

City of North Bay Report to Council

Report No: CORP-2022-042

Date: March 11, 2022

Originator: Shannon Saucier

Business Unit:

Department:

Corporate Services

Financial Services Department

Subject: Amendment to Development Charges By-law 2019-72

Closed Session: yes ☐ no ☒

Recommendation

That Report to Council No. CORP 2022-42 be referred to the General Government Committee for a Public Meeting to be held on May 3rd, 2022.

Background

The City's Development Charges By-law, By-law No. 2019-72, came into effect on October 9th, 2019. Schedules B1 and B2 to the By-law outline the development charge rates in effect for residential and non-residential development for the period October 9th, 2019 to October 8th, 2024. Upon passing of the By-law, residential rates were reduced to nil for the period October 9th, 2019 to November 14th, 2022. Residential rates are scheduled to increase on November 15th, 2022 as follows:

Residential Development Charge (per Dwelling Unit)					
Detached & Semi-Detached	Entry Level Detached & Semi Detached (1,200 sq.ft. or less)	Detached & Semi-Detached greater than 1,200 sq.ft. but less than 1,500 sq.ft.	Rows & Other Multiples	Apartments	Rural Area
\$9,814	\$0	\$4,907	\$4,838	\$2,797	\$3,878

On February 22nd, 2022, Council passed Resolution No. 2022-68 directing staff to commence the process of amending the Development Charges By-law in accordance with the *Development Charges Act* ("the Act") in order to keep the residential development charge rates at nil until May 31, 2023. Accordingly, this report is being presented to Council in order to amend the By-law in accordance with the requirements of the Act.

There are no changes proposed for non-residential rates.

Financial/Legal Implications

The City must adhere to the requirements of the Act and related regulation in order to levy development charges through the passing of a development charges by-law.

The Act stipulates the process required to calculate the maximum development charge rates that the City is permitted to levy. However, Council has the latitude to approve rates that are less than the maximum calculated rates. Since the development charges, as set out in the DC Background Study prepared by Hemson Consulting Ltd dated July 25th, 2019, were calculated on a cost recovery basis, implementation of lower rates may impact the capital plan, or require financing from other sources (such as through grants, property tax or water and wastewater user rates). The residential and non-residential development charges imposed under the current DC By-law reflect a rate lower than the maximum permissible charges which could have been implemented based on the results contained in the 2019 DC Study.

Corporate Strategic Plan

- | | |
|---|--|
| <input type="checkbox"/> Natural North and Near | <input type="checkbox"/> Economic Prosperity |
| <input type="checkbox"/> Affordable Balanced Growth | <input type="checkbox"/> Spirited Safe Community |
| <input checked="" type="checkbox"/> Responsible and Responsive Government | |

Specific Objectives

Ensure that Council and staff have a shared perception and goals

Options Analysis

Prior to passing an amendment to the Development Charges By-law, the municipality is required to complete a development charge (DC) background study and hold a least one public meeting.

Hemson Consulting Ltd. has prepared a DC Amendment Study which includes details regarding the amendment process, the City's compliance with the Act and the proposed changes to By-law No. 2019-72. The DC Amendment Study prepared by Hemson is attached as Appendix A to this report.

Next Steps

The DC Amendment Study will be posted on the City's Development Charges' webpage by March 23rd, 2022. A public meeting is scheduled for May 3rd, 2022. The proposed By-law will be made available on the City's website, and a hard copy available at the Clerk's office, no later than two weeks prior to the public meeting. Feedback from the public meeting will be reviewed and the resulting amending By-law is expected to be passed by Council on May 31,

2022.

Recommended Option

That Report to Council No. CORP 2022-42 be referred to the General Government Committee for a Public Meeting to be held on May 3rd, 2022.

Respectfully submitted,

Name: Shannon Saucier, CPA, CA

Title: Director, Financial Services / Deputy Treasurer

I concur with this report and recommendation

Name Beverley Hillier, MCIP, RPP

Title: Manager, Planning & Building Services

Name Ian Kilgour, MCIP, RPP

Title: Director, Community Development and Growth

Name Margaret Karpenko, CPA, CMA

Title: Chief Financial Officer /Treasurer

Name David Euler, P.Eng., PMP

Title: Chief Administrative Officer

Personnel designated for continuance:

Shannon Saucier, CPA, CA

Director, Financial Services / Deputy Treasurer

Attachment: Appendix A - Development Charges Amendment Study Dated March 11th, 2022