

Council Information Session

2025 Development Charges Background Study



TOWN OF GEORGINA

Wednesday April 16th, 2025



Today We Will Discuss...

- Background and legislative changes
- Background study
 - Development forecast
 - DC capital program
- Draft Calculated DC rates
- Rate comparison
- Next steps

What are Development Charges?

- Imposed on development to pay for “growth-related” capital costs
- Pays for new infrastructure and facilities to maintain service levels
 - Region
 - Area municipal
 - Education
- Principle is “growth pays for growth”



DCs in Georgina

- Council passed DC By-law No. 2021-0041 on May 19th, 2021 that imposed rates for:
 - Library Services
 - Fire Protection Services
 - Parks and Recreation
 - Development-Related Studies
 - Services Related to a Highway
 - Stormwater Management
 - Water
 - Sewer
- Prior to passing a by-law, the Town must:
 - Undertake a background study
 - Hold at least one public meeting

Bill 23: Changes to the *Development Charges Act*



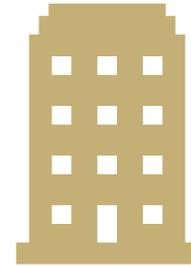
New Exemptions

Additional units in existing rental housing

Residential intensification in existing and new units

Non-profit housing (defined by legislation)

Inclusionary zoning (must be affordable and if applicable)



New Discounts

Rental housing development (4+ units) based on number of bedrooms (3+ bedrooms = 25%, 2 bedrooms = 20%, 1 bedroom or less = 15%)

Bill 185: *Cutting Red Tape to Build More Homes Act*

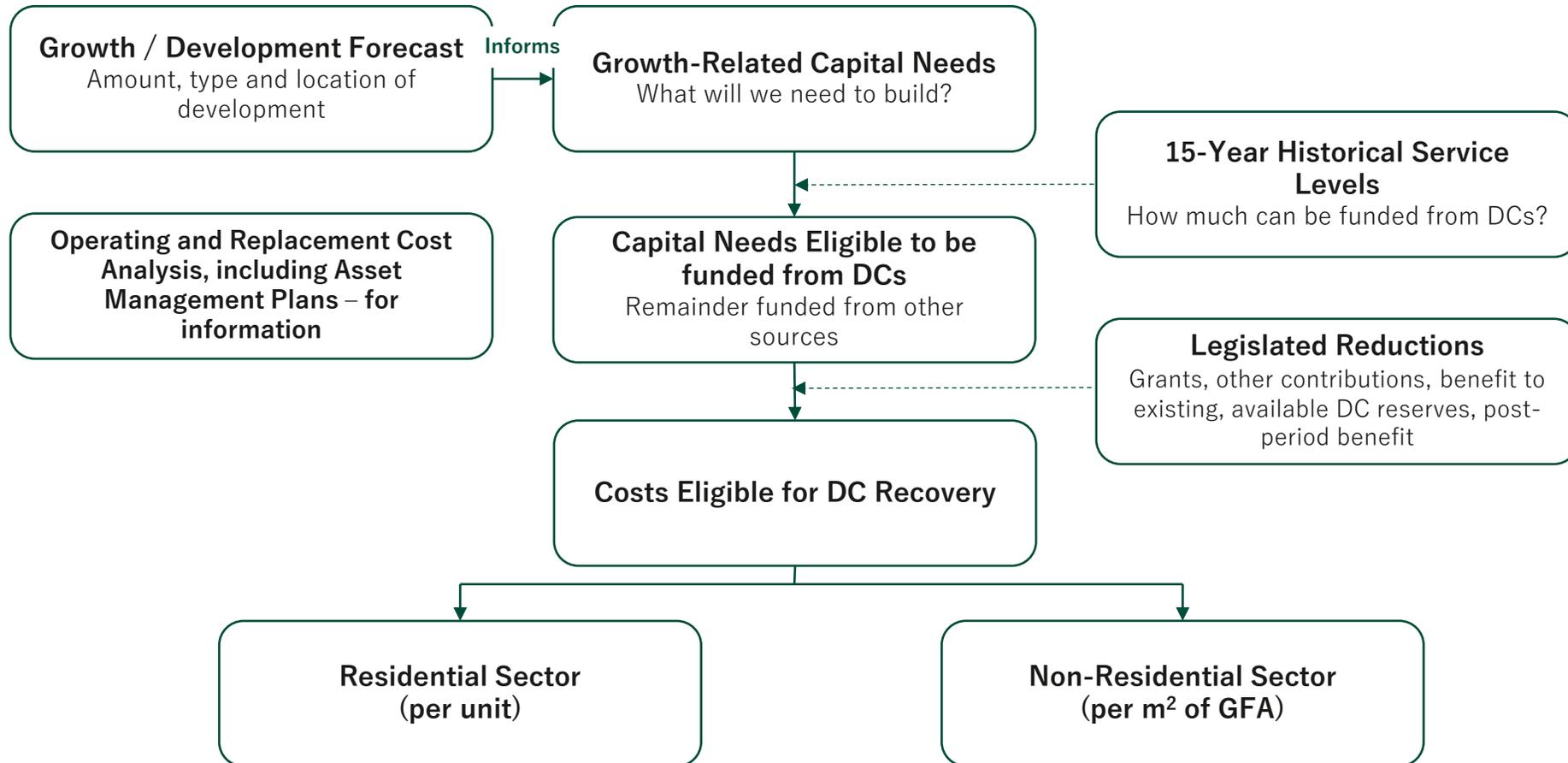
DC provisions

- Removed mandatory 5-year phase-in
- “Growth-related studies” reintroduced as DC-eligible costs
- Reduced frozen DC rate period (2 years to 18 months from approval)
- New notice requirements (allows digital options where local newspapers unavailable)

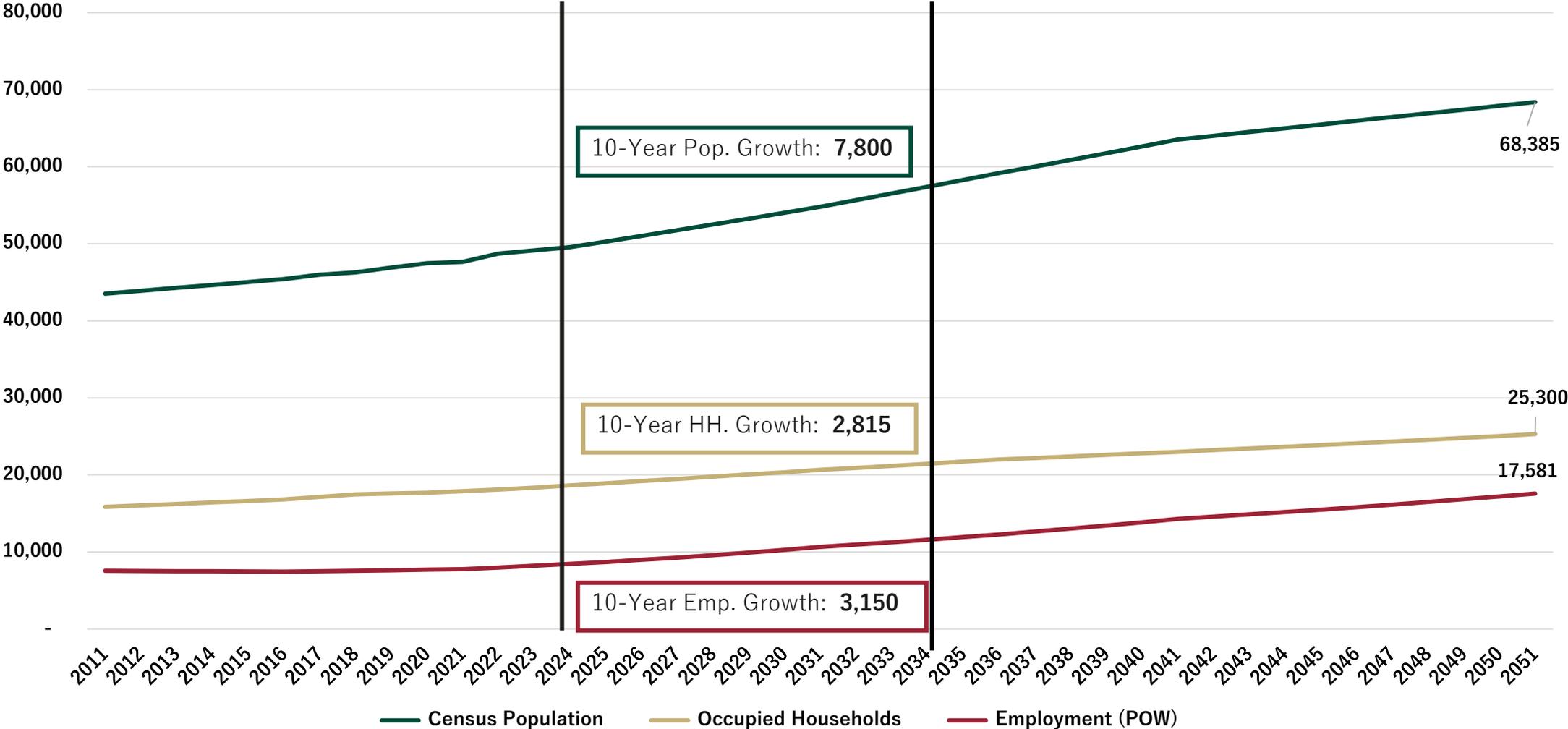
DC exemptions for affordable and attainable housing

- Affordable exemptions effective June 1, 2024
- No mention of attainable exemption

Development Charges Study Process



Development Forecast – Town-Wide



7 Source: Region of York OP, 2051 Targets
 Figures in the Graph represent 1) Census population, and not total population, and 2) Place of Work employment (excludes work at home)



Growth-Related Capital Program

- Has been informed by:
 - 2025 Capital Budget and forecast documents
 - Previous 2021 DC Background Study
 - Discussions with staff
 - Servicing Plans and Master Plans
- DC eligible costs adjusted for:
 - Grants, subsidies and other contributions
 - “Benefit to existing” or replacement elements
 - Available DC reserve funds
 - “Post Period” benefits

Note: the rates in the Staff Report differ slightly to the rates in this presentation, as it reflects a correction to the classification of Hadden Rd. project from Keswick Service Area to the Town-Wide Roads service

Summary of Town-Wide Capital Program (\$000)

Service	Gross Cost	Grants, Subsidies, Recoveries	Benefit to Existing	DC Recoverable Cost		
				Available Reserves	In-Period	Other Dev. Related
2025-2034						
Library Services ⁽¹⁾	\$4,456	\$0	\$0	\$2,418	\$2,038	\$0
Fire and Rescue Services	\$60,291	\$7,240	\$22,737	\$3,114	\$11,828	\$15,372
Parks & Recreation ⁽¹⁾	\$105,470	\$814	\$16,532	\$15,324	\$57,301	\$15,500
Public Works	\$7,285	\$0	\$0	\$0	\$4,400	\$2,885
Development-Related Studies	\$2,580	\$475	\$113	\$214	\$1,778	\$0
2025-2051						
Town-Wide Roads & Related	\$8,669	\$0	\$213	\$854	\$7,602	\$0
Town-Wide Stormwater	\$1,182	\$0	\$0	\$56	\$1,126	\$0
TOTAL	\$189,933	\$8,529	\$39,594	\$21,980	\$86,073	\$33,757

⁹ Note 1: Capital costs captured in this table includes the principal payments associated with the MURC and Julia Munro Park. Interest payments are captured separately as a financing cost in the cash flow analysis to calculate the DC.

Summary of Area-Specific Capital Program 2025-2051 (\$000)

Service	Gross Cost	Grants, Subsidies, Recoveries	Benefit to Existing	DC Recoverable Cost		
				Available Reserves	In-Period	Other Dev. Related
Keswick Service Area	\$32,539	\$3,259	\$5,581	\$771	\$22,927	\$0
Sutton Service Area	\$8,392	\$0	\$3,742	\$1,457	\$3,193	\$0
Sutton High Street Sewer	\$1,286	\$0	\$0	\$1,157	\$129	\$0
Queensway East and West	\$9,304	\$2,990	\$2,901	\$0	\$3,410	\$0

Numbers may not add precisely due to rounding.

Overview of Key Capital Projects (Town-Wide)

Key Projects Overview	DC Eligible Costs ¹
Costs to 2034:	
Recovery of Debt – MURC (Library & Indoor Recreation)	\$25.0 million
Park and Trail Development (non-waterfront) (Simcoe Landing, Terry Fox, Greystone, etc.)	\$20.5 million
Waterfront Park Development ²	\$24.5 million
New Fire Station (South Keswick) Design & Construction	\$10.9 million
Public Works Additional Space (Aggregate Dome and provision for maintenance garage)	\$2.0 million
New Fire Vehicles/Equipment (Rescue Pumper, Equipment for Pumper, & Support Vehicles)	\$1.9 million
Public Works Fleet (Highway Plows, Light Duties, Service Truck, Excavator, Skid Steer, etc.)	\$1.9 million
Development-Related Studies	\$1.4 million
Costs to 2051:	
Roads & Related Projects (ATMP, Road works projects, TMP)	\$8.5 million
Stormwater Projects (Sewer Flusher/VAC Truck, Stormwater Masterplan)	\$1.2 million

Note¹: Represents the in-period DC Eligible Costs: excludes Post-Period costs and non-DC Eligible expenses.

Note²: Waterfront parks include Willow Beach Park, Young's Harbour Park, Jackson's Point Harbour, Bonnie Park, Malone Wharf, Adeline Park, De La Salle Park, North Gwillimbury and Holmes Point Park.

Overview of Key Capital Projects (Area-Specific to 2051)

Key Projects Overview	DC Eligible Costs ¹
Keswick Service Area	
New watermains	\$7.2 million
Queensway North Urbanization	\$5.9 million
Streetlights on the East & West side of Woodbine from Ravenshoe to Woodbine	\$3.5 million
Queensway South Sewer	\$650,000
Sutton Service Area	
Black River Sidewalk/MUP	\$2.0 million
High Street Redevelopment	\$1.0 million
Dalton Road Sewer	\$500,000
North Street Sewer	\$540,000

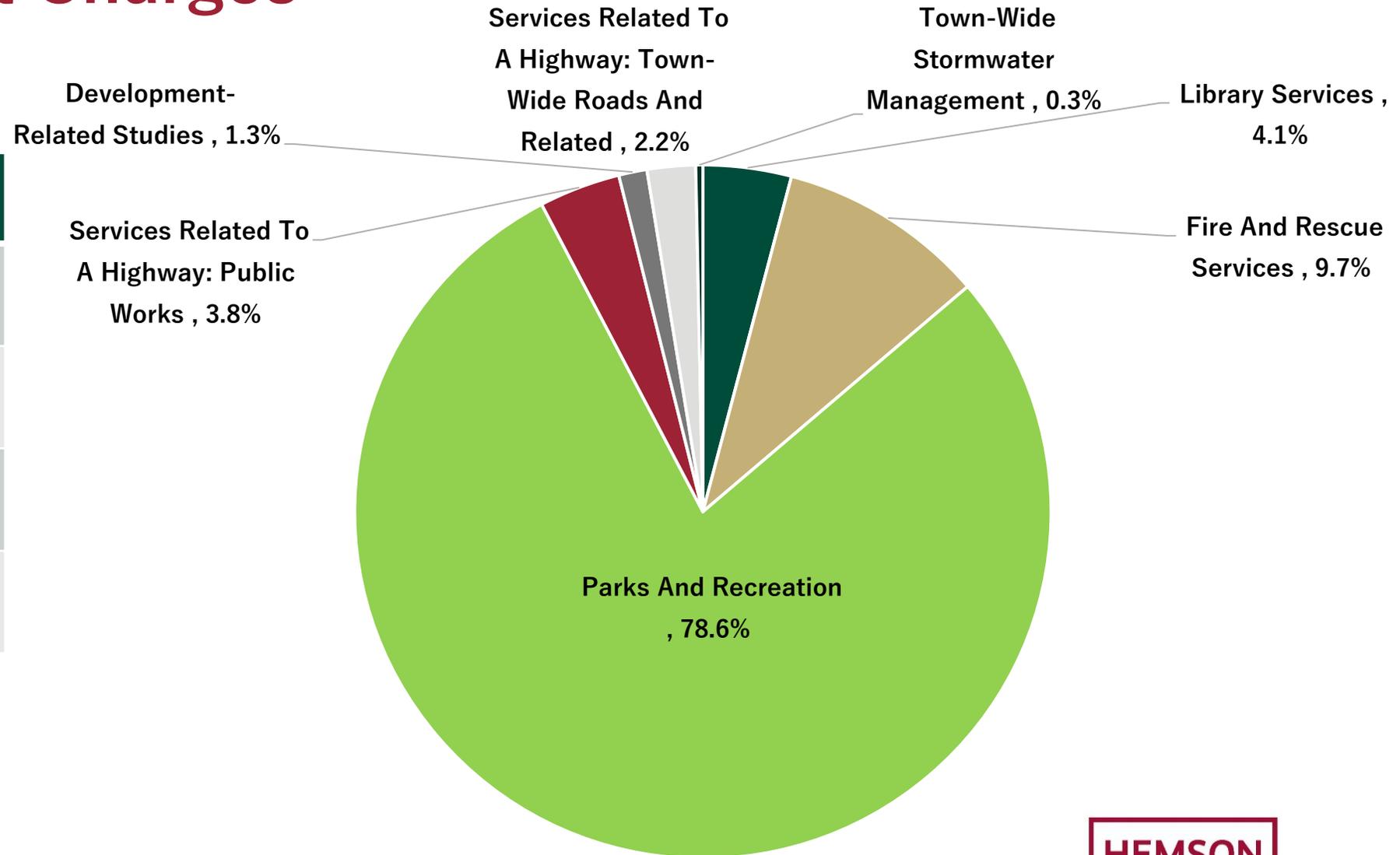
Note¹: Represents the in-period DC Eligible Costs: excludes Post-Period costs and non-DC Eligible expenses.

Town-Wide Development Charges Calculation

- Draft DCs have been calculated based on historical inventories, maximum funding envelopes and draft capital programs
- Residential rates are based on the following unit types:
 - Single and Semi-Detached
 - Rows & Other Multiples
 - Apartments (≥ 650 sq.ft)
 - Apartments (< 650 sq.ft)
- Non-Residential rates have been calculated on a uniform rate ($\$/m^2$)

Draft Calculated Town-Wide Residential Development Charges

\$/Unit
Single/Detached \$36,230
Rows & Multiples \$34,673
Apartments ≥650 sq.ft. \$25,362
Apartments <650 sq.ft. \$17,511



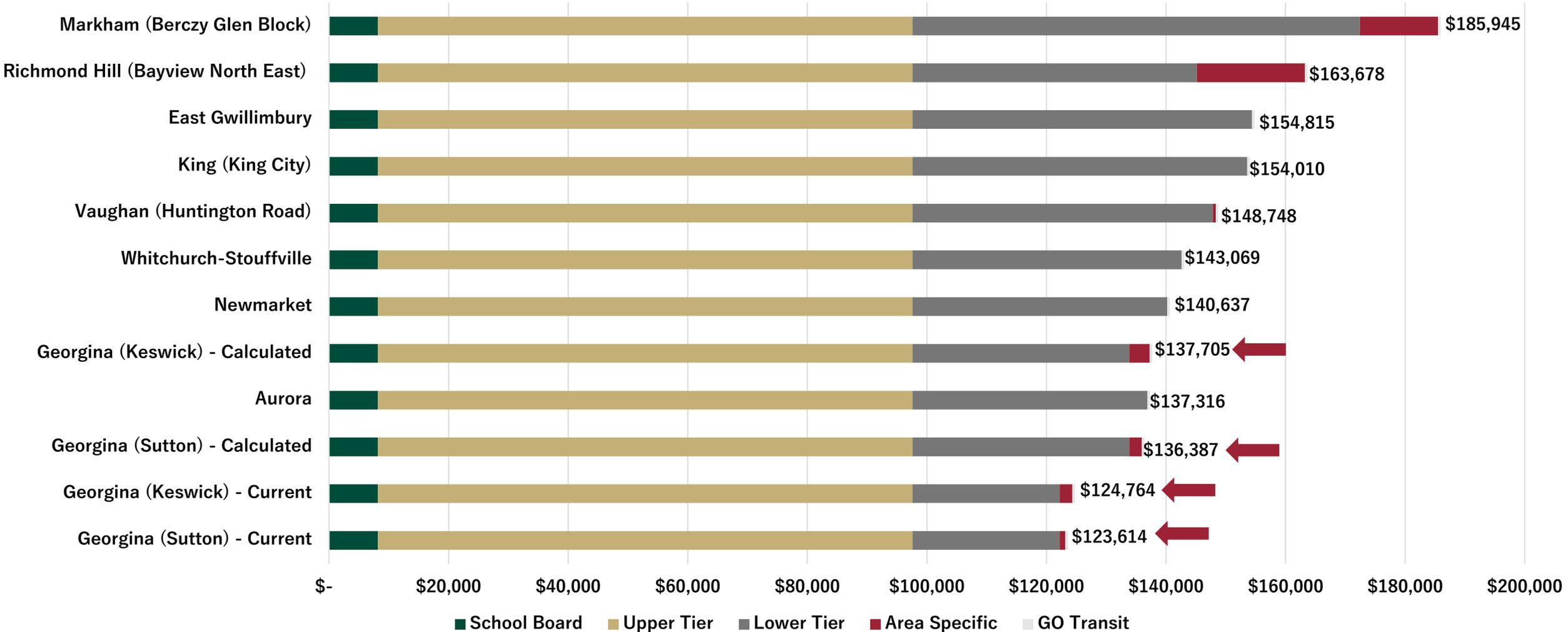
Draft Calculated Area-Specific Development Charges

Service	Residential Charge by Unit Type				Non-Residential Charge (\$/sq.m)
	Single & Semi-Detached	Rows & Other Multiples	Apartments		
			≥650 sq.ft.	<650 sq.ft.	
Keswick Service Area	\$3,423	\$3,276	\$2,396	\$1,654	\$18.36
Sutton Service Area	\$2,105	\$2,015	\$1,474	\$1,017	\$11.26
Sutton High Street Sewer	\$239	\$229	\$168	\$116	N/A
Queenway East and West	\$3,764	\$3,602	\$2,635	\$1,819	\$31.37

Comparison of Current vs. Draft Calculated Residential Rates (per SDU)

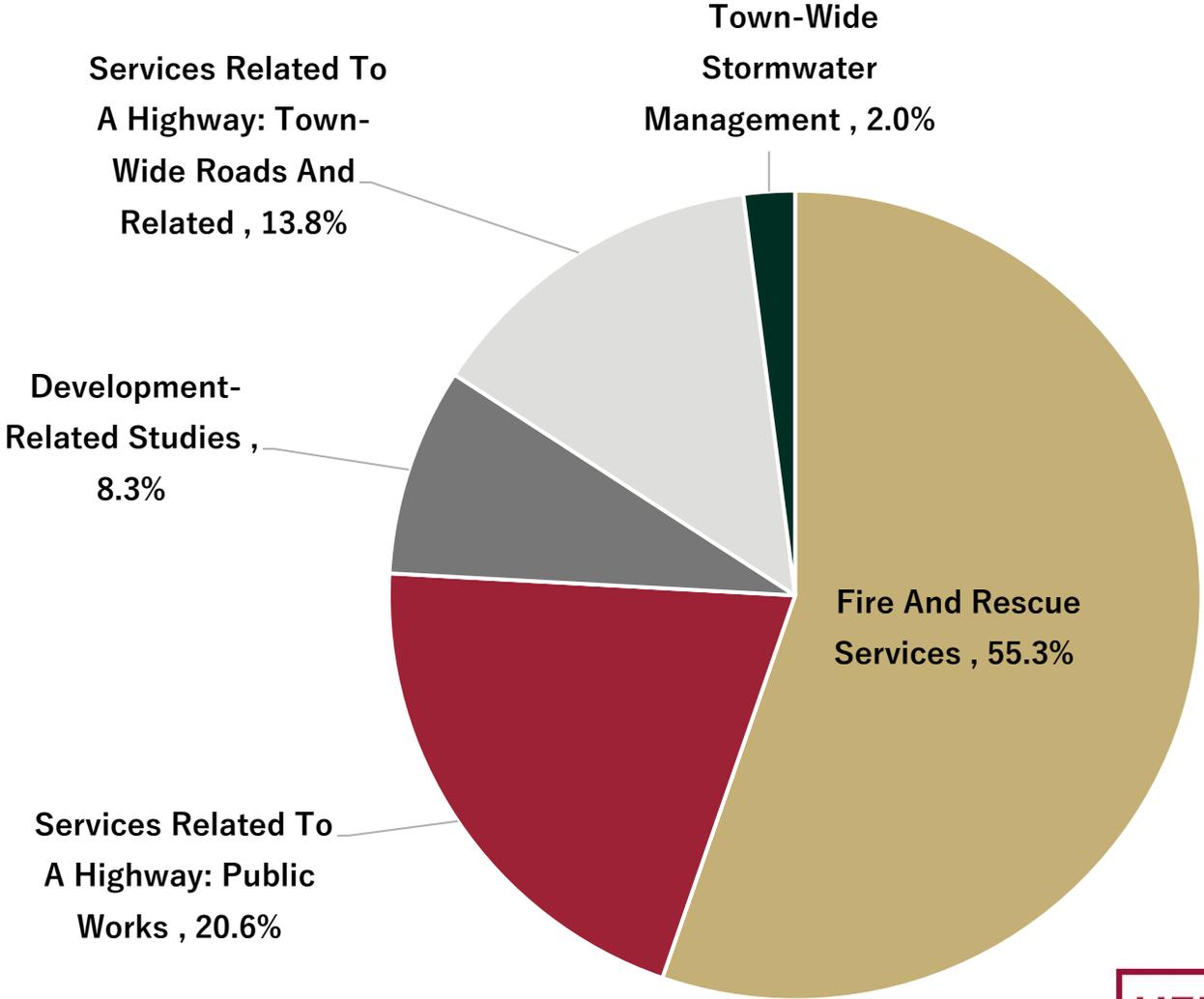
Service	Current Residential Charge / SDU	Calculated Residential Charge / SDU	Difference in Charge
Library Services	\$1,783	\$1,484	(\$299)
Fire And Rescue Services	\$1,939	\$3,498	\$1,559
Parks And Recreation	\$19,351	\$28,471	\$9,120
Services Related To A Highway: Public Works	\$752	\$1,369	\$617
Development-Related Studies	\$566	\$475	(\$91)
Total General Services	\$24,391	\$35,297	\$10,906
Services Related To A Highway: Town-Wide Roads And Related	\$158	\$813	\$655
Town-Wide Stormwater Management	\$34	\$120	\$86
TOTAL TOWN-WIDE CHARGE BY UNIT TYPE	\$24,583	\$36,230	\$11,647

Residential Rate Comparison (per Single Detached Unit)



Draft Calculated Town-Wide Non-Residential Development Charge

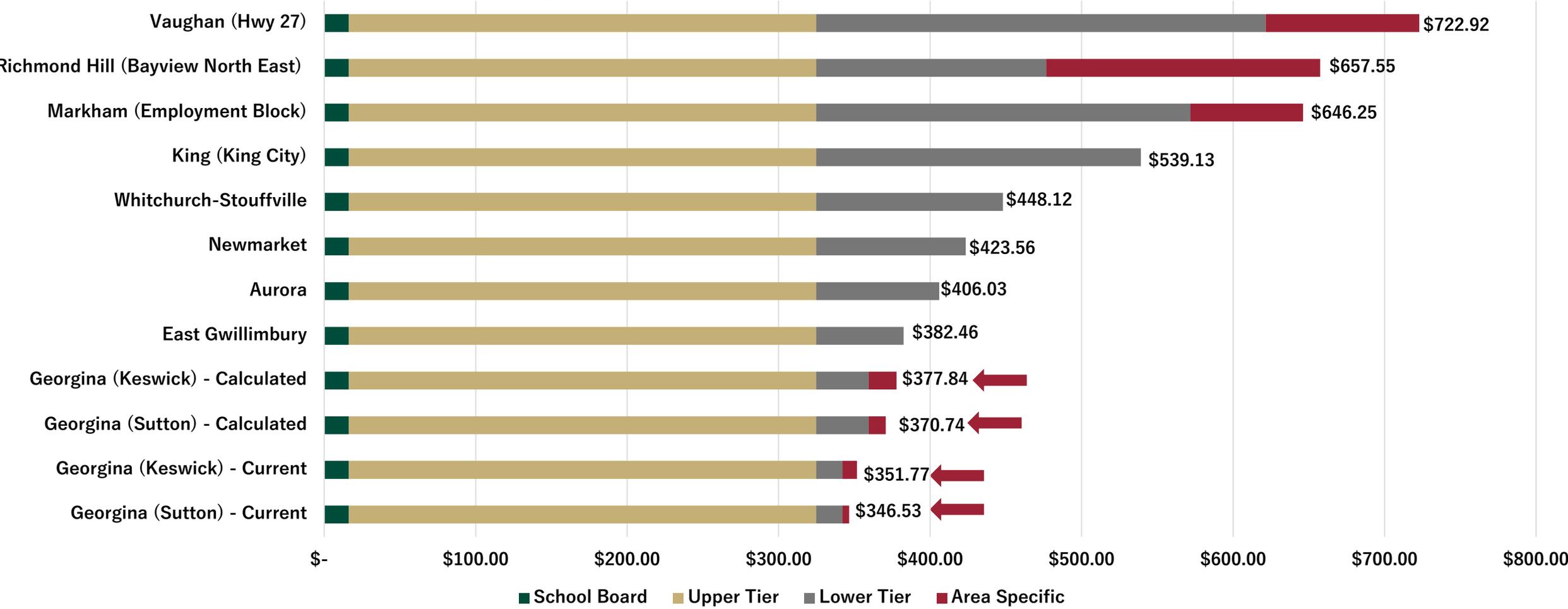
\$/Sq.M.
Uniform \$34.72



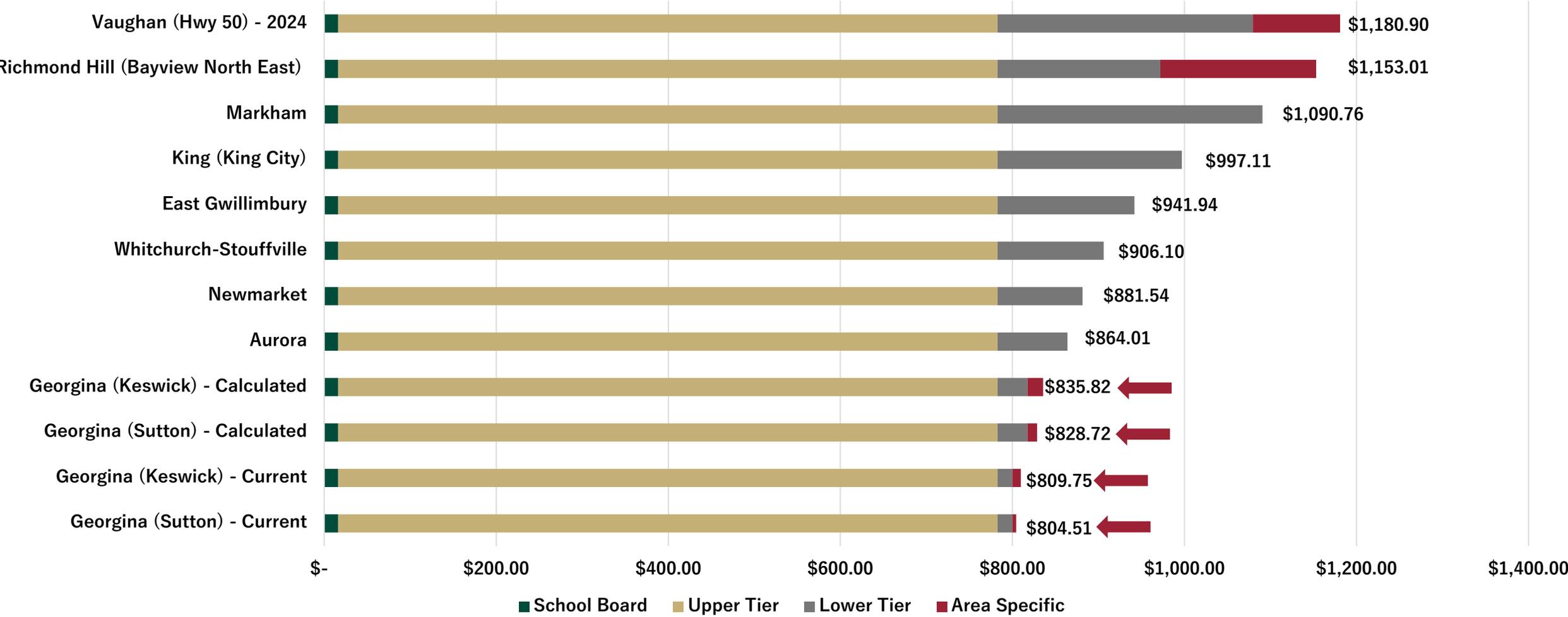
Comparison of Current vs. Draft Calculated Non-Residential Rates

Service	Current Non-Residential Charge / SQ.M	Calculated Non-Residential Charge / SQ.M	Difference in Charge
Library Services	\$0.00	\$0.00	\$0.00
Fire And Rescue Services	\$9.80	\$19.44	\$9.64
Parks And Recreation	\$0.00	\$0.00	\$0.00
Services Related To A Highway: Public Works	\$3.80	\$7.59	\$3.79
Development-Related Studies	\$2.88	\$2.63	(\$0.25)
Total General Services	\$16.48	\$29.67	\$13.19
Services Related To A Highway: Town-Wide Roads And Related	\$0.72	\$4.40	\$3.68
Town-Wide Stormwater Management	\$0.15	\$0.65	\$0.50
TOTAL TOWN-WIDE CHARGE PER SQ.M.	\$17.35	\$34.72	\$17.37

Non-Residential: Industrial Rate Comparison (per sq.m.)



Non-Residential: Commercial Rate Comparison (per sq.m.)



Key Decision Points for Council Moving Forward

- Consider and approve development-related capital program
- Town-wide & ASDC approach
- Consider whether to hold another public meeting
- Implementation options
 - Full or partial rates
 - Phase-ins or delayed effective dates
 - Exemptions (in addition to those imposed under DCA)

DC By-law Update

- 2025 DC By-law to be updated with new legislative requirements
- Review and update current non-statutory exemptions
- Explore incentives to increase Housing Affordability
- Other Policy objectives?

DC Options to Improve Affordability

DC Interest Rate Relief

- Removes Interest charged on “frozen” DCs, as permitted under the DCA

DC Deferral

- Consideration to defer DC Payments to occupancy for all residential development

Discounted DC

- Council has the authority to reduce DCs imposed
- Less revenue collected with no guarantee the savings are passed onto new home buyers (require funding from non-DC sources)
- DC Discounts could be targeted to specific development

- ✓ Options are being explored by the municipal sector.
- ✓ Municipalities would benefit from Provincial and Federal government aid to address financial gaps to provide housing incentives.

Proposed DC Study Timeline – Key Dates

Item	Date /Comments
Prepare Draft Development Forecast	Complete
Complete Historical Service Levels and Interview Staff	Complete
Developer Workshop	February 25 th , 2025 – Complete
Prepare DC Capital Program	Complete
Draft Rates to Steering Committee	Complete
Draft Rates to Council	April 16 th , 2025 – Today
Prepare Draft DC Background Study	On or before June 4 th , 2025 (60 days before DC By-law passage)
Statutory Public Meeting	June 18 th , 2025
DC By-law Passage	August 13th, 2025
Appeal Period	40 days after DC By-law passage

Additional Developer stakeholder consultation will occur through to by-law passage.

