast (\$M)
Roads (Adjusted)*	\$680	\$1,759
Recreation	\$441	
Transit	\$230	
General Government**	\$156	
Libraries	\$63	
Fire	\$44	
<b>Total</b>	<b>\$1,614</b>	

\*Roads - Adjusted Timing and includes NS Corridor

\*\*Composed Of:  
Public Works (\$129M),  
Parking (\$19M),  
Growth Studies & Other (\$9M)

## Rates Proposed in DC Background Study

	Existing	Proposed	% change
<b>Residential Charge:</b>			
Single & Semis	\$21,941	<b>\$26,553</b>	21%
Rows (Town houses)	\$21,941	<b>\$21,906</b>	0%
Apartments > 750 Sq ft.	\$16,133	<b>\$17,923</b>	11%
Apartments < 750 Sq ft.	\$8,389	<b>\$9,957</b>	19%
<b>Non-Industrial &amp; Non-Office</b>	\$92	<b>\$109</b>	20%
<b>Industrial/Office (Discounted)</b>	\$46	<b>\$46</b>	0%

- Townhouses (rows) previously charged at the Singles & Semis rate
- Significant increase in PPU's
  - Single/Semis from 3.4 to 4.0 (+18%)
  - Apartments > 750 Sq ft. from 2.5 to 2.7 (+8%)
  - Apartments < 750 Sq ft. from 1.3 to 1.5 (+15%)

# METHODOLOGICAL CONSIDERATIONS

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## Methodology

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- Growth Forecasts
- Person Per Unit (PPUs) Assumptions
- “Gross” Vs. “Net” method of calculating Development Charge Rates

***To be addressed by Fred Koenig, Hemson Consulting Ltd., at conclusion of presentation***

# **SUMMARY OF DC PROGRAMS BY SERVICE**

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## General Government Services

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- Services include: Growth Related Studies & Other, Parking Facilities and Public Work Buildings and Fleet
- \$156.14 million growth related 10 year capital program, of which \$44.21 million is recoverable from DCs over the period and \$53.68 million is recoverable from DCs beyond 2018. The remainder is mainly attributable to non-growth (tax funded) and the statutory 10% discount (tax funded)
- Program Highlights include 3 works yards, but DC funding for only two

## Recreation Services Program

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- Services include: Indoor Recreation and Outdoor Recreation
- \$439.18 million growth related 10 year capital program, of which \$272.18 million is recoverable from DCs over the period and \$79.81 million is recoverable from DCs beyond 2018. The remainder is mainly attributable to non-growth (tax funded) and the statutory 10% discount (tax funded).
- Program Highlights include: two new community centres (Brampton Community Parkland Campus & Mississauga/Embleton Facility) and two facility expansions (Loafer's Lake & Chris Gibson Recreation Centres)

## Fire Services Program

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- Services include: Stations, Vehicles and Equipment
- \$44.32 million growth related 10 year capital program, of which \$21.16 million is recoverable from DCs over the period and \$9.59 million is recoverable from DCs beyond 2018. The remainder is mainly attributable to non-growth (tax funded).
- Program Highlights include: two new fire stations (Stations 214 & 211) and expansion of one station (Station 203)

## Library Services Program

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- Services include: Branches, Materials and Equipment
- \$63.32 million growth related 10 year capital program, of which \$22.54 million is recoverable from DCs over the period and \$5.71 million is recoverable from DCs beyond 2018. The remainder is mainly attributable to non-growth (tax funded) and the statutory 10% discount (tax funded).
- Program Highlights include: two new library branches with currently no identified funding for a central library

## Transit Services Program

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- Services include: Terminals, Service Centres, Bus Shelters, Bus Bays, Bus Loops, Equipment and Vehicles
- \$111.25 million growth related 10 year capital program, of which \$67.43 million is recoverable from DCs over the period and \$8.52 million is recoverable from DCs beyond 2018. The remainder is mainly attributable to non-growth (tax funded) and the statutory 10% discount (tax funded).
- Program Highlights include: 80+ growth bus purchases, BRT program for which \$118.24 million (in 2009 \$'s) in subsidies will be received (e.g. not included in DC recoveries)

## Roads Program

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- Services include: New Roads/Intersections, Road Widening, Bridges, Grade Separations, Road Reconstruction, Intersection Improvements, Noise Walls, Sidewalks
- \$1,679 million growth related 23 year capital program, of which \$1,566 million is recoverable from DCs over the period and there is no forecasted post 2031 benefit. The remainder is attributable to non-growth (tax funded).
- Program Highlights include: Approximately 580 lane kilometres added by 2031, temporary inclusion of NS corridor (Bramwest Pkwy.) in program

## COMPARISON WITH OTHER MUNICIPALITIES

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## DC Rates Comparison – Single Residential

City/Region	Newest / Proposed Rates (Per Unit)		
	City	Region	Total
Oakville / Halton	\$21,961	\$24,812	\$46,773
Brampton / Peel	\$26,553	\$17,653	\$44,206
Markham* / York	\$19,206 - \$46,266	\$23,875	\$43,081 to \$70,141
Richmond Hill* / York	\$12,853 - \$19,564	\$23,875	\$36,728 to \$43,316
Mississauga / Peel	\$19,011	\$17,653	\$36,664
Burlington / Halton	\$7,538	\$24,812	\$32,350

\*Range of Area Specific DCs  
Based on most currently available data

## DC Rates Comparison - Non-Residential, Non-Industrial, Non-Office

Lower/Upper Tier	Newest / Proposed Rates (Per M <sup>2</sup> )		
	City/Town	Region	Total
Richmond Hill / York	\$83	\$260	<b>\$343</b>
Markham / York	\$27	\$260	<b>\$287</b>
Oakville / Halton	\$90	\$132	<b>\$222</b>
Burlington / Halton	\$85	\$132	<b>\$217</b>
Brampton / Peel	\$109	\$94	<b>\$203</b>
Mississauga / Peel	\$59	\$94	<b>\$153</b>

Based on most currently available data

## DC Rates Comparison - Non-Residential, Industrial, Office

Lower/Upper Tier	Newest / Proposed Rates (Per M <sup>2</sup> )		
	City/Town	Region	Total
Oakville / Halton	\$90	\$116	<b>\$206</b>
Richmond Hill / York	\$51	\$107	<b>\$158</b>
Burlington / Halton	\$36	\$116	<b>\$152</b>
Markham / York	\$27	\$107	<b>\$134</b>
Brampton* / Peel	\$60	\$66	<b>\$126</b>
Mississauga / Peel	\$48	\$66	<b>\$114</b>

\*Proposed discounted rate for one year \$46  
Based on most currently available data

## ROAD NETWORK

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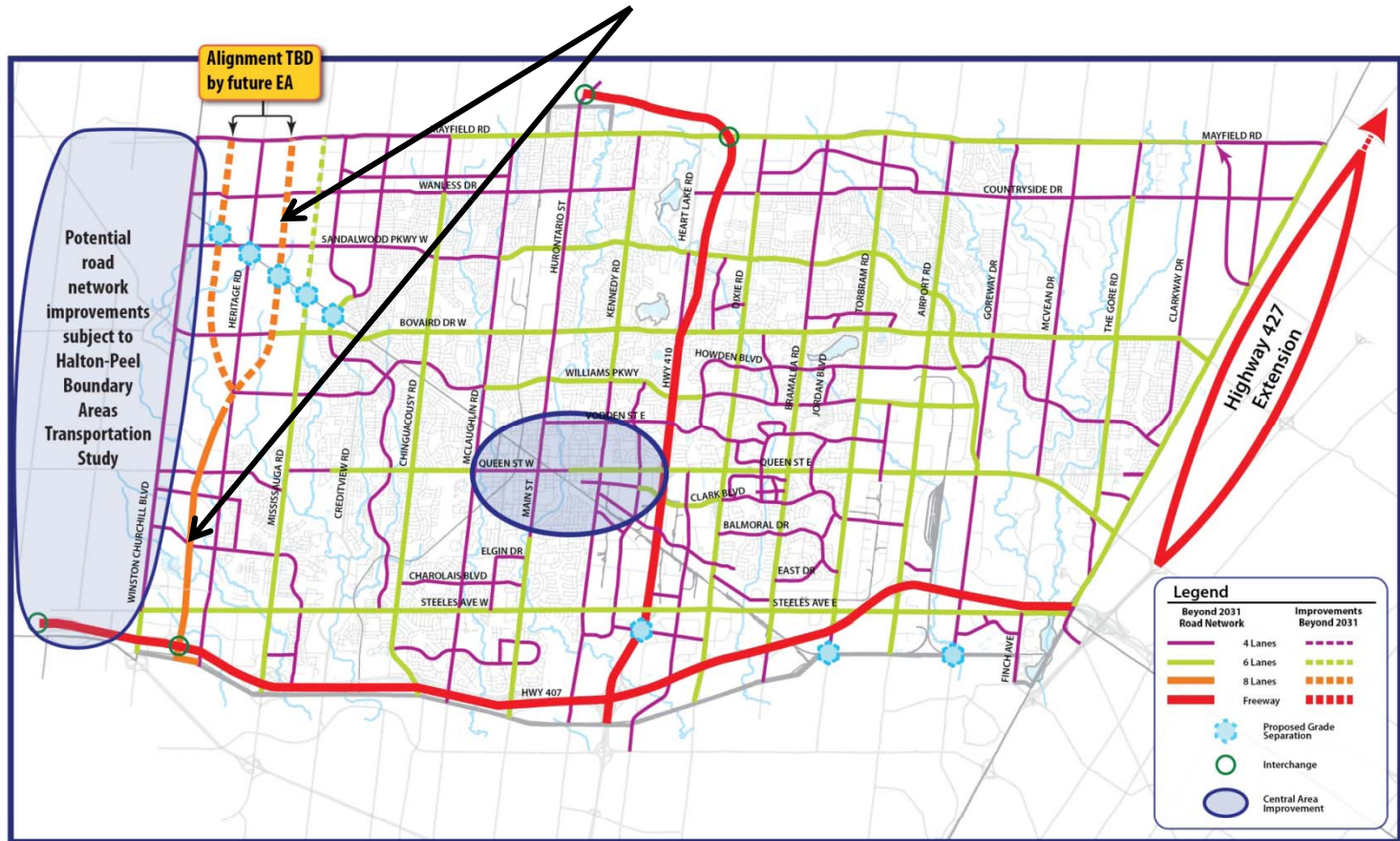
## Transportation & Transit Master Plan

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- The City has undertaken a comprehensive update of the Transportation & Transit Master Plan (TTMP)
- The DC rate incorporates the draft TTMP Road Network in total, but the timing of expenditures has been adjusted based on program affordability.
- Details of the draft TTMP program are contained within the “Roads” and “Roads – Supplementary Analysis” sections of the DC Background Study

## Jurisdictional Considerations

### BRAMWEST PKWY (“NORTH/SOUTH CORRIDOR”)



## Jurisdictional Considerations (Cont'd)

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### **BRAMWEST PKWY (“NORTH/SOUTH CORRIDOR”)**

- Currently under review to be added to the Regional Capital Program
- As directed by Council, DCs collected will be held in a separate account to facilitate eventual transfer to the Region
- Total Project Cost: \$220 Million
- The exclusion of the NS corridor from the DC Roads Program has the effect of reducing the rate for a Single Home by approximately \$2000
- The above difference is only an estimate and is subject to finalized timing of the Roads Program

# POLICY REVIEW

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## Policy Changes Contained in Draft By-Laws

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- Industrial/Office Discount
  - Remains equal to existing rates for a period of one year and reviewed annually
- Places of Worship
  - Recommendation to defer pending outcome of the Planning Department's Places of Worship Policy Review
- Temporary/Seasonal Structures
  - No change in definition of change in exemption is recommended
- Types of Housing Units
  - Townhouses – Newly differentiated charge
  - Small Apartments – Expanded definition and application recommended

## Next Steps

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- Council to provide direction at this meeting on the need for additional Public Meetings
- Staff to continue consultation with stakeholders
- Staff to report back to Council on:
  - Results of Public Meeting(s) and stakeholder consultations
  - Merits of Transition measures to facilitate development
  - Final recommendations

## Methodology (Presented by Fred Koenig, Hemson Consulting Ltd.)

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