

Statutory Public Meeting

2024 Development Charges Study



CITY OF BRAMPTON

Wednesday, May 29th, 2024



Today We Will Discuss...

- Background
- Development Forecast
- Summary of Capital Program
- Calculated DC Rates
- Rate Comparisons
- Next Steps

Purpose of Today's Meeting

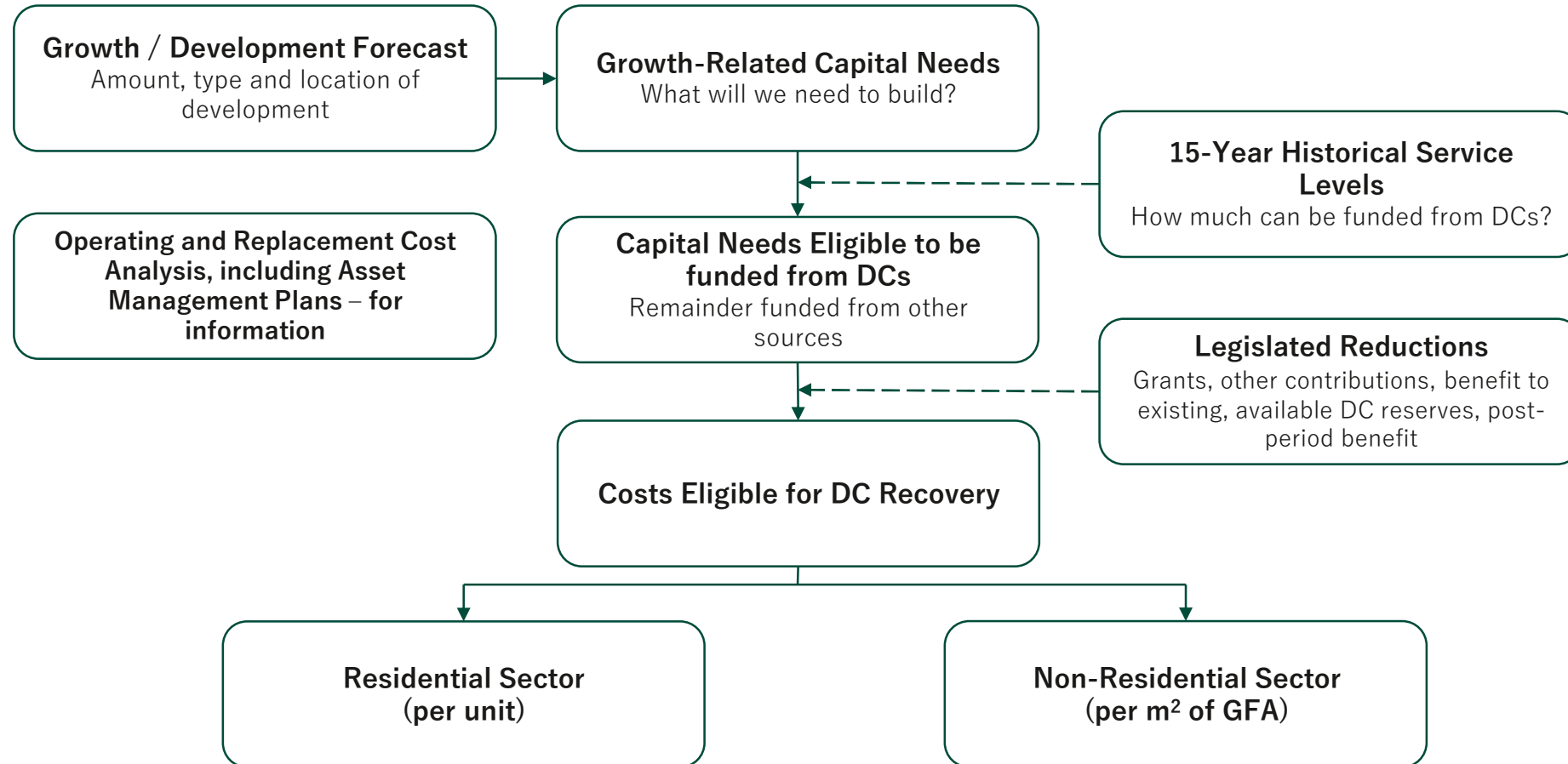
Meeting Purpose

- Provide opportunity to make representation on the proposed 2024 Development Charges Study and By-law
- **Statutory Public Meeting** required by Section 12 of the *Development Charges Act*
- DC Background Study made publically available on **April 19, 2024**
- DC Draft By-law made publically available on **May 14, 2024**

DC By-law: Two Phase Approach

- Phase One:
 - Uses Region of Peel Official Plan Forecast (excludes housing pledge) and related capital needs
 - DC Study posted on April 19th, 2024
 - By-law to be passed by June 26th, 2024
- Phase Two:
 - Uses Housing Pledge units in forecast
 - Capture outcome(s) of Peel Transition - anticipated downloading of Regional roads
 - New DC Study to be updated in approx. 3 years time

Development Charges Study Process



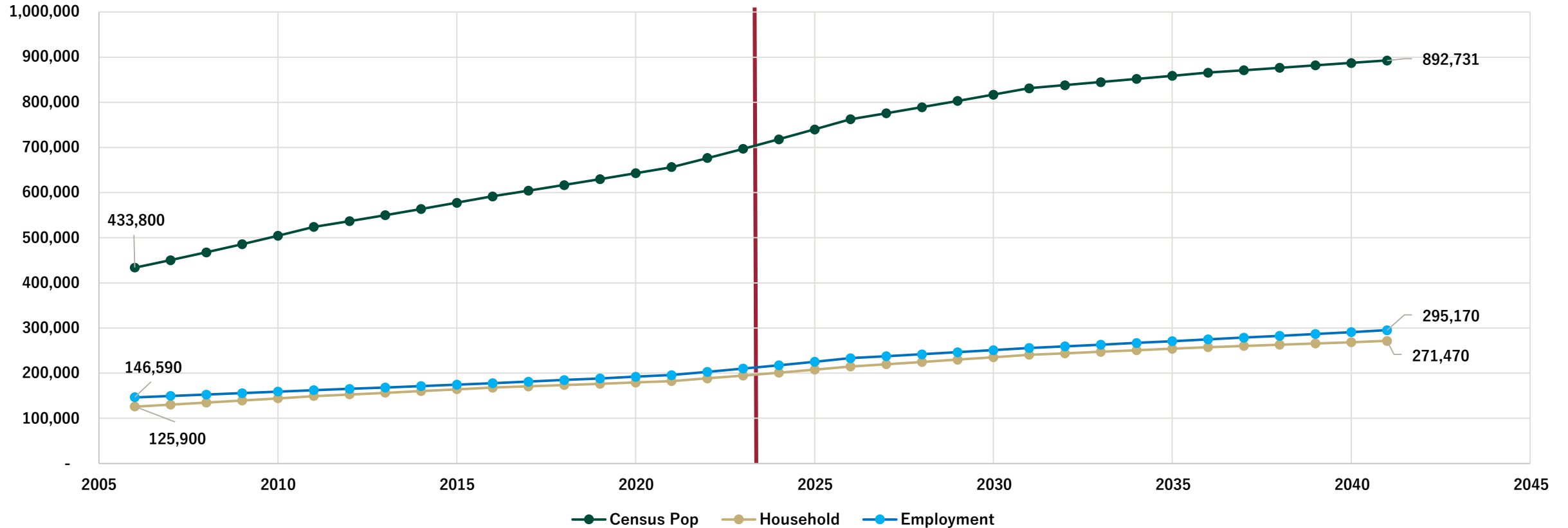
Development Forecast: City-wide

Growth 2024-2033
 Census Pop: 147,860
 Households: 52,520
 Employment: 53,039

Growth 2024-2041
 Census Pop: 195,697
 Households: 76,693
 Employment: 85,046

Historical Growth
2006-2021

Forecast Growth
2024-2041



5 Note: Census Population exclude Census undercoverage, Place of Work (POW) Employment, excludes work at home employment.
 Note: Housing Pledge excluded from forecast.

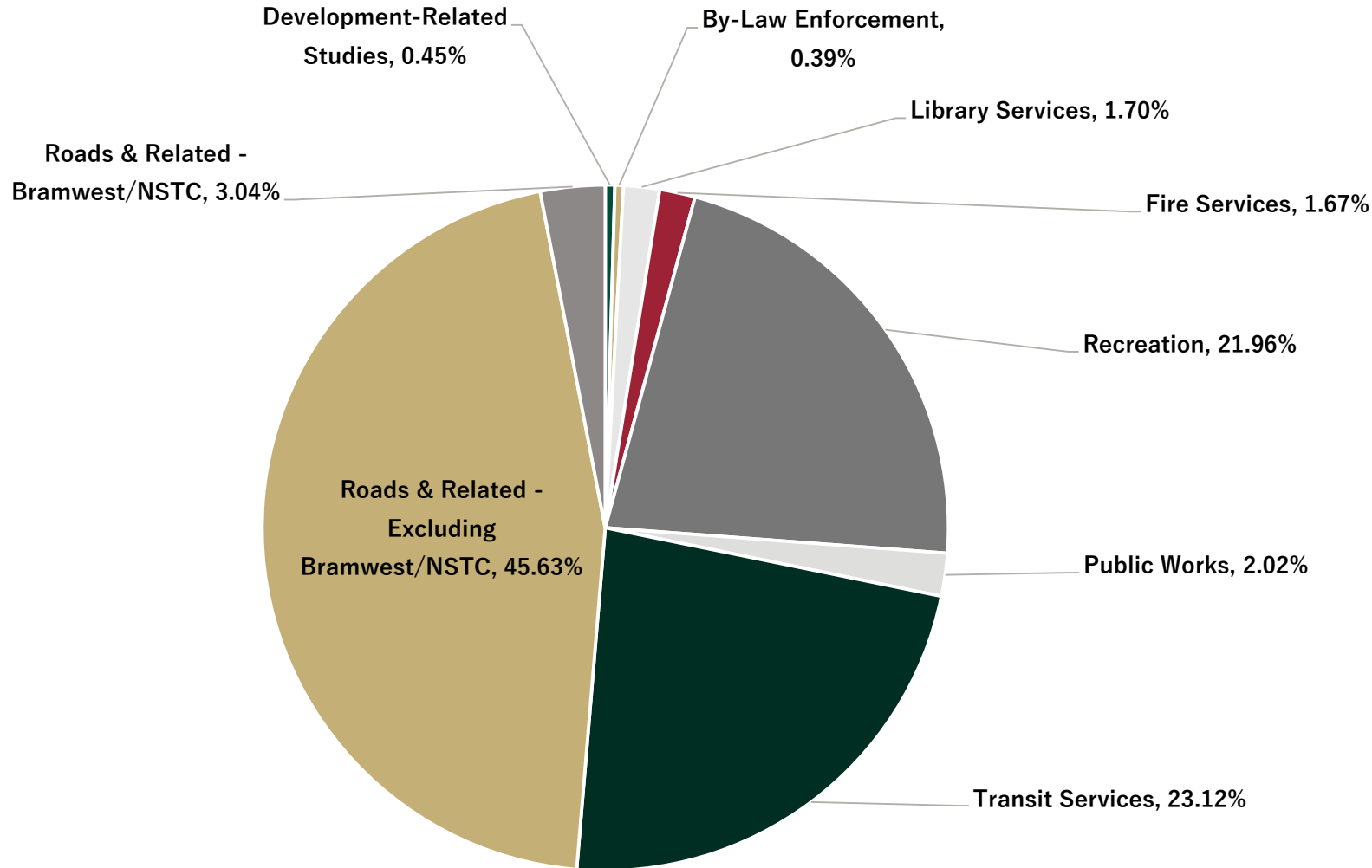


Summary of Draft Capital Program (in Millions)

Service	Gross Costs	Grants/Developer Share	Benefit to Existing	Available Reserves	In-Period Costs	Other Dev. Related
					2024-2033	
Development-Related Studies	\$33.2	\$0.0	\$17.4	\$0.0	\$15.9	\$0.0
By-Law Enforcement	\$69.0	\$0.0	\$0.0	\$0.0	\$14.3	\$54.7
Library Services	\$120.0	\$0.0	\$32.9	\$0.0	\$48.3	\$38.9
Fire Services	\$76.2	\$0.0	\$0.0	\$0.0	\$57.0	\$19.2
Recreation	\$956.0	\$4.0	\$29.2	\$12.7	\$598.2	\$311.9
Public Works	\$124.7	\$0.0	\$0.0	\$0.0	\$69.6	\$55.1
Transit Services	\$7,393.8	\$4,626.3	\$1,637.9	\$0.0	\$828.1	\$301.5
TOTAL \$	\$8,773.1	\$4,630.3	\$1,717.3	\$12.7	\$1,631.4	\$781.4
					2024-2041	
Roads & Related	\$3,337.6	\$184.4	\$294.2	\$134.8	\$2,621.3	\$103.0
TOTAL \$	\$3,337.6	\$184.4	\$294.2	\$134.8	\$2,621.3	\$103.0

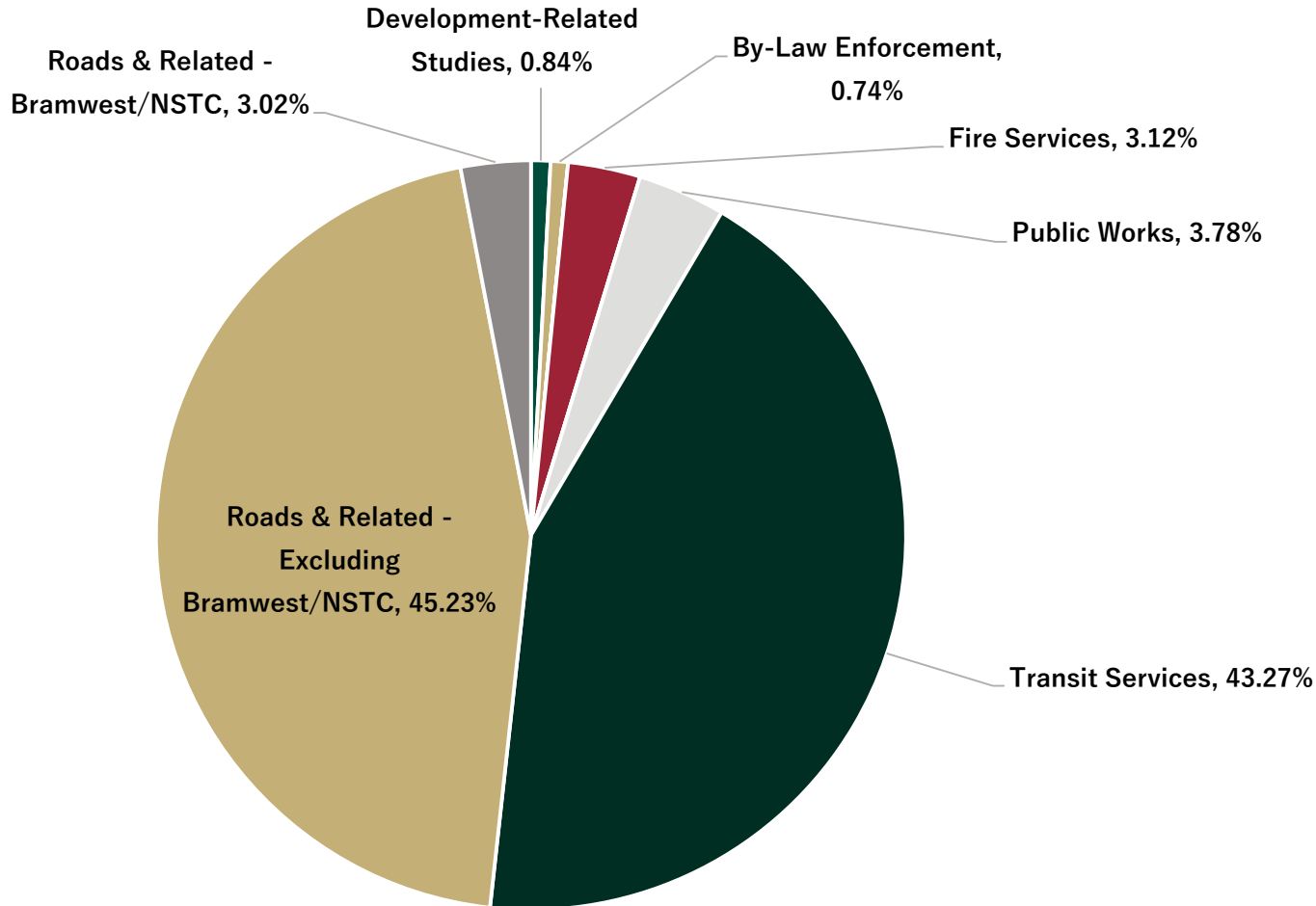
Note: DC Study to be prepared with a "Studies" charge in the event of a formal legislative change during the process.

Calculated Residential Rates



Residential Development Charges	
Singles & Semis	\$70,000
Rows/Towns	\$55,222
Apartments > 750 sq.ft.	\$39,588
Apartments < = 750 sq.ft.	\$24,363

Calculated Non-Residential Rates



Non-Residential Development Charge	
Industrial	\$120.94
Non-Industrial/Non-Office	\$225.26
Major Office	\$435.57

Bill 23 5-Year Phase In of Rates

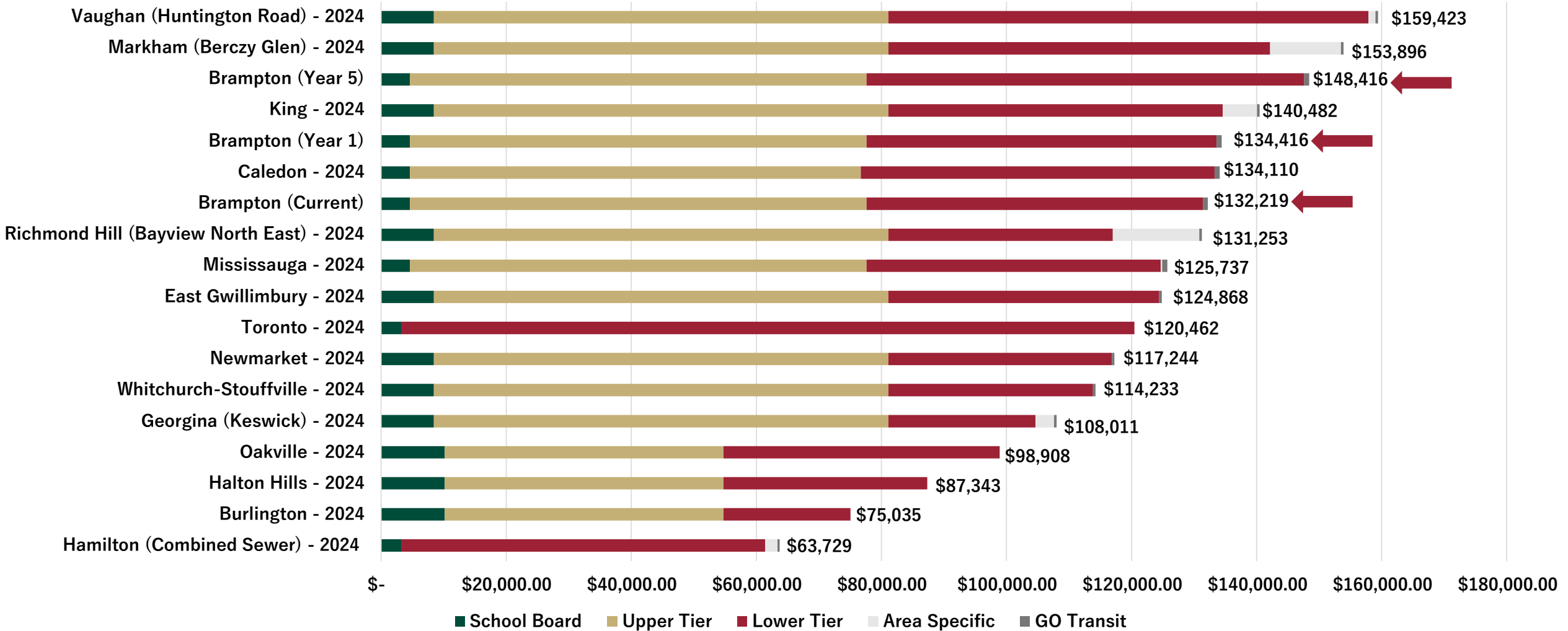
Charge Type	Current	Calculated	Change	Year 1	Year 2	Year 3	Year 4	Year 5
Singles / Semis	\$53,803	\$70,000	30%	\$56,000	\$59,500	\$63,000	\$66,500	\$70,000
Rows /Other Multiples	\$39,639	\$55,222	39%	\$44,178	\$46,939	\$49,700	\$52,461	\$55,222
Large Apartments > 750 Sq. Ft.	\$32,146	\$39,588	23%	\$31,670	\$33,650	\$35,629	\$37,609	\$39,588
Small Apartments < = 750 Sq. Ft.	\$18,522	\$24,363	32%	\$19,490	\$20,709	\$21,927	\$23,145	\$24,363
Industrial	\$84.06	\$120.94	44%	\$96.75	\$102.80	\$108.85	\$114.89	\$120.94
Non-Industrial / Non-Office	\$166.73	\$225.26	35%	\$180.21	\$191.48	\$202.74	\$214.00	\$225.26
Major Office	\$333.46	\$435.57	31%	\$348.46	\$370.23	\$392.01	\$413.79	\$435.57
<i>Phase-in</i>				80%	85%	90%	95%	100%

Note: Major Office current rate is discounted by 50% from the rate shown above to \$166.73.

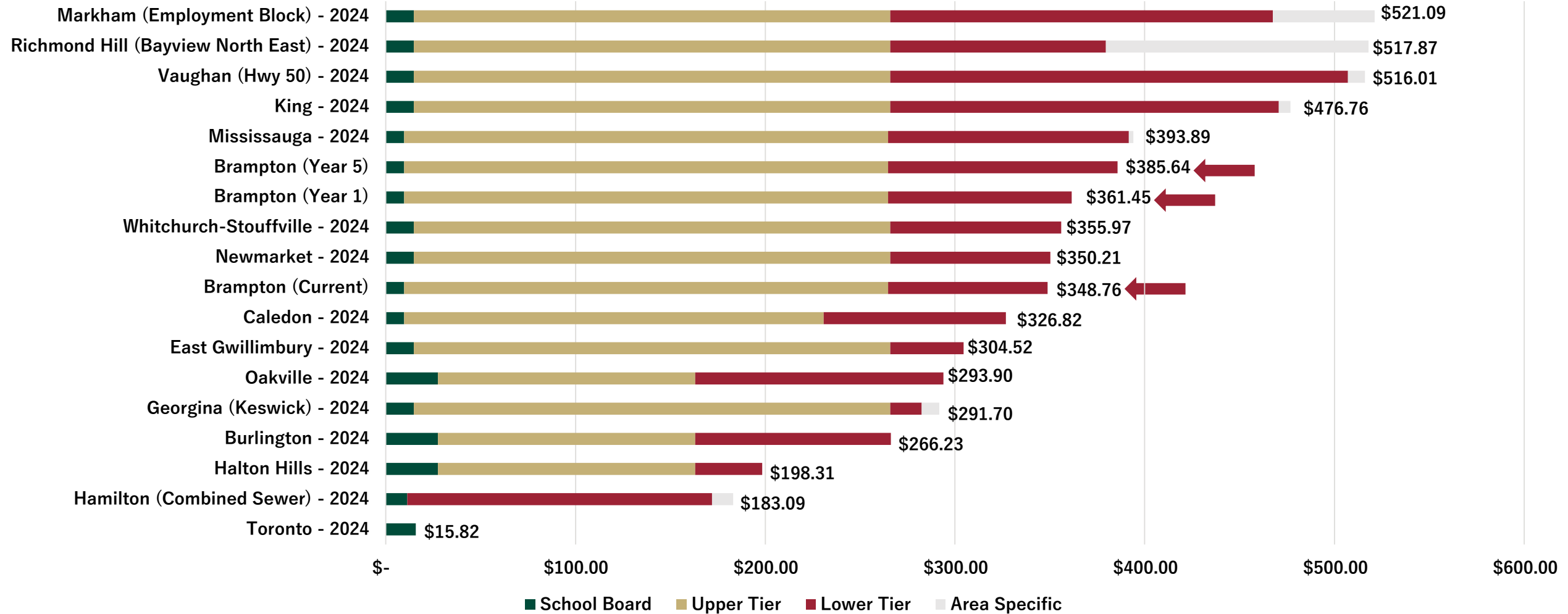
Note: Major Office calculated charge will be set to zero as per direction from Council Resolution C068-2024.

- Current DCA requires DC rates to be phased-in over 5-years
- **Note: Bill 185 has outlined the potential removal of the 5-year phase-in**
- Key Factors Driving Rate Increase:
 - More significant transit capital program
 - Increase in road project costs (HDR undertook detailed cost review)
 - Significant increase in DC rates across the Province reflecting construction cost price increases

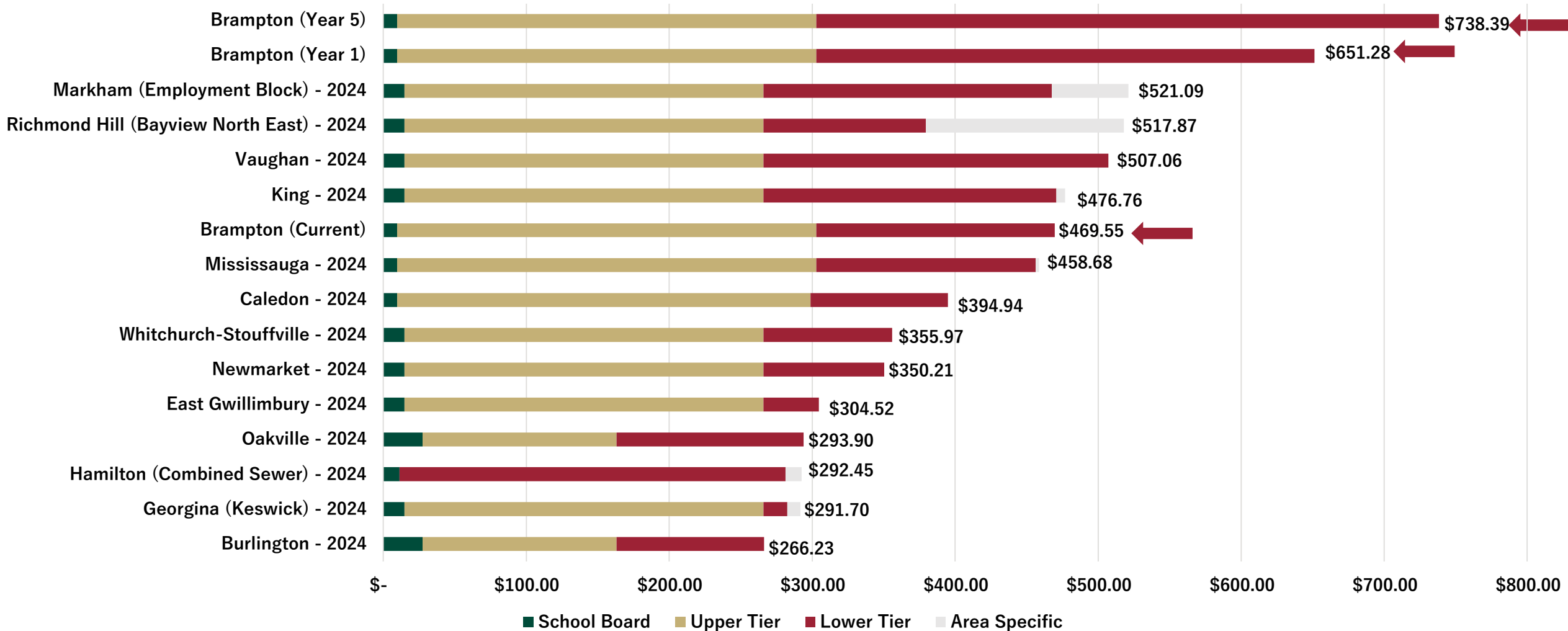
Residential (SDU) Rate Comparison



Non-Residential (Industrial) Rate Comparison



Non-Residential (Office) Rate Comparison



12 Note: Toronto excluded as non-residential DC's applicable to non-residential GFA located on ground floor only.
Note: Vaughan offers exemptions for office in some CIP policies (ex. Vaughan Metropolitan Centre).



DC By-law Policy Review

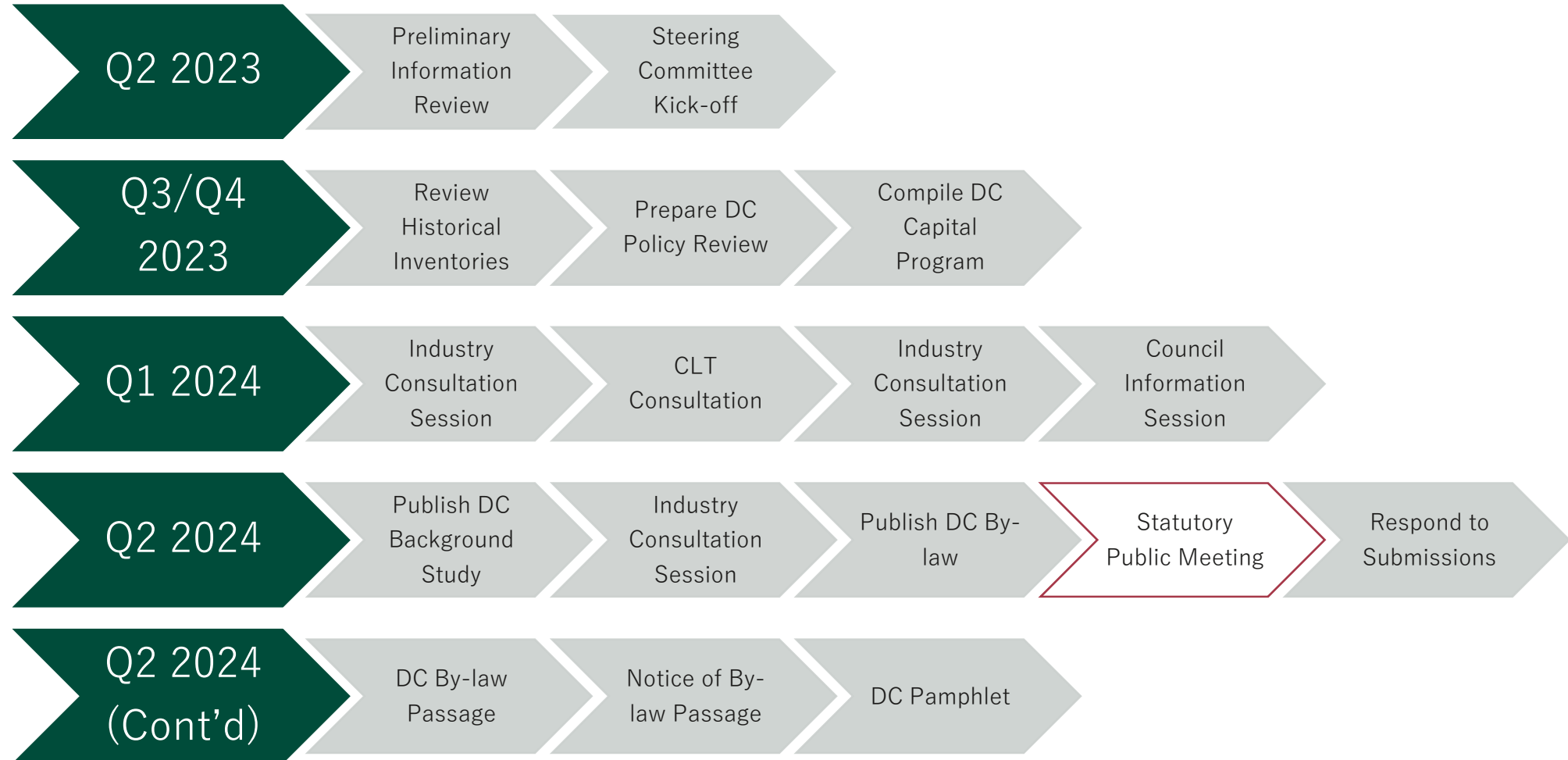
- Language in DC by-laws updated to reflect current legislation
- April 17, 2024 Council Resolution:
 - *That staff be directed to set 100 per cent discount on office rates across the City on development charges, and to include specific office/sector definition in the [DC] by-law[s], according to the Brampton Plan.*

Other Related Issues

- Development charges do not fully fund development related costs
 - Ineligible services (i.e. parking, etc)
 - Statutory exemptions and discounts
- **Canada Housing Infrastructure Fund**
 - Federal government announced \$6 Billion in funding for development related infrastructure: water, wastewater, stormwater, and solid waste
 - Current rules require freezing DC rates, at April 2, 2024 levels, for a period of three years. Some implications are:
 - Estimated revenue loss of \$417M over the three year period
 - DC bylaws unable keep pace with master planning
 - Municipalities unable to begin projects where DCs are not being collected
 - Large increases in DCs following the freeze period difficult to implement

Anticipated Project Timeline

Public Meeting: May 29th, 2024
By-law Passage: June 26th, 2024



Questions?