

Council Draft Rates

Development Charges Background Study and By-law



Source: County of Essex

COUNTY OF ESSEX

April 2, 2025



What Are Development Charges?

- Background study
 - Service levels
 - Development forecast
 - DC capital program
- Draft DC rates
- Rate comparisons
- Next steps



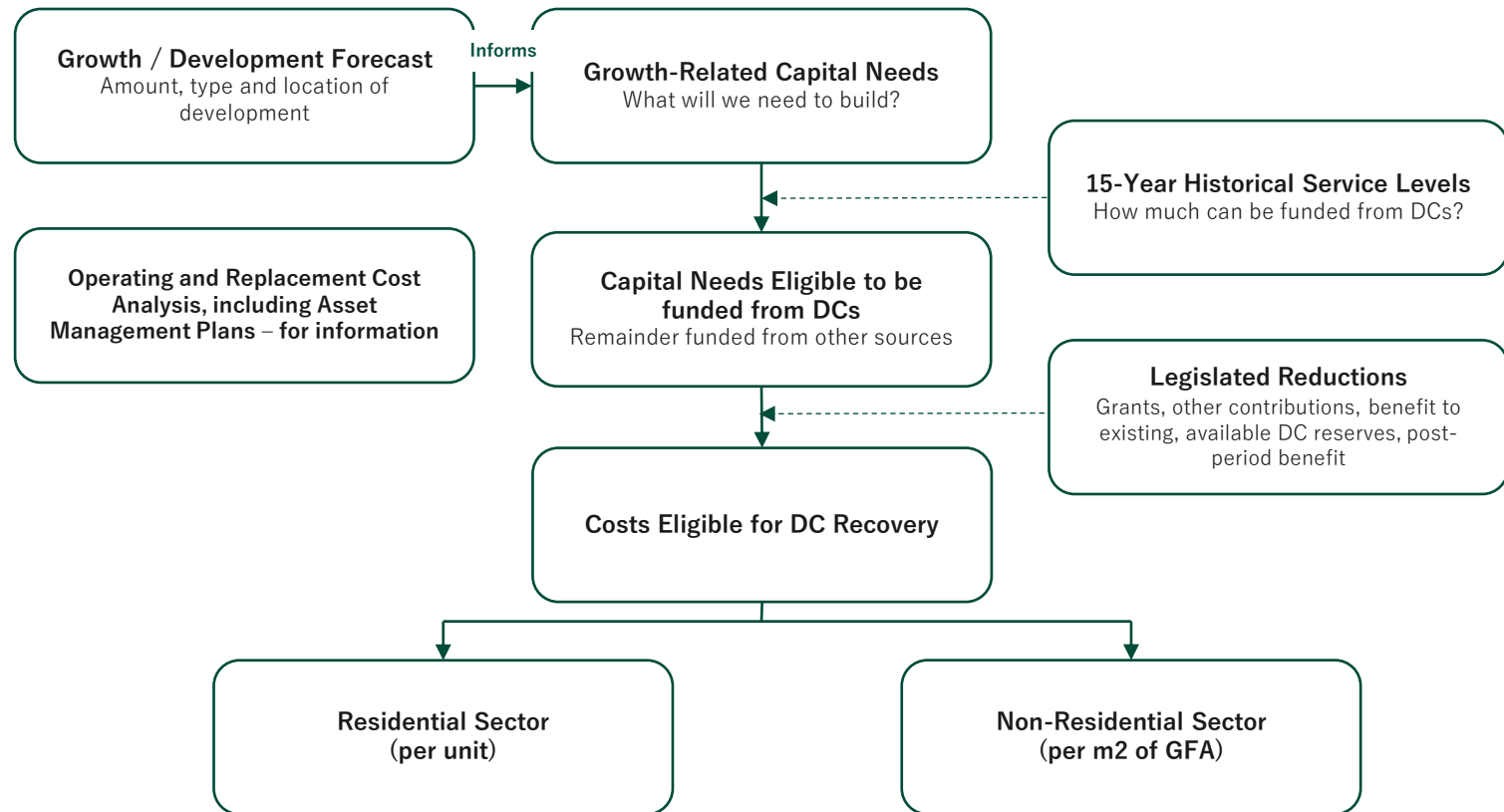
Development Charges Act Requirements (DCs)

- DCs imposed by by-law
- Maximum life of a DC by-law is 10 years after the day it comes into force
- Prior to passing a by-law County must
 - Undertake a background study
 - Hold at least one public meeting
- Appeals adjudicated at OLT

DCs Calculated for 5 Services Plus Studies

County By-law	Area Municipal By-laws	Not Applicable in Essex
<ul style="list-style-type: none"> • Services related to a highway • Ambulance services • Long term care • Public health • Child care & early years programs & services within the meaning of Part VI of the <i>Child Care and Early Years Act, 2014</i> & related services • Services related to proceedings under <i>Provincial Offences Act</i>, including by-law enforcement & municipally administered court services • Services provided by a board within meaning of the <i>Public Libraries Act</i> • Waste diversion services • Services related to emergency preparedness 	<ul style="list-style-type: none"> • Water supply services, including distribution and treatment services • Waste water services, including sewers and treatment services • Storm water drainage & control • Services related to a highway • Parks and recreation services, but not the acquisition of land for parks * • Policing services • Fire protection services • Transit services 	<ul style="list-style-type: none"> • Electrical power services • Toronto-York subway extension • Yonge North subway extension • Services related to airports, but only in Regional Municipality of Waterloo

Development Charges Study Process



Historical Development in the County

- County has experienced strong population and employment growth since 2010
 - 32,300 new residents (18%)
 - 11,300 new homes (18%)
 - 14,700 new jobs (26%)
- Slight shift to higher density housing
 - Last 10 years: 68% singles and semis; 9% rows; 22% apartments
 - Last 5 years: 57% singles and semis; 10% rows; 33% apartments



Development Forecasts

- Based on Official Plan, updated with recent Statistics Canada and CMHC data
- 2 planning periods
 - 10-years—general services
 - to 2041—Services Related to a Highway
- All charges based on County-wide approach

County Development Forecast

Residential	At 2024	Growth 2025 – 2034	At 2034	Growth 2025 – 2041	At 2041
Census Population	209,830	25,580	235,410	48,570	258,400
New Dwelling Units	74,940	12,560	87,490	21,610	96,550
Population in New Units	-	32,300	-	55,590	-

Non-Residential	At 2024	Growth 2025 – 2034	At 2034	Growth 2025 – 2041	At 2041
Employment	71,240	15,920	87,160	26,370	97,610
New Non-Res Building Space (Square Metres)	-	1,243,550	-	2,088,600	-

Service Level Summary

Service	15-Year Average Service Level	Maximum Allowable Funding Envelope
Library	\$99.34 per capita	\$2.5 million
Ambulance	\$166.90 per capita and emp	\$6.9 million
Long-Term Care	\$444.96 per capita	\$18.5 million
Waste Diversion	\$92.24 per capita	\$2.4 million
Services Related to a Highway (with Land)	\$3,893.40 per capita and emp	\$291.7 million
Services Related to a Highway (without Land)	\$2,447.7 per capita and emp	\$183.4 million

Growth-Related Capital Program

- Future capital costs must be identified, and Council must express intent to undertake capital works
- Tie-in with approved capital budget and forecast, and master plans
- Shared capital funding responsibilities with Windsor
- DC eligible costs cannot include:
 - Grants, subsidies & contributions
 - Benefit to existing or replacement elements
 - “Post-period” benefit

Library Services

Total Capital Program	Grants/ Subsidies	Benefit-to- Existing/ Replacement	Reserves	Post-Period	Development- Related
\$1,510,740	\$0	\$0	\$0	\$0	\$1,510,740

Summary:

- New collection materials based on historical service levels
- County funding for area municipal facility expansion—none identified

Ambulance

Total Capital Program	Grants/ Subsidies	Benefit-to- Existing/ Replacement	Reserves	Post-Period	Development- Related
\$65,039,956	\$32,519,978	\$26,996,932	\$0	\$0	\$5,523,046

2025 – 2034 Capital Program Summary:

- Buildings, land, and furnishings for new Headquarters and 2 new Substations
- Personal paramedic equipment for new FTEs
- New vehicles to
 - Maintain the status quo (38% BTE)
 - To achieve 75% response rate (91% BTE)
- Studies (Master Plan update and Service Delivery Review)

Long Term Care

Total Capital Program	Grants/ Subsidies	Benefit-to-Existing/ Replacement	Reserves	Post-Period	Development-Related
\$6,719,775	\$0	\$2,680,586	\$0	\$0	\$4,039,189

2025 – 2034 Capital Program Summary:

- Construction cost of the Sun Parlor Home (SPH) rebuild
 - Land acquisition for SPH rebuild
 - New facility would have 214 beds (current is 206 beds)
 - Growth share based on 8 net new beds (at \$500,000 per bed)

Waste Diversion

Total Capital Program	Grants/ Subsidies	Benefit-to- Existing/ Replacement	Reserves	Post-Period	Development- Related
\$49,199,600	\$24,350,000	\$21,915,000	\$0	\$575,515	\$2,359,085

2025 – 2034 Capital Program Summary:

- Organic waste processing facility (90% BTE)
- Organic transfer station (90% BTE)
- Additional organic waste collection vehicles (0% BTE)

Development-Related Studies

Total Capital Program	Grants/ Subsidies	Benefit-to-Existing/ Replacement	Reserves	Post-Period	Development-Related
\$710,000	\$0	\$235,000	\$0	\$0	\$475,000

2025 – 2034 Capital Program Summary:

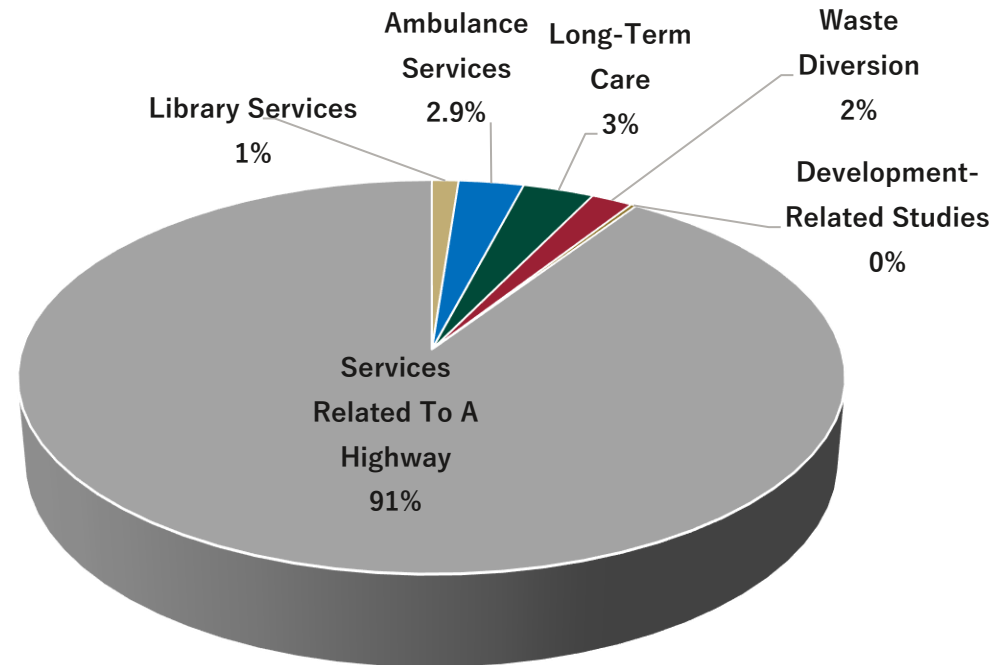
- Provision for DC studies
- Regional Employment Land Strategy
- Specialty Crop Study (50% BTE)
- Shoreline Communities Capital Resilience Plan (50% BTE)
- Essex Region Natural Heritage Systems Strategy Update (50% BTE)
- Regional Growth Projections
- Official Plan Review (50% BTE)

Services Related to a Highway

Service Component	Gross Cost	Grants, Subsidies, Recoveries	Net Cost	Benefit to Existing (\$)	Benefit to Existing (%)	Post-Period	Development-Related
Capacity Enhancing Projects - EAs	\$1,600,000	\$0	\$1,600,000	\$800,000	50%	\$0	\$800,000
Capacity Enhancing Projects - Property Acquisition	\$15,650,000	\$0	\$15,650,000	\$7,341,667	47%	\$0	\$8,308,333
Capacity Enhancing Projects - Detailed Design	\$52,280,000	\$0	\$52,280,000	\$25,823,333	49%	\$0	\$26,456,667
Capacity Enhancing Projects - Construction	\$529,500,000	\$0	\$529,500,000	\$258,416,667	49%	\$48,000,000	\$223,083,333
Intersection Improvements	\$41,200,000	\$0	\$41,200,000	\$20,716,667	50%	\$0	\$20,483,333
Active Transportation	\$74,823,833	\$21,140,552	\$53,683,281	\$41,325,782	77%	\$0	\$12,357,498
Public Works	\$0	\$0	\$0	\$0	0%	\$0	\$0
Total	\$715,053,333	\$21,140,552	\$693,913,281	\$354,424,116	51%	\$48,000,000	\$291,489,165

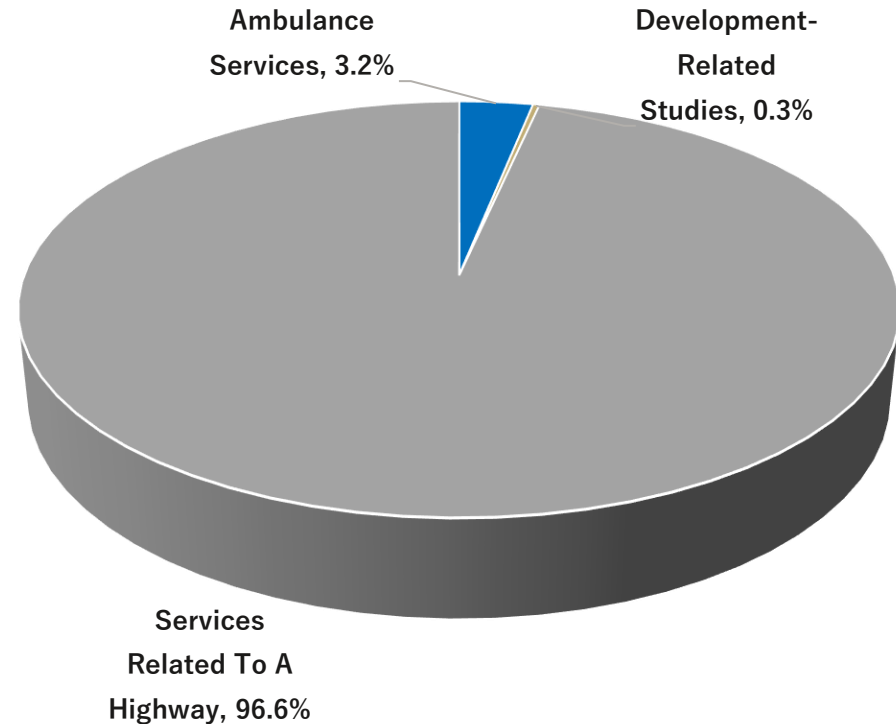
Draft Calculated County-Wide DCs Residential

Calculated DC Charge / Unit	
Singles and Semis	\$12,998
Rows and Other Multiples	\$7,871
Other Residential	\$6,917

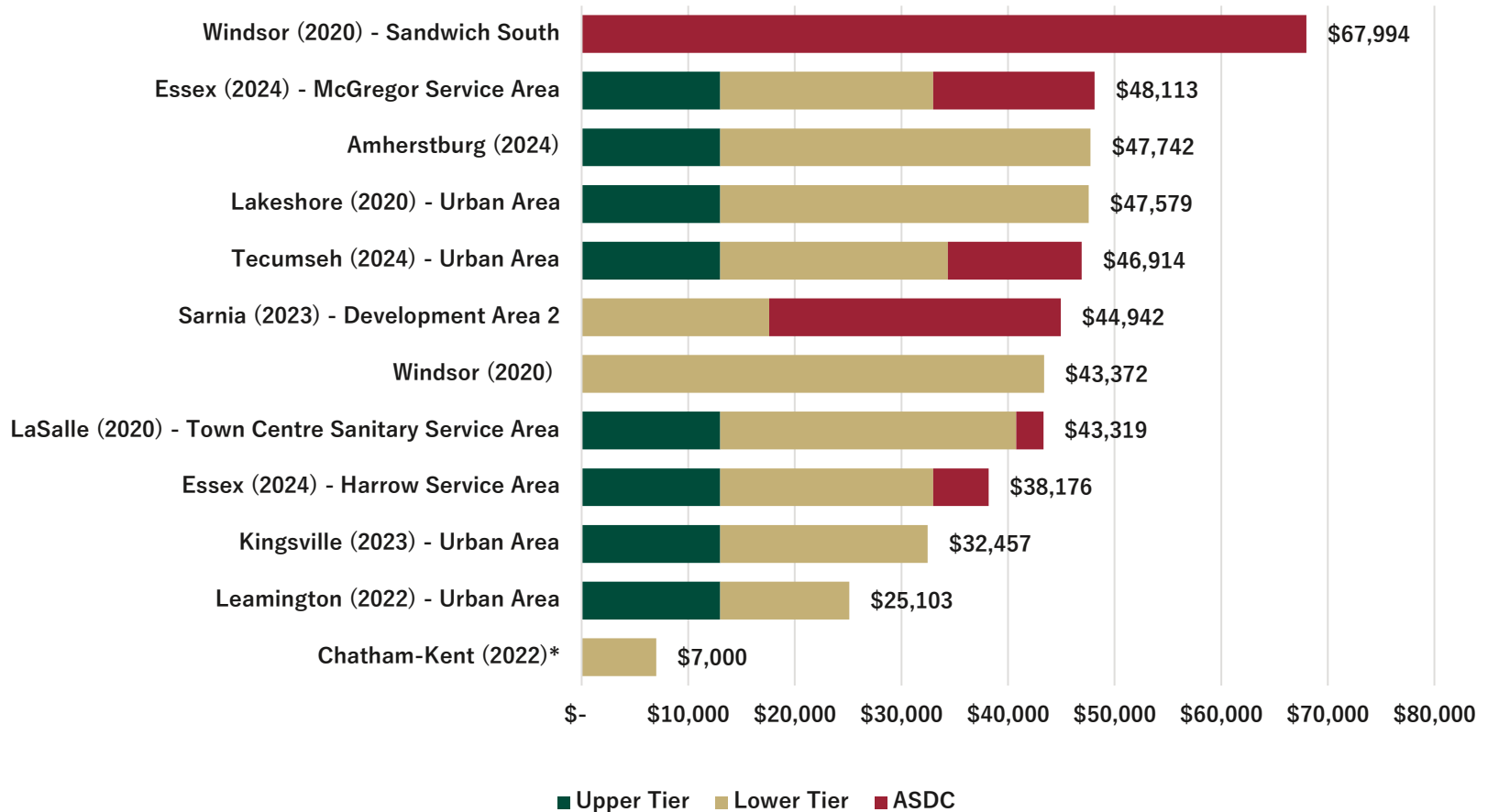


Draft Calculated County-Wide DCs Non-Residential

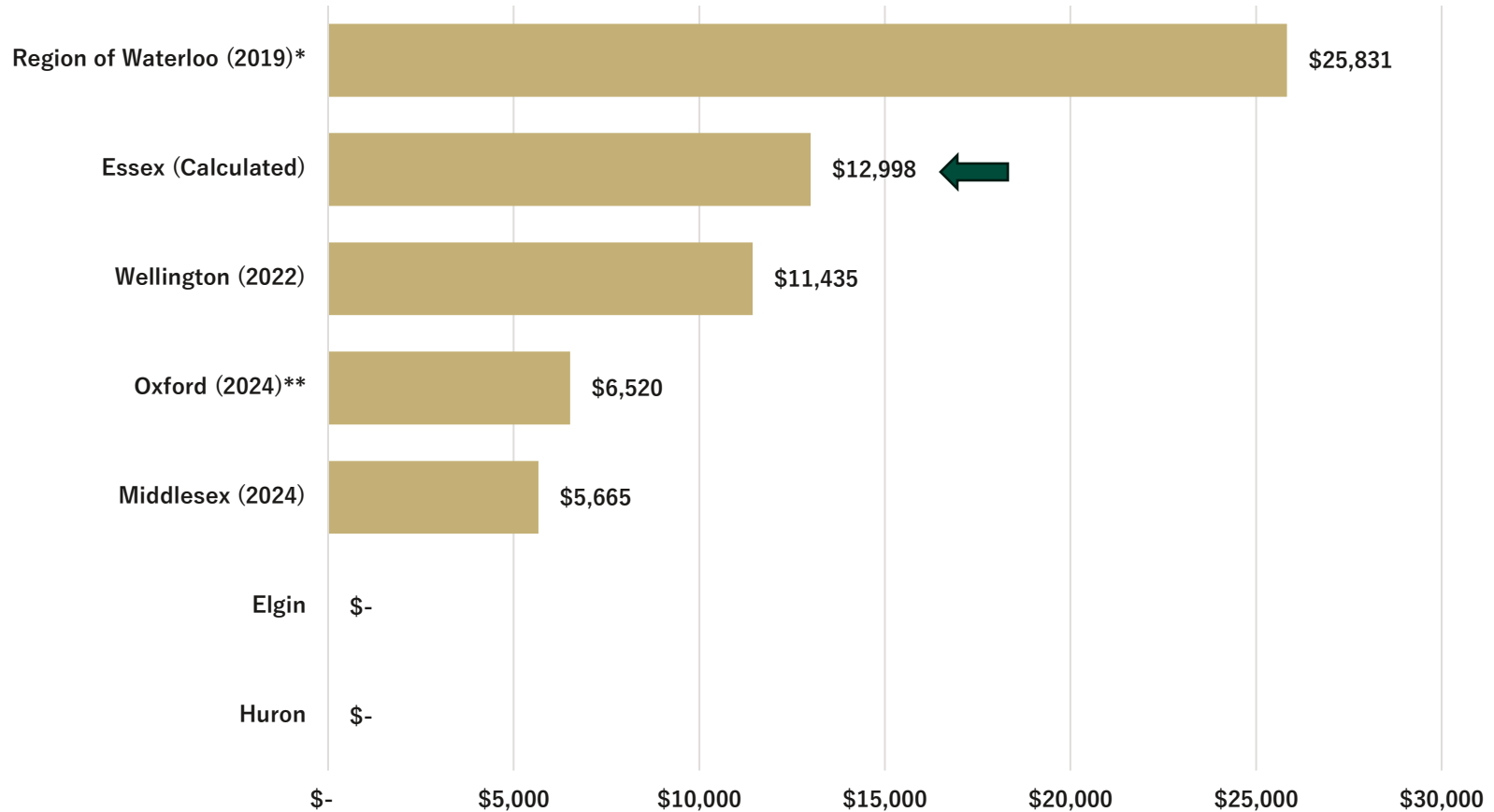
Calculated DC Charge / Sq. M.
\$46.50



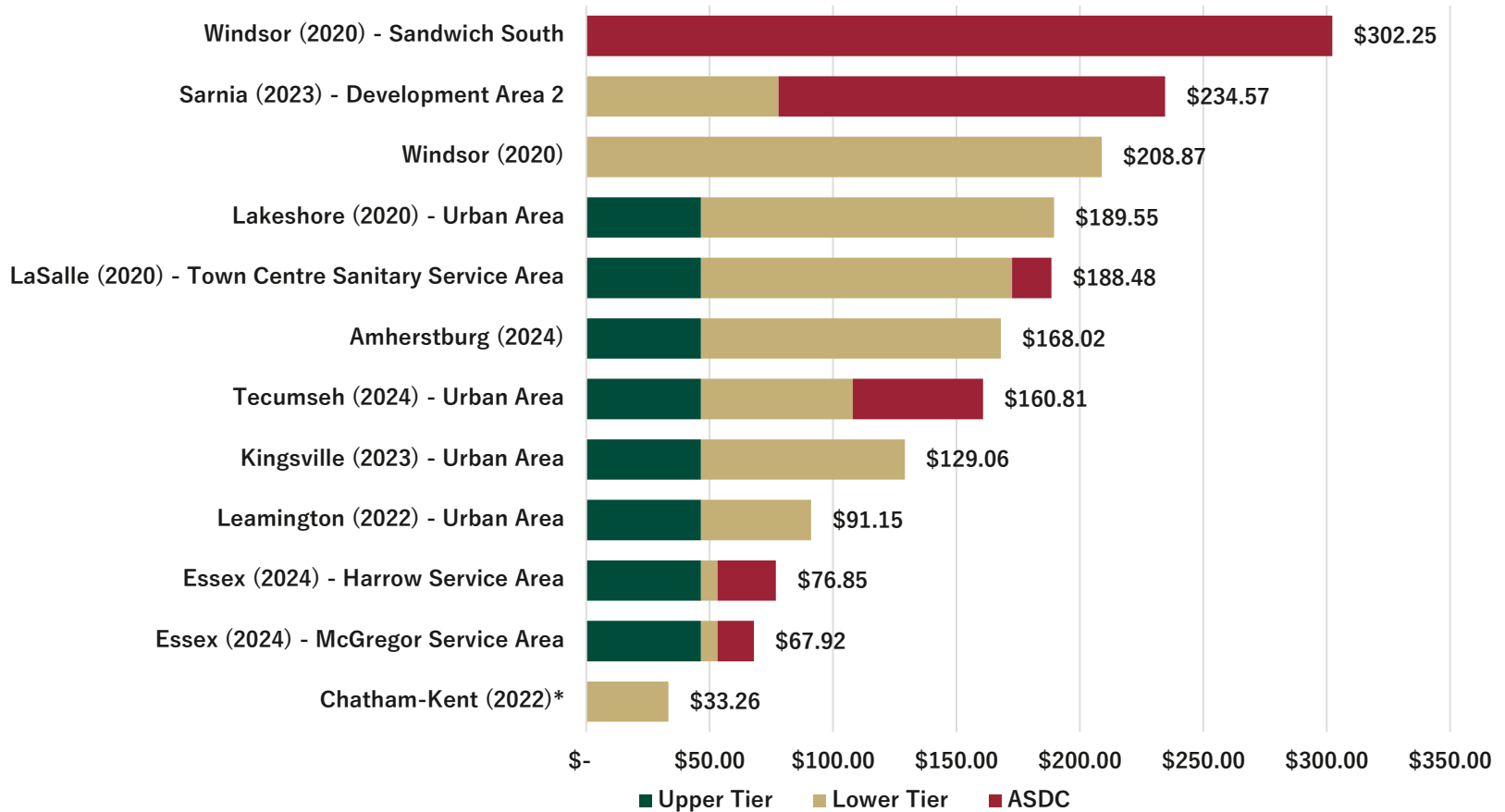
Municipal Residential Rate Comparison (Single Detached)



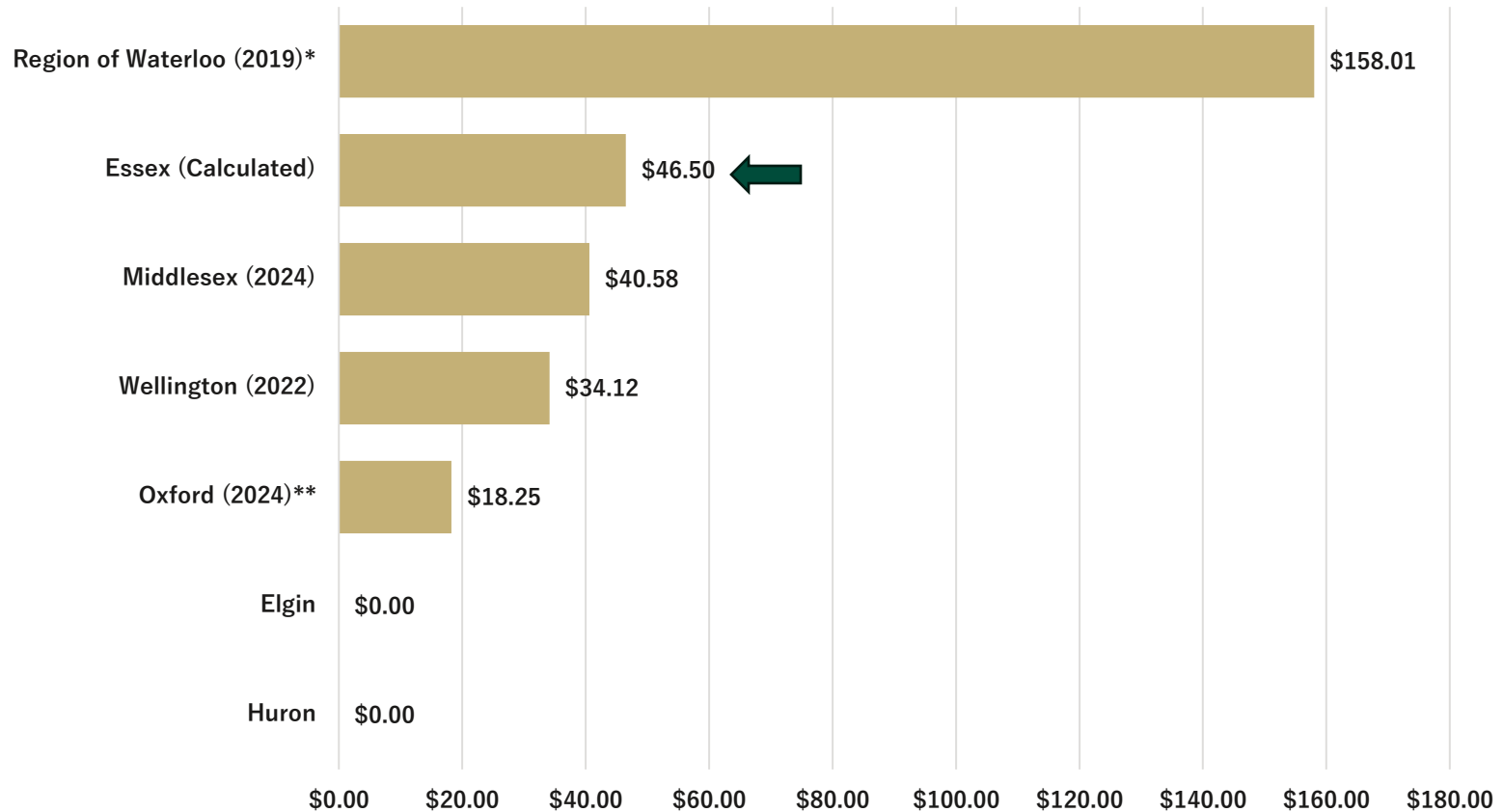
Upper-Tier Residential Rate Comparison (Single Detached)



Municipal Non-Residential Rate Comparison



Upper-Tier Non-Residential Rate Comparison



By-law Policy Considerations

- Statutory exemptions/discounts
 - Municipalities and local boards
 - Residential additions & secondary suites
 - Industrial enlargements
 - Replacement dwellings
 - Affordable housing
 - Non-profit housing
 - Rental housing discounts
- Non-statutory exemptions/discounts
- Implementation options
- Indexing



Key Steps in Passing a DC By-law

Task	Description	Anticipated Timing
Council Meeting	Present draft DC rates	April 2, 2025 (Today)
Release DC Background Study to Public	60-days prior to by-law passage (including on website)	April 15, 2025
Stakeholder Consultation	Engaging with stakeholders to review DC Study	April 30, 2025
Notice of Public Meeting	20-days notice	May 1, 2025
Release Draft DC By-law	Release the DC by-law to the public	May 6, 2025
Statutory Public Meeting	Receive submissions from public and Council Amend DCs and by-law if warranted Determine if additional Public Meeting is required	May 21, 2025
By-law Passage	Any changes brought forward for adoption	June 18, 2025 or later
Notice of By-law Passage	20-days after DC by-law passage	TBD
Appeal Period	40-days following DC by-law passage	TBD
DC Pamphlets	60-days after passage of DC by-law	TBD