



The Corporation of the Town of LaSalle

To: Mayor and Members of Council

Prepared by: Dale Langlois, Director of Finance & Treasurer

Department: Finance

Date of Report: February 28, 2020

Report Number: FIN-04-2020

Subject: Development Charges Background Study and Community Benefits Charge Strategy

Recommendation

That the report of the Director of Finance dated February 28, 2020 (FIN-04-2020) regarding the Development Charges Background Study and Community Benefits Charge Strategy BE RECEIVED; and that the consulting services for the Development Charges Background Study and By-law and the Community Benefits Charge Strategy and By-law BE AWARDED to Watson & Associates Economists Ltd.

Report

As Council may be aware, the 2015 By-law regarding the Land Development Charges (DC) for the Town of LaSalle is set to expire December 2020. Commencing January 1, 2021, significant changes in the Development Charges Act (D.C.A) will take effect as a result of Bill 108, More Homes, More Choice Act, 2019. In addition, a new Community Benefits Charge (CBC) is expected to take effect in 2021. As a result of these significant changes, an RFP was issued for consulting services to complete a new DC Background Study and By-law and to complete a new Community Benefits Charge strategy and By-law. A summary of the major changes related to Bill 108 and other Bills that have taken effect since the last DC background study can be found below.

Invitations for Request for Proposal (FIN-2020-01) were posted on the Bids & Tenders website for a Development Charge Background Study & By-law / Community Benefit Charge Strategy & By-law. Proposals were received on February 28, 2020 from 1 Consultant and the results are as follows:

- Watson & Associates Economists Ltd. - \$49,900 (plus taxes)

The proposal submitted by Watson & Associates met all of the conditions identified in the RFP document. Watson & Associates has a wealth of knowledge, experience and has completed numerous development charge background studies over the years, including many for various Municipalities in Essex County. Watson & Associates assisted in creating the Town of LaSalle's DC background study in 2004, which has been used as a template to create subsequent DC background studies ever since.

As part of their proposal, Watson & Associates have provided a timeline that is designed to provide the Town with a DC background study and draft DC by-law and CBC strategy and draft CBC by-law by October 2020. Final adoption of a DC by-law and CBC by-law will be targeted for December 2020 (in advance of the current DC By-law expiry).

It is recommended that the consulting services for the Development Charge Background Study & By-law / Community Benefit Charge Strategy & By-law be awarded to Watson & Associates Economists Ltd.

Legislative Changes that will impact Development Charges Study:

Bill 73 Smart Growth for Our Communities Act

- Two recent Local Planning Appeal Tribunal (LPAT), formerly the Ontario Municipal Board (O.M.B.) resulted in decisions regarding the calculation methodology. The methodology must utilize the net growth increment for the service standard analysis and the gross growth increment for the rate calculation.
- With the passage of bill 73, there are several items that must be addressed throughout the study process. These include the mandatory consideration of area-rating, an extended public process, the potential inclusion of new services (e.g. waste diversion), inclusion of an asset management plan, extensive requirements regarding the inclusion of transit services, and creating a well-defined local service policy.

Bill 108 More Homes, More Choice Act

- Changes to Eligible Services (not currently in force):
 - Soft services will be removed from the D.C.A and will be considered as part of a new Community Benefits Charge imposed under the *Planning Act* (i.e. parking, outdoor recreation, indoor recreation, library services, etc.).
- Payment in Installments (in force as of January 1, 2020):
 - For rental housing, as well as non-residential developments, the D.C. is to be paid in 6 equal annual installments;

- For non-profit housing, the D.C. is to be paid in 21 equal annual installments.
- When D.C. amount is determined (in force as of January 1, 2020):
 - Previously, D.C.s were calculated at the building permit stage. The changes now have D.C.s calculated on the date of the application for Site Plan or zoning amendment. For other types of development applications (e.g. subdivision) the D.C.s are still calculated at the time of building permit issuance.
- Community Benefits Charges (not currently in force):
 - Municipalities may, by by-law, impose CBCs against land to pay for the capital costs of facilities, services and matters required because of development or redevelopment in the area to which the by-law applies;
 - These services may not include services authorized by the D.C.A;
 - The amount of the CBC payable shall not exceed an amount equal to the prescribed percentage of the value of the land as of the valuation date;
 - The valuation date is the day before building permit issuance;
 - All money received by the municipality under a CBC by-law shall be paid into a special account;
 - Transitional provisions are set out regarding the D.C. reserve funds and D.C. credits.

Bill 138 Plan to Build Ontario Together Act

- Payments in installment (in force as of January 1, 2020):
 - Installment payments for industrial and commercial developments have been removed.

Consultations

None

Financial Implications

This project totaling \$49,900 will be funded from the Town's growth and non-growth development charges.

Prepared By:

A handwritten signature in black ink, appearing to read "Dale Langlois", written in a cursive style.

Director of Finance/Treasurer

Dale Langlois, CPA, CA

Link to Strategic Priorities

Yes	Expanding and diversifying our assessment base
	Effectively communicating the activities and interests of the Town
Yes	Managing our human and financial resources in a responsible manner
	Promoting and marketing LaSalle
	Promote a healthy and environmentally conscious community

Communications

Yes	Not applicable
	Website
	Social Media
	News Release
	Local Newspaper
	Bids & Tenders
	Notification pursuant to the Planning Act

Notifications

Name	Address	Email

Report Approval Details

Document Title:	FIN-04-2020 Development Charge Background Study and Community Benefit Charge Strategy.docx
Attachments:	
Final Approval Date:	Mar 2, 2020

This report and all of its attachments were approved and signed as outlined below:


Chief Administrative Officer

Joe Milicia