

DATE November 17, 2008

Please turn off or place on non-audible all cell phones, PDAs, Blackberrys and pagers during the meeting.

Public Meeting with respect to Proposed New Development Charges By-law

PRESENTATION

- Gary Scandlan of Watson & Associates
- Susan Aram, Deputy Treasurer

DELEGATIONS

(Councillor Beard)

"THAT persons desiring to address Council be permitted to do so at this time."
(limited to a maximum of five minutes)

- Mark Cowie and Leslie Marlowe on behalf of Industrial Equities Guelph Corporation
- Garry Fraser on behalf of Courtney's Alberta Co. Inc.
- Robert Mullin, Smith Valerioté
- Bill Luffman on behalf of Cooper Construction Limited
- Blake Mills on behalf of Colliers International, Southwest Ontario Office
- Marc Dexter on behalf of DTZ Barnicke International
- Michael Klein on behalf of DTZ Barnicke
- Representative of Belmont Equity (HCBP) Holdings Ltd.

Correspondence:

- Tom Krizsan, President, Guelph & Wellington Development Association
- Mark Godman, President, Guelph District Home Builders Association

Council Question Period

CONSENT AGENDA

a) Reports from Administrative Staff

Resolution to adopt the Consent Agenda

"THAT the November 17, 2008 Consent Agenda be adopted."

ADJOURNMENT

GWDA

November 4, 2008

Ms. Sue Aram, CGA
Deputy Treasurer
Financial Services
City of Guelph
59 Carden Street
Guelph, ON N1H 3A1

Dear Ms. Aram,

RE: City of Guelph Development Charge Background Study

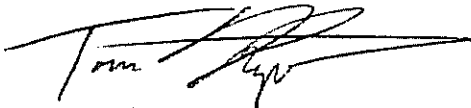
The Guelph & Wellington Development Association received the Background Study on October 30, 2008. Our members were alarmed to note that development charges are proposed to more than double given the current economic climate.

We are in the process of retaining experts to peer review the contents of the Background Study. In the past we have been able to work with the staff in the Financial Services Department to avoid an appeal of the development charge by-law. We would like to work with the City again to resolve our issues with the proposed development charge by-law.

We are respectfully requesting that Council not approve the Development Charge By-law on December 9, 2008 as is now scheduled. The existing Development Charge by-law does not expire until March 2009 and we would like to use the time in the interim to work through our issues with the City

I thank you for your co-operation and look forward to your reply.

Sincerely,



Tom Krizsan
President

c.c.: Mayor Karen Farbridge &
Members of Council



November 6, 2008

Ms. Sue Aram, CGA
Deputy Treasurer
Financial Services
City of Guelph
59 Carden Street
Guelph, ON N1H 3A1

Dear Ms. Aram,

RE: City of Guelph Development Charge Background Study

The Guelph & District Homebuilders Association received the background study on October 30, 2008. We understand the need to update the Development Charge Study and by-law but were obviously alarmed by the size of the development charge increase to homes, as well as, industrial and commercial projects. This will undoubtedly affect home affordability, as well as, impact homebuilders, trade contractors, suppliers, consultants and all staff at these firms at a time of economic instability.

We have been in contact with consultants to peer review the contents of the background study but as the document and sheer volume of information it represents is very large we would like more time to review the study and by-law. As the existing Development Charge by-law does not expire until March 2009 and as the size of increase and the impact the new by-law will have on all development and construction in Guelph, we are requesting that Council not approve the Development Charge By-law schedule on December 9, 2008.

Our association would very much like to work with city staff to resolve some of our concerns with the proposed by-law in order to lessen the impact it will have on many.

I thank you for your consideration.

Sincerely,

Mark Godman
President

c.c.: Mayor Karen Farbridge &
Members of Council

City of Guelph

City Council
Development Charge Public Meeting
November 17, 2008

Watson & Associates Economists Ltd.



1

Presentation Overview

- ✓ Study Process to date
- ✓ Overview of Development Charges Act
- ✓ Review of Discretionary Exemptions
- ✓ Review of Definitions
- ✓ Review of proposed DC calculations
- ✓ Comparison of DC charges for Municipalities



2

Study Process

- ✓ Fiscal Impact Review (December 11, 2007)
- ✓ Growth forecast (December, 2007 – June, 2008)
- ✓ Policy Review and discussions with Staff /Steering Committee (April, 2007 – October, 2008)
- ✓ Council Workshops (October 16, 2008)
- ✓ Policy Review and discussions with Advisory Committee (August, 2008 – November, 2008)
- ✓ Background Report (Release October 29, 2008)
- ✓ Public Meeting (November 17, 2008)
- Staff Report and updated draft by-law (December 22, 2008)
- Council consider By-law for adoption (January 26, 2008)



3

Overview of DC Function

- To recover growth related capital costs
- A by-law is valid for 5 years (maximum), however the planning horizon is based on 10 year for "soft" services and to buildout (175,000 people) for road, fire, police, water, wastewater and storm
- Capital cost normally identified within the capital budget, master plans, special studies, etc.
- Review entire needs/growth forecast at least every 5 years (can be sooner)



4

Overview of DCA (simplified steps)

1. Identify amount, type and location of growth
2. Identify servicing needs to accommodate growth
3. Identify capital costs to provide services to meet the needs

Overview of DCA (simplified steps)

4. Deduct:
 - Grants, subsidies and other contributions
 - Benefit to existing development
 - Statutory 10% deduction (soft services)
 - Amounts in excess of 10 year historic service calculation
 - DC Reserve funds (where applicable)
5. Net costs then allocated between residential and non-residential benefit
6. Net costs divided by growth to provide the DC charge

Overview of DCA Policy Matters

Exemptions:

- Mandatory exemptions
 - for industrial building expansions (may expand by 50% with no DC)
 - May add up to 2 apartments for a single as long as size of home doesn't double
 - Add one additional unit in medium & high density buildings

Overview of DCA Policy Matters

Exemptions:

- Discretionary exemptions
 - Reduce in part or whole DC for types of development or classes of development (e.g industrial or churches)
 - May phase-in over time
 - Redevelopment credits to recognize what is being replaced on site (not specific in the Act but provided by case law)

Overview of DCA Other Types of Policies

Vary charge(s) by:

- type of development (commercial, industrial, agriculture, etc.)
- Location (area charges or exemptions)
- Economic issues (phase in charge or exemptions/reductions for affordable housing, adult life style, etc.)
- Redevelopment areas (special charges, exemptions, credits)

9

Implementation of Policies

Two Approaches:

1. Policies which redistribute costs within a class of development must be supported by data – data allows distribution by area, class of development, type of development, etc.
2. General Uniform Approach – use exemptions or reductions to implement policy (lost revenue funded by other sources) - could also consider “grant” programs to target specific policy targets

10

Evaluating DC Policies

- Need to review policies to assess ones which may be affected by DC
- Need to develop realistic assumptions as to the impact of the reduction/exemption
- Need to be clear as to what policy could achieve (would development have happened anyway)
- Need to be able to define the data in some manner in order to undertake calculation
- Potential financial impact of policies

11

Existing Exemptions/Reductions

- Places of Worship, churchyards & Cemeteries
- Non-residential farm buildings
- Hospitals
- University of Guelph lands if they are used for university related uses
- Downtown Area/ Older Built up Area (13% reductions)
- Industrial DC reduced by not collecting on some services

17

Potential DC Policies Under Consideration

13



Staff Report Regarding DC Policies

- Staff Report included in tonight's agenda provides for a number of policies under consideration
- These policies include:
 1. Downtown Area Boundary/Older Built Up Area (e.g. 13% reduction)
 2. Brownfield Redevelopment Exemption
 3. Affordable Housing Exemption
 4. Heritage Retention Exemption

14



Staff Report Regarding DC Policies

5. Transit Supportive Reduction
6. Community Energy Program
7. Policy to Promote Efficient Land Use
8. Mixed Use Charge Reduction
9. Separate Commercial/Institutional and Industrial Charge
10. Phase In Industrial Charge
11. Research and Development Reduction

Social Housing is currently being considered as a DC funded service

15



Grants Vs. By-laws

Grants

- Flexible to changing circumstances
- Can vary funding level to given situations
- Can evaluate requests within strategic goals / objectives
- Can apply performance measures
- Transparent / Accountable to public
- Criteria will be defined by policy

DC By-law

- Not flexible enough to respond to all potential circumstances
- Amount of benefit is predetermined and may not be appropriate for a given development
- Limited control over aggregated cost of exemptions
- Any change to the DC By-law require opening up the entire by-law, formal public meetings, background studies, etc.
- Defined by built form therefore limited ability to target specific agencies or groups

16



DC Calculations
(Updated as per November 13, 2008
Background Study Addendum)

Capital Cost Changes

- There have been changes to the cost of servicing since the 2004 DC that have had a significant impact on the charge, specifically:
 - Water and Wastewater Master plans recently completed
 - The cost of water supply and wastewater treatment facilities
 - The cost of infrastructure replacement/expansion to support the Intensification goals of Places to Grow

Proposed DC - Residential

SERVICE	RESIDENTIAL			
	Single-Detached Dwelling & Semi-Detached Dwelling	Apartments 2 Bedrooms +	Apartments 1 Bedroom	Multiple Dwellings
10 year services:				
Taxes	803	363	253	454
Municipal parking spaces	537	325	224	418
Parks	2,105	1,248	883	1,544
Recreation	1,870	1,025	701	1,256
Library Services	403	241	168	300
Administration	182	118	81	143
Provincial Offences Act	14	8	8	11
Ambulance	17	10	7	13
10 year services:	5,937	3,341	2,332	4,158
24 year Services:				
Roads and Related	2,944	1,734	1,248	2,225
Stormwater Drainage and Control Services	282	170	116	212
Wastewater Services	5,746	4,060	2,832	5,080
Water Services	8,137	4,888	3,476	6,123
Fire Protection Services	348	190	134	247
Police Services	218	128	92	167
24 year Services:	19,839	11,213	7,970	14,672
GRAND TOTAL	24,187	14,554	10,302	18,830

Proposed Residential DC Compared to Current Rate

SERVICE	RESIDENTIAL		
	Current (Old City)	Current (Heat of City)	Proposed as per Background Report
10 year services:			
Taxes	418	477	803
Municipal parking spaces	263	303	537
Parks	1,450	1,873	2,105
Recreation	1,474	1,899	1,870
Library Services	304	348	403
Administration	38	44	182
Provincial Offences Act	8	8	14
Ambulance	7	9	17
10 year services:	3,889	4,849	5,937
24 year Services:			
Roads and Related	3,072	3,529	3,944
Stormwater Drainage and Control Services	111	129	282
Wastewater Services	1,878	2,832	5,746
Water Services	1,023	1,503	8,137
Fire Protection Services	163	170	348
Police Services	233	258	218
24 year Services:	6,240	7,173	19,839
GRAND TOTAL	10,129	12,022	24,187

Proposed DC - Non-Residential

Service	Cost per Sq. Metre		
	Non-Residential Uniform Charge	Commercial/ Institutional	Industrial
10 year services:			
Transit	3.57	4.72	2.51
Municipal parking spaces	2.35	4.33	2.35
Parks	1.10	1.54	0.82
Recreation	0.89	1.23	0.65
Library Services	0.23	0.28	0.15
Administration	1.08	1.08	1.08
Provisional Offences Act	0.11	0.11	0.07
Ambulance	0.11	0.13	0.07
10 year services:	10.23	13.44	7.93
24 year Services:			
Roads and Related	17.22	23.15	12.33
Stormwater Drainage and Control Services	1.81	2.20	1.17
Wastewater Services	39.20	41.23	37.68
Water Services	47.38	49.76	45.45
Fire Protection Services	1.42	1.42	1.42
Cable Services	1.59	1.59	1.59
24 year Services:	104.43	119.33	99.65
GRAND TOTAL	114.66	132.77	107.58

21



Proposed Commercial DC Compared to Current Rate

Service	Current (Commercial) per sq. m.	Calculated (Commercial) per sq. m.
Soft Services:		
Transit	3.28	4.72
Municipal parking spaces	-	4.36
Parks	1.87	1.54
Recreation	1.87	1.23
Library Services	0.32	0.28
Administration	0.70	1.06
Provisional Offences Act	-	0.11
Social Services	-	-
Ambulance	-	0.13
Total Soft Services	6.94	13.44
Hard Services:		
Roads and Related	30.61	23.15
Stormwater Drainage and Control	-	2.20
Wastewater Services	23.33	41.23
Water Services	12.84	49.76
Fire Protection Services	0.83	1.42
Cable Services	1.57	1.59
Total Hard Services	70.94	119.33
Grand Total -	77.88	132.77

22



Proposed Industrial DC Compared to Current Rate

Service	Current (Industrial) per sq. m.	Calculated (Industrial) per sq. m.
Soft Services:		
Transit	2.28	2.51
Municipal parking spaces	-	2.35
Parks	-	0.82
Recreation	-	0.65
Library Services	-	0.15
Administration	0.89	1.08
Provisional Offences Act	-	0.06
Social Services	-	-
Ambulance	-	0.07
Total Soft Services	2.95	7.66
Hard Services:		
Roads and Related	13.62	12.33
Stormwater Drainage and Control	-	1.17
Wastewater Services	16.85	37.68
Water Services	10.07	45.45
Fire Protection Services	0.83	1.42
Cable Services	-	1.53
Total Hard Services	41.37	99.65
Grand Total -	44.32	107.31

23

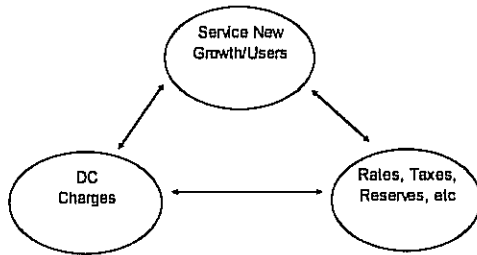


Council's Consideration of the Charges and Other Policy Matters

24



Relationship Between Needs to Service Growth vs. Funding



25

Watson
Engineering & Construction

Policy Considerations

- The background study, as submitted, provides for the calculated DC charges along with minimal reductions and exemptions pending input from the community and further discussions with staff
- Policy considerations could include reductions/ or exemptions for certain forms of development, phase-in of the charges, etc.

26

Watson
Engineering & Construction

Potential Revenue Shortfall

- Discretionary Exemptions and reductions are in addition to revenue losses due to mandatory exemptions and reductions imposed by the Act
- These policies are at the discretion of Council and are meant to assist in achieving certain goals of the municipality
- Discretionary Exemptions reduce the capital costs recovery for projects and ultimately have an increased impact on property taxes and water/wastewater rates
- Potential impacts of various exemptions/reductions are provided within the staff report

27

Watson
Engineering & Construction

Policy Matters - Council Direction

- No decision on policy matters is being required from Council tonight.
- Further discussion is expected during December with a by-law being available for Council's consideration in January 2009

28

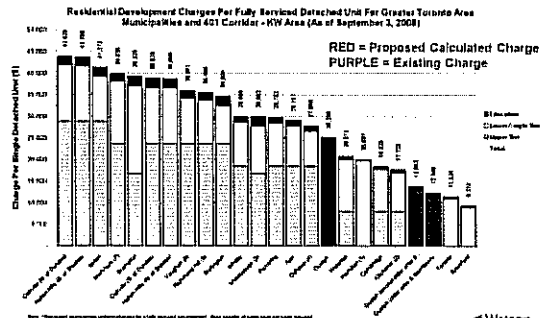
Watson
Engineering & Construction

Proposed DC Compared to Other Municipalities

19



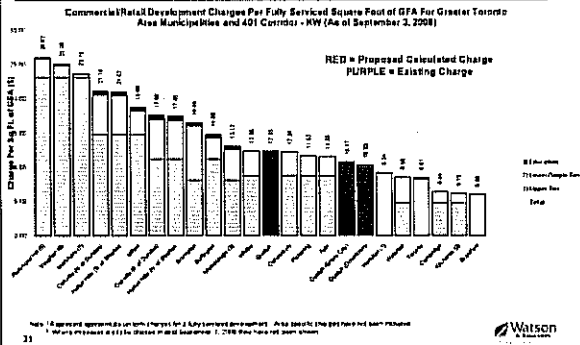
Comparable Residential DC Charge



20



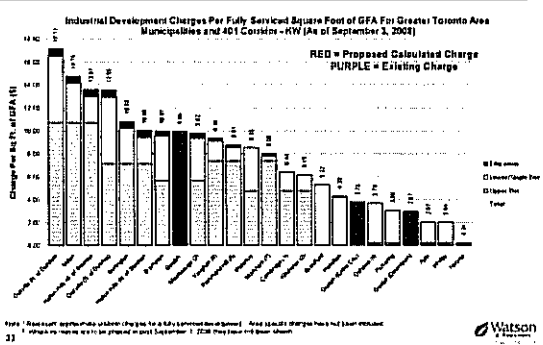
Comparable Retail/Commercial DC Charge



21



Comparable Industrial DC Charge



22



Note Municipalities DC Timing

Municipality	By-Law Updated?	
	Lower Tier	Upper Tier
Delvada (N. of Dundas)	No	2008
Haltim Hills (S. of Steeles)	No	2008
Milton	No	2008
Markham	No	2007
Brampton	No	2007
Delvada (E. of Dundas)	No	2008
Haltim Hills (N. of Steeles)	No	2008
Vaughan	No	2007
Richmond Hill	No	2007
Burlington	No	2008
Whitby	2008	2008
Mississauga	2008	2007
Pickering	No	2008
Ajax	No	2008
Richmond Hill	No	2008
Durham	No	n/a
Waterloo	2007	2004
Hamilton	No	n/a
Cambridge	No	2004
Kitchener	No	2004
Toronto	No	n/a
Brantford	No	n/a

33

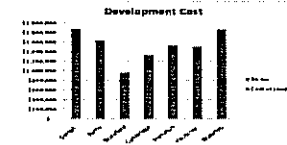
Watson & Associates

Land and DC Costs (for a 4,645 m² / 50,000 sq. ft. Industrial Building)

Lower Tier	Per Acre	Per Hectare	Per 2 Hectares
Delvada	\$ 283,000	\$ 691,000	\$ 1,381,700
Markham	\$ 282,000	\$ 690,000	\$ 1,379,700
Richmond Hill	\$ 282,000	\$ 690,000	\$ 1,379,700
Whitby	\$ 278,000	\$ 685,000	\$ 1,370,000
Mississauga	\$ 278,000	\$ 685,000	\$ 1,370,000
Waterloo	\$ 278,000	\$ 685,000	\$ 1,370,000
Hamilton	\$ 278,000	\$ 685,000	\$ 1,370,000
Brantford	\$ 278,000	\$ 685,000	\$ 1,370,000

Costs of Land Plus DC Costs	Cost of Land (\$/hectare)	DC Fee (\$/sq. m ²)	Total Cost
Delvada	\$ 283,000	\$ 14.50	\$ 4,138,250
Markham	\$ 282,000	\$ 14.50	\$ 4,136,250
Richmond Hill	\$ 282,000	\$ 14.50	\$ 4,136,250
Whitby	\$ 278,000	\$ 14.50	\$ 4,126,250
Mississauga	\$ 278,000	\$ 14.50	\$ 4,126,250
Waterloo	\$ 278,000	\$ 14.50	\$ 4,126,250
Hamilton	\$ 278,000	\$ 14.50	\$ 4,126,250
Brantford	\$ 278,000	\$ 14.50	\$ 4,126,250

Note: Based on a 4,645 m² (50,000 sq. ft.) industrial building.



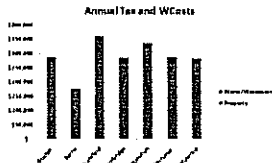
34

Watson & Associates

Property Taxes and W/WW Rates (Industrial Building with \$5 million Assessment Value)

	Annual Taxes and Water/Wastewater Charges		
	Property Taxes	Water/Wastewater Rate Charges	Total Annual Costs
Delvada	\$ 268,570	\$ 18,415.40	\$ 286,985
Markham	\$ 183,260	\$ 10,741.80	\$ 194,002
Brantford	\$ 244,100	\$ 17,199.40	\$ 261,299
Cambridge	\$ 268,815	\$ 17,862.49	\$ 286,677
Hamilton	\$ 317,530	\$ 18,853.18	\$ 336,383
Kitchener	\$ 285,205	\$ 21,747.28	\$ 306,952
Waterloo	\$ 242,875	\$ 19,666.80	\$ 262,542

Note: Assesses annual value and wastewater volume being for 5,100 m³.



35

Watson & Associates

Next Steps

- Consider the Comments of the Public
- Review the Staff report provide for this evenings meeting
- Staff Steering Committee's Final Recommendation Report to Council- December 22, 2008
- Consideration and adoption of the DC By-law – January 26, 2009
- Fiscal Impact Review after adoption of DC By-law

36

Watson & Associates

Questions?

Thank you.

COUNCIL REPORT



TO **Guelph City Council**

SERVICE AREA Finance Department
DATE November 17, 2008

SUBJECT 2008 Development Charges Background Study
REPORT NUMBER FIN 08-32

RECOMMENDATION

THAT the Report FIN 08-32 dated November 17, 2008 regarding the City of Guelph's 2008 Development Charges Study be received.

THAT an administrative report be prepared for the December 22, 2008 Council meeting that includes Staff Steering Committee recommendations for the Development Charges By-law, additional input from the public and Advisory Committee as available and any additional information requested by Council at the November 17th Public Meeting. Final adoption of the Background Study and approval of the Development Charges By-law would then take place at the scheduled January 26, 2009 Council meeting.

PURPOSE OF THIS REPORT

The purpose of this report is to seek direction and input from Council for the final adoption and approval of the 2008 Development Charges Background study and by-law. As well to provide Council with a summary of the Development Charges process to date, the written feedback received from members of the Advisory Committee, information with respect to the methodology and policies currently being considered by the Staff Steering Committee for final recommendation, and a timeline for the final adoption of the Background Study and passage of the Development Charges By-law.

Input from the public and Development Charges Advisory Committee indicates that additional time is required to review the considerable information included in the Development Charges Background Study and meet with respective stakeholder groups in order to provide additional feedback for Council consideration. As well, members of the Advisory group have indicated that they desire the opportunity for additional meetings with staff that can be accommodated in the coming weeks. In order to ensure a

transparent process and consistent information sharing, all requests for information by stakeholder groups should flow through the Advisory Committee. A delay in the proposed timeline will also allow Council additional time for consideration of public input, review of staff recommendations and any additional information requested.

Therefore, the Staff Steering Committee is suggesting that the previously scheduled meeting on December 9, 2008 to adopt the Development Charges Background Study and approve the by-law be delayed to January 26, 2009.

Appendix 1 contains amended pages from the DC Background Study provided to the public on October 29, 2008. These amendments form part of the Development Charges Background Study to serve as the foundation for approval of the 2008 Development Charges By-law.

PURPOSE OF PUBLIC MEETING (November 17, 2008)

- 1) To present the study to the public and to solicit public input
- 2) To solicit feedback and direction from Council
- 3) To answer any questions regarding the study's purpose, methodology, and the proposed modifications to the City's Development Charges
- 4) To meet statutory requirements under Section 12 of the Development Charges Act, 1997
- 5) To provide the timeline for final approval of the Development Charges by-law.

If the proposed by-law is revised following the Public Meeting of Council, Council must determine whether an additional public meeting is required.

BACKGROUND

Development Charges provide for the recovery of growth-related capital expenditures from development. The Development Charges Act, 1997 is the statutory basis to recover these charges and provides the methodology for the preparation of the Development Charges Background Study. This Development Charges Background Study contains the proposed Development Charges By-law, development charge calculations and recommended policies for the City of Guelph.

Simplified Methodology required by the Development Charges Act, 1997

- 1) Identify amount, type and location of growth
- 2) Identify servicing needs to accommodate growth
- 3) Identify capital costs to provide services to meet the needs of growth
- 4) Deduct:

-
- Grants, subsidies and other contributions
 - Benefit to existing development
 - Statutory 10% deductions (soft services)
 - Amounts in excess of 10 year historic service calculation
 - DC reserve funds (where applicable)
- 5) Net costs then allocated between residential and non-residential benefit
 - 6) Net costs divided by growth to provide the DC charge

Key Development Charge Process Dates:

- 1) 2007-2008 – collection and compilation of data necessary to calculate development charges
- 2) August 2007 – Council workshop on the Development Charge Process
- 3) December 2007 – Council presentation of an overview of the financial implications of growth
- 4) August – November 2008 – 5 meetings of the Staff Steering Committee
- 5) August – November 2008 – 4 meetings of the Advisory Committee
- 6) October 16, 2008 – Council Development Charges Workshop
- 7) October 23, 2008 – Notice of Public Meeting of Council
- 8) October 29, 2008 – Background Study and proposed by-law made available to public on City Website
- 9) November 17, 2008 – Public Meeting required under section 12 of the Development Charges Act, 1997

Subsequent to public meeting – Council considers adoption of Background Study and passage of by-law (Previously set at December 9th, 2008 but to be delayed until January 26, 2009)

Development Charge Committees

In July 2008, Council approved the establishment of a Development Charge Staff Steering Committee and Development Charge Advisory Committee.

Development Charge Staff Steering Committee Members:

- 1) Community Design and Development Services – Jim Riddell
- 2) Economic Development and Tourism Services – Peter Cartwright
- 3) Environmental Services – Janet Laird
- 4) Corporate Services – Lois Payne
- 5) Finance – Margaret Neubauer
- 6) Consultant Team – Gary Scandlan

The Development Charges Staff Steering Committee's mandate is to make final recommendations to Guelph City Council on the methodology to be

used for calculating and collecting development charges and the policies for the implementation and administration of the development charges by-law.

Development Charge Advisory Committee:

- 1) Guelph Homebuilders Association – Astrid Clos
- 2) Guelph Wellington Development Association – Alfred Artinger
- 3) Guelph Chamber of Commerce – Lloyd Longfield
- 4) Downtown Guelph Business Association – Mark Rodford
- 5) Friends of Guelph – Ken Hammill
- 6) Guelph Civic League – Julia Grady
- 7) Wellington & Guelph Housing Authority – Sheila Cranmer-Byng
- 8) Citizens at large – Doug Reddick, Eric Meliton

City Staff and Consultant Team act as a resource for Advisory Committee process.

The Development Charges Advisory Committee is to serve in an advisory capacity. Committee meetings are to provide a forum for discussion in the spirit of co-operation. The intent of the group is to review development charge proposals, provide input, and bring issues or concerns to the fore during the study process. Discussions included the financial impact of development charge reductions or exemptions.

Membership of the Development Charges Advisory Committee was intended to represent a cross section of public opinion. Identified stakeholder groups were invited to nominate members and citizens at large were appointed by Council members through an application and interview process. Given the varying perspectives of the different stakeholder groups involved and the different degree of knowledge of the Development Charges Process, it was not the intended outcome of this committee to reach a group consensus or group recommendation. However, in general, this report has addressed the input received.

Written feedback was requested by staff and the feedback received to date from members of the Development Charges Advisory Committee has been included in Appendix 2.

Expiration of the Current Development Charges By-law

The City's present By-law 2004-17361 was passed March 1, 2004 and came into force on March 2, 2004 and will expire on March 2, 2009. If a new by-law is not in place prior to this date, the City cannot collect development charges on any development in the City from that date until a new by-law is passed.

REPORT

Methodology Considerations

In order to determine the development charge that may be imposed, it is a requirement of Section 3.5 (1) of the Development Charges Act, 1997 that “the anticipated amount, type and location of development, for which development charges can be imposed, must be estimated.” The growth forecast used in the Development Charges Background Study is based on the City of Guelph’s Local Growth Management Study (LGMS) approved in June of 2008.

The Local Growth Management Strategy indicates that the City of Guelph should plan for:

- a population target of 169,000 people to the year 2031 (equivalent to a Places to Grow population of 175,000) in response to the Provincial Growth Plan and a long term average annual population growth of 1.5%
- employment growth to provide approximately 31,000 additional jobs over the next 25 years
- residential intensification in the Downtown “Urban Growth Centre” and identified nodes and corridors
- higher residential density and mixed-use development within “Greenfield” areas of the City based on the implementation of the Community Energy Plan
- provision of affordable housing based on implementation of the Affordable Housing Strategy
- accommodating this growth on lands contained within the existing corporate boundaries of the City of Guelph

This population figure sets the basis for future residential and employment growth and is the basis for determining the necessary hard and soft services to support that growth. The Staff Steering Committee has also considered the LGMS when reviewing Development Charge policy matters.

Water and Wastewater Services

The water and wastewater capital servicing costs have increased significantly since the 2004 Development Charges study. The higher costs are a result of the infrastructure expansion needs to meet the forecasted new development of the LGMS along with increased costs associated with legislative requirements in these service areas such as the Clean Water Act and Groundwater Protection Policy. Guelph City Council has recently approved a Water Supply Master Plan, Water/Wastewater Servicing Master plan and

endorsed the initiation of a Wastewater Treatment Master Plan. Information from these master plans has been used as the foundation for staff to identify servicing needs to accommodate growth and the capital costs to provide services to meet these needs. Approval and endorsement of these Master plans indicates that Guelph City Council intends to ensure that such an increase in service will be met.

The following table is taken from the Water and Wastewater Servicing Master plan Report #08-79 approved in July 2008 and serves as an example of the significant increase in costs affecting the Development Charge rates in the Water and Wastewater Service Areas. The master plan identified the growth and non-growth splits to be used for the Development Charge calculations.

WWSMP Recommended Growth Costs Compared to Current 10 year Capital Budget Forecast

Infrastructure	Total 2009-2018 Budget Forecast	Proposed New Projects Identified in WWSMP	Total Proposed Implementation cost	%Increase
Waterworks	\$88,920,000	\$30,179,000	\$119,099,000	34%
Wastewater	\$70,652,000	\$38,303,000	\$108,955,000	54%

Policy Considerations

Discretionary exemptions and reductions are in addition to those revenue losses due to mandatory exemptions and reductions imposed by the Act. These exemptions are at the discretion of Council and are meant to assist in achieving certain goals of the municipality.

Discretionary exemptions reduce the capital cost recovery from development charges and this funding will then be paid from user fees or tax rates.

Evaluation Process:

- Develop realistic assumptions as to the impact of the exemption or reduction.
- Clarify what the policy could achieve – could incentive programs achieve more?
- Define the data in some manner in order to undertake calculation
- Identify the potential financial impact of policies

Incentive Programs	DC By-Law
Flexible to changing circumstances	Not flexible enough to respond to all potential circumstances
Can vary funding level to given situation	Amount of benefit is predetermined and may not be appropriate for given

	development
Can evaluate requests within strategic goals/objectives	Limited control over aggregated cost of exemptions
Can apply performance measurements	Any change to the DC By-law requires a formal process under the Act including a statutory public meeting
Transparent & accountable to public – criteria defined by policy	Defined by built form therefore limited ability to target specific agencies, programs or groups

The Staff Steering Committee has evaluated existing and previously considered policies and reductions as follows and with regard to the amount, type and location of growth embodied in Strategic Plan, Local Growth Management Strategy and Community Energy Program.

Use of City Investment/Incentive Programs:

1. Downtown Area/Older Built Up Area:
 - In order to meet the growth forecast identified in the Local Growth Management Strategy it is expected that significant residential growth will have to occur in the urban core
 - Previous exemptions and area reductions have had little demonstrable impact on increased residential growth in this area.
 - Previously Council has approved a 13% development charge reduction for the downtown area. The potential revenue from development charges over the next five years of forecasted growth in the downtown area for residential and non-residential is approximately \$12.5 million. Therefore, a 13% reduction could result in a revenue loss of a \$1.6 million.
 - In lieu of providing development charge exemptions, staff are currently developing a Downtown Community Improvement Plan (CIP) (target date January 2009) and it is anticipated the plan will include incentives for development meeting identified criteria. Examples under consideration are:
 - % affordable housing
 - Level of LEEDS certification achieved
 - Compliance with Community Energy Program (CEP)
 - % of units that are live/work
 - Funding of \$500,000 is included in the proposed 2009-2011 budget to implement the Community Improvement Plan.

2. Brownfield Redevelopment

- Based on 5 hectares of Brownfield land being developed into residential development with a unit yield of approximately 350 units at varying density, the total development charge revenue over the next five years would be approximately \$5.3 million. Therefore a development charge exemption for Brownfield development would result in a revenue loss of \$5.3 million. (Note: assumption that land has been vacant for at least five years – otherwise there would be a development credit)
- Brownfield Strategy and Brownfield Redevelopment Community Improvement Plan in place and will be reviewed by staff in 2009.
- Financial incentive programs available to assist developer's with the additional cost of Brownfield remediation include the Environmental Study Grant program, Tax increment based grant program, Tax arrears cancellation and Tax assistance during rehabilitation.
- Additional funding of \$250,000 has been allocated to the Brownfield reserve in the proposed 2009 Budget to be used for Brownfield initiatives

3. Affordable Housing:

- Financial assistance for Options for Homes/Home Ownership Alternatives Non-Profit Corporation through a deferral of development charges was approved by Council in 2008.
- Individual grants have been awarded to Habitat for Humanity to offset development costs
- The Affordable Housing Reserve currently has funds of \$800,000 available to continue implementation of the Affordable Housing Strategy approved in 2005. The Affordable Housing Strategy is scheduled to be reviewed in 2009.

4. Heritage Retention:

- A Heritage Reserve & Policy exist to encourage redevelopment meeting identified criteria and assist developers with additional costs associated with Heritage related redevelopment.
- On November 14, 2008, the Community Development and Environmental Services Committee recommended that staff study the provision of additional heritage incentives and that this work be considered during Council's priority seeking session in the Spring of 2009.
- Significant development charges are not generally associated with heritage projects as by their nature they involve redevelopment of an existing structure and development charges are only paid on the additional gross floor created.

-
5. Transit:
 - Not clearly definable until implementation of the Transit Master plan
 - Consider in next DC Study or another program such as Community Energy Program

 6. Community Energy Program:
 - Programs are currently being developed and are planned to be presented in 2009 and 2010.
 - Planning incentive programs to encourage higher density and residential green building.

Use of City Planning Programs:

7. Efficient Land Use Policy:
 - Will be addressed through City Planning Programs such as the 2009 Official Plan update and Community Energy Program.

8. Mixed Use Charge Reduction:
 - Will be addressed through City Planning Programs such as the 2009 Official Plan update and Community Energy Program.

Use of Development Charge By-Law Policy:

9. Separate Commercial/Institutional and Industrial charge:
 - The present DC policy provides for the calculation of the industrial charge separately from the commercial/institutional charge. This has been the City's policy since 1999 and has been continued since. By differentiating the charge, a higher proportion is charged to commercial/institutional and less to industrial.
 - Staff Steering Committee direction is to maintain separate charges for Commercial/Institutional and the Industrial charges.

10. Industrial Development Charges:
 - Local Growth Management Strategy indicates significant growth in employment is required. It is the Staff Steering Committee's opinion that the creation of new Industrial (and Research and Development) business activities will serve as the main economic driver in creating new employment and economic opportunities that will benefit all sectors of the city.
 - The Staff Steering Committee is therefore proposing phasing in of the increase to the industrial development charge over the next five years.

The following are two phasing options for Council consideration:

Option 1 – phase over five years at 20% - Year 1, 40% - Year 2, 60% - Year 3, 80% - Year 4 and 100% - Year 5

The potential revenue loss is approximately \$9.3 million

Option 2 – phase over three years at 30% - Year 1, 60% - Year 2, 100% - Year 3, 4 and 5

The potential revenue loss is approximately \$6 million

10. Research and Development related Development Charges:

- In order to attract employment in the area of research and development Staff are recommending a research and development definition be included in the Draft By-law with direction that development meeting this definition be charged the industrial rate.
- If research and development were charged a reduced rate equal to the Industrial rate (not the Commercial Institutional rate) the potential revenue lost over five years would be approximately \$470,000 is no phase in for industrial. If Option 1 was adopted (Phase Industrial rate over 5 years) the potential revenue loss is \$1.27 million and if Option 2 was adopted (Phase Industrial rate over 3 years) the potential revenue loss is \$900,000.

Designation of Services

The proposed By-law identifies the following categories of services for which development charges are imposed:

- Water Services
- Wastewater Services
- Storm water Drainage and Control Services
- Roads and Related
- Fire Protection Services
- Library Services
- Recreation
- Parks Services
- Transit
- Administration
- Ambulance Services
- Provincial Offences Court Services
- Municipal Parking
- Police Services

The Staff Steering Committee is not currently recommending any of these services should be removed from the rate calculations.

However, in the past, in order to reduce Development Charge rates for certain types of development, Council has removed certain services from the calculation of the charge. For example, in the 2004 Development Charge By-law, the industrial development charge rate did not include parking services, parks, recreation, library services, Provincial Offences Court services, ambulance, or storm water drainage and control services. If the same services were not collected for in the new development charge the potential revenue loss over five years is approximately \$1.4 million.

The Staff Steering Committee has considered the addition of Social Housing (subsidized, permanent rental housing) as a DC funded service:

- A social housing service standard has been derived based on the existing circumstances found in the community (# of social housing units in a population of 115,000)
- The future capital allocation for social housing has not been defined at this time
- The policy framework for the provision of social housing is outlined in the 2005 Wellington and Guelph Housing Strategy
- A review of this service is currently underway. It is anticipated that more consideration will occur in 2009 and a by-law amendment could occur should this be directed by Council.

Finalizing Development Charge Process

It is imperative that every effort be made to establish sound development charge policies. Additional discretionary exemptions will create revenue shortfalls and impact tax rates and user fees. It has been suggested that high development charges might negatively affect non-residential and residential growth and resulting economic activity in the City. Staff considerations to offset the higher development charges include the use and further development of investment/incentive based City programs to target desirable development as allowed under the Municipal Act and other legislation as well as the phase in of Industrial (and Research and Development by definition) rates over a five year time period.

The new development charge rates can take effect immediately upon approval by Council. In consideration of stakeholder input and in order to provide stakeholders additional time to prepare for the expected increase, the Staff Steering Committee is considering a delay in the application of the new rates for all types of development until March 1st of 2009 instead of the approval date. The potential monthly revenue lost is approximately \$800,000 to \$1,200,000 for all types of development.

Next Steps:

- 1) December 22nd, 2008 – Council to receive Staff Steering Committee Policy Recommendations and draft by-law. Staff will also provide any additional input from public or Advisory Committee and respond to Council requests for additional information from the November 17th Public Meeting.
- 2) January 26th, 2009 – Council adoption of the DC Background Study and approval of the By-law.

CORPORATE STRATEGIC PLAN

Goal 1: An attractive, well functioning and sustainable city

Goal 2: A health and safe community where life can be lived to the fullest

Goal 3: A diverse and prosperous local economy

Goal 4: A vibrant and valued arts, culture and heritage identity

Goal 5: A community-focused, responsive and accountable government

Goal 6: A leader in conservation and resource protection/enhancement

FINANCIAL IMPLICATIONS

Contained within report.

Additional cost implications to be examined by Phase II of the Growth Fiscal Impact Analysis.

DEPARTMENTAL CONSULTATION

All City service areas have been consulted in the formulation of the Development Charge Background Study growth forecast, service standard and capital cost calculations as applicable.

Policy considerations have been undertaken by the Staff Steering Committee.

COMMUNICATIONS

October 16, 2008 – Council workshop open to the public

October 29, 2008 – DC Background Study and proposed by-law posted to City Website

November 17, 2008 – Development Charges Public Meeting

ATTACHMENTS

Appendix 1 – Amended Development Charge Background Study pages

Appendix 2 – Development Charges Advisory Committee Input to date



Prepared By:

Susan Aram

Deputy Treasurer

519-822-1260 x 2300

susan.aram@guelph.ca

Recommended by the Staff Steering Committee Members

Appendix 1

2008 Development Charges Background Study
Report # FIN 08-32

Amendments to the Development Charges Background Study

.....

TABLE B-1
RESIDENTIAL CHARGE

SERVICE	RESIDENTIAL			
	Single-Detached Dwelling & Semi-Detached Dwelling	Apartments + 2 Bedrooms	Apartments Bachelor & 1 Bedroom	Multiple Dwellings
10 year services:				
Transit	603	363	253	454
Municipal parking spaces	557	335	234	419
Parks	2,103	1,265	883	1,584
Recreation	1,570	1,005	701	1,258
Library Services	401	241	168	302
Administration	182	116	81	145
Provincial Offences Act	14	8	5	11
Ambulance	17	10	7	13
10 year services:	5,557	3,344	2,333	4,186
24 year Services:				
Roads and Related	2,968	1,786	1,246	2,235
Stormwater Drainage and Control Services	282	170	118	212
Wastewater Services	6,746	4,060	2,832	5,080
Water Services	8,137	4,898	3,416	6,128
Fire Protection Services	249	150	104	187
Police Services	248	149	104	187
24 year Services:	18,630	11,213	7,820	14,029
GRAND TOTAL	24,187	14,557	10,153	18,215

Table 6-4
CITY OF GUELPH
NON-RESIDENTIAL OPTION

Service	Cost per Square Metro	
	Non-Residential Uniform Charge	Commercial/ Institutional
10 year services:		
Transit	3.57	4.72
Municipal parking spaces	3.25	4.35
Parks	1.10	1.54
Recreation	0.86	1.23
Library Services	0.22	0.28
Administration	1.08	1.08
Provincial Offences Act	0.11	0.11
Ambulance	0.11	0.13
10 year services:	10.29	13.44
24 year Services:		
Roads and Related	17.22	23.15
Stormwater Drainage and Control	1.61	2.20
Wastewater Services	39.29	41.25
Water Services	47.36	49.76
Fire Protection Services	1.42	1.42
Police Services	1.55	1.55
24 year Services:	108.46	119.33
GRAND TOTAL	118.75	132.77

Table 5-4
CITY OF GUELPH
NON-RESIDENTIAL OPTION

Service	Cost per Square Foot	
	Non-Residential Uniform Charge	Commercial/ Institutional
10 year services:		
Transit	0.33	0.44
Municipal parking spaces	0.30	0.40
Parks	0.10	0.14
Recreation	0.08	0.11
Library Services	0.02	0.03
Administration	0.10	0.10
Provincial Offences Act	0.01	0.01
Ambulance	0.01	0.01
10 year services:	0.96	1.25
24 year Services:		
Roads and Related	1.60	2.15
Stormwater Drainage and Control	0.15	0.20
Wastewater Services	3.65	3.83
Water Services	4.40	4.62
Fire Protection Services	0.13	0.13
Police Services	0.14	0.14
24 year Services:	10.08	11.09
GRAND TOTAL	11.03	12.33

TABLE 6-1
The City of Guelph
DEVELOPMENT CHARGE CALCULATION
Municipal-wide Services
2008-2031

SERVICE	2008 \$ DC Eligible Cost		2008 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per s.f.
	\$	\$	\$	\$
1. Stormwater Drainage and Control Services				
1.1 Channels, drainage and ponds	5,136,737	3,032,885	282	0.15
	5,136,737	3,032,885	282	0.15
2. Wastewater Services				
2.1 Treatment plants	95,182,124	56,198,402	5,227	2.83
2.2 Sewers	27,665,776	16,334,710	1,519	0.82
	122,847,899	72,533,112	6,746	3.65
3. Water Services				
3.1 Treatment plants and storage	104,035,018	61,425,419	5,713	3.09
3.2 Distribution systems	44,155,763	26,070,897	2,425	1.31
	148,190,781	87,496,315	8,137	4.40
4. Roads and Related				
4.1 Roads & Signals	50,822,090	30,006,898	2,791	1.51
4.2 Depots and Domes	1,100,331	649,669	60	0.03
4.3 PW Rolling Stock	2,121,187	1,252,413	116	0.05
	54,043,608	31,908,979	2,968	1.60
5. Fire Protection Services				
5.1 Fire stations	2,506,664	1,480,010	138	0.07
5.2 Fire Vehicles	1,634,778	965,222	90	0.05
5.3 Small equipment and gear	385,066	227,354	21	0.01
	4,526,507	2,672,587	249	0.13
6. Police Services				
6.1 Police detachments	3,895,801	2,300,199	214	0.12
6.2 Small equipment and gear	619,707	365,893	34	0.02
	4,515,508	2,666,092	248	0.14
TOTAL	\$339,261,040	\$200,309,970	\$18,630	\$10.08
DC ELIGIBLE CAPITAL COST	\$339,261,040	\$200,309,970		
Buildout Gross Population / GFA Growth (sq.ft.)	59,005	19,858,400		
Cost Per Capita / Non-Residential GFA (sq.ft.)	\$5,749.70	\$10.08		
By Residential Unit Type	P.P.U			
Single and Semi-Detached	3.24	\$18,630		
Apartments 2 Bedroom +	1.95	\$11,212		
Apartments Bach. & 1 Bdrm	1.36	\$7,820		
Other Multiples	2.44	\$14,029		

TABLE 6-2
The City of Guelph
DEVELOPMENT CHARGE CALCULATION
Municipal-wide Services
2008-2017

SERVICE	2008 \$ DC Eligible Cost		2008 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per s.f.
	\$	\$	\$	\$
7. Other Transportation Services				
7.1 Transit vehicles	3,518,492	1,973,218	421	0.23
7.2 Other transit infrastructure	51,896	29,104	6	0.00
7.3 Transit facilities	1,470,675	824,775	176	0.10
7.4 Municipal parking spaces	4,653,343	2,609,657	557	0.30
	9,694,406	5,436,754	1,160	0.63
8. Parks				
8.1 Parkland development, amenities & trails	16,802,460	884,340	2,011	0.10
8.2 Parks vehicles and equipment	770,116	40,532	92	0.00
	17,572,576	924,872	2,103	0.10
9. Recreation				
9.1 Recreation facilities	13,865,364	729,756	1,659	0.08
9.2 Recreation vehicles and equipment	92,768	4,883	11	0.00
	13,958,132	734,639	1,670	0.08
10. Library Services				
10.1 Public library space	1,387,665	73,035	166	0.01
10.2 Library materials	1,966,500	95,625	235	0.01
	3,354,165	168,660	401	0.02
11. Administration				
11.1 Studies	1,600,775	897,736	192	0.10
12. Provincial Offences Act				
12.1 POA facility space	113,595	63,705	14	0.01
13. Ambulance				
13.1 Ambulance facilities	102,639	57,561	12	0.01
13.2 Vehicles	39,344	22,065	5	0.00
	141,983	79,626	17	0.01
TOTAL	\$46,435,631	\$8,305,992	\$5,557	\$0.96
DC ELIGIBLE CAPITAL COST	\$46,435,631	\$8,305,992		
10 Year Gross Population / GFA Growth (sq.ft.)	27,071	8,634,000		
Cost Per Capita / Non-Residential GFA (sq.ft.)	\$1,715.33	\$0.96		
By Residential Unit Type	p.p.u.			
Single and Semi-Detached	3.24	\$5,557		
Apartments 2 Bedroom +	1.95	\$3,345		
Apartments Bach. & 1 Bdrm	1.36	\$2,333		
Other Multiples	2.44	\$4,185		

TABLE 6-3
The City of Guelph
DEVELOPMENT CHARGE CALCULATION
TOTAL ALL SERVICES

	2008 \$ DC Eligible Cost		2008 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per s.f.
	\$	\$	\$	\$
Municipal-wide Services Buildout	\$339,261,039.87	\$200,309,970.24	\$18,630	\$10.08
Municipal-wide Services 10 Year	\$46,435,631.04	\$8,305,992.00	\$5,557	\$0.96
TOTAL	\$385,696,670.92	\$208,615,962.24	\$24,187	\$11.03

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

The City of Guelph
Service: Aerial Road

Proj No	Increased Service Needs Attributable to Anticipated Development	Timing (Year)	Gross Capital Cost Estimate	Grants, Subsidies and Other Contributions Attributable to New Development	Other Deductions	Net Capital Cost	Benefit to Existing Development	Post Period Benefit	Total	Ratio of DC Recoverable Cost	Net Reasonable Share
2008-2031											
RD0070	Kensington-Kensley-Victoria	0-5	282,000	130,000		152,000	316,000		86,000	03%	31,964
RD0073	Victoria-Victoria North Subdivision	0-5	2,400,000	1,100,000		1,300,000	300,000		910,000		572,172
RD0078	Victoria-Stone-Ashel	0-5	7,397,000	460,000		6,937,000	2,059,100		4,877,900		3,079,007
RD0088	Niska-Bridge Replacement	0-5	1,048,000			1,048,000	554,000		1,293,000		813,305
RD0090	Woodlawn-Silvercreek-Nicklin	0-5	9,639,000	4,919,500		4,719,500	1,472,850		3,246,650		2,165,232
RD0091	Crawley-Clark-Kalby	5-20	910,000			910,000	0	91,000	610,000		514,055
RD0092	Downey-Tam-T-Forestall	0-5	1,234,000	450,000		784,000	395,200		699,000		505,130
RD0100	York-Victoria-E-City-Linla	0-5	11,328,000	5,664,000		5,664,000	1,694,000		3,970,000		2,482,910
RD0114	Gordon-Clark-Kalby	0-5	7,984,000	470,000		7,514,000	2,254,200		5,259,800		3,307,155
RD0116	Transport Strategy Implementation	0-10	1,000,000			1,000,000	500,000		500,000		314,300
RD0122	Eastview-Starwood-Watson	0-5	2,479,000	400,000		2,079,000	629,700		1,459,300		915,035
RD0126	Stone-Monticello-Victoria	0-5	3,237,000	290,000		2,947,000	971,000		2,205,900		1,424,709
RD0130	Victoria-York-Stone-J	0-5	3,770,000			3,770,000	1,134,000		2,636,000		1,659,269
RD0133	Melby-Harden-Gordon	0-5	3,160,000	700,000		2,460,000	802,700		2,106,300		1,324,159
RD0134	Laird-Riallogi-Harden-Darwin	5-20	2,956,000			2,956,000	1,478,000	1,590,000	14,310,000		6,087,565
RD0139	Chaffin-Rid & Hardin Interchange	0-10	20,000,000	4,100,000		15,900,000	0		14,310,000		5,312,435
RD0140	New Railway Crossing Incent	0-5	1,850,000			1,850,000	825,000		925,000		561,004
RD0141	Ashel-Gordon-Victoria	0-5	2,400,000	690,000		1,710,000	515,460		1,202,600		756,148
RD0155	Speedvale-Elmira-W City Lmt	0-5	2,060,000	310,000		1,750,000	525,000		1,225,000		770,232
RD0158	Watson-Eastview-Speedvale	5-10	1,340,000	402,000		938,000	281,400		656,600		432,844
RD0164	Transit Terminal Infrastructure / Road Upgrades	0-20	10,000,000	12,000,000		6,000,000	1,000,000	251,100	4,200,000		2,540,795
RD0165	Harden-Konkili Improvements	5-20	2,521,000			2,521,000	0		2,269,900		1,426,595
RD0170	Edinburgh-Wellington To London	5-20	12,063,000	3,500,000		9,463,000	2,836,900	59,000	6,624,100		4,164,874
RD0211	Air Quality Monitoring	0-5	500,000			500,000	0		450,000		292,942
RD0223	Silvercreek Parkway/CN Grade Separation and Improvements Intersection Improvements	0-10	1,000,000	4,700,000		2,300,000	690,000		1,610,000		1,072,305
RD0072	Int Victoria & Woodlawn	0-5	1,607,000			1,607,000	482,100		1,124,900		707,293
RD0075	Int Victoria & Elmira	0-5	1,664,000			1,664,000	559,200		1,204,800		870,407
RD0076	Int Victoria & Eastview	0-5	1,042,000			1,042,000	312,500		729,500		456,610
RD0115	Int Speedvale & Silvercreek	0-5	1,900,000			1,900,000	450,000		1,650,000		600,199
RD0116	Int Speedvale & Silvercreek	5-10	1,764,000			1,764,000	662,000		882,000		554,467
RD0117	Int Silvercreek & Erinsvale	5-10	1,666,000			1,666,000	833,000		833,000		523,758
RD0172	Int College & Sandusville	5-10	1,587,000			1,587,000	793,500		793,500		496,922
RD0173	Int Elmira & Delhi	5-10	1,190,000			1,190,000	595,000		595,000		374,113
RD0175	Int Speedvale & Delhi	5-10	1,587,000			1,587,000	793,500		793,500		496,922
RD0203	Int Silvercreek & Elizavale	5-10	1,380,000			1,380,000	690,000		690,000		433,845
TR0026	West End Recreation Centre	0-5	300,000			300,000	150,000		150,000		94,314
TR0028	Windsorville Marketplace	0-5	300,000			300,000	150,000		150,000		94,314
TR0031	York / Watson	0-5	300,000			300,000	150,000		150,000		94,314
RD0205	Bus Node Road Work	0-5	640,000			640,000	320,000		320,000		201,203
RD0205	Wyndham Street Overpass	0-5	5,100,000	1,700,000		3,400,000	1,200,000		1,700,000		1,066,893
	Reserve Fund Adjustment		1,912,537			1,912,537	0		1,912,537		1,202,628
	Total		151,524,537	41,914,500	0	111,590,037	30,957,950	1,903,100	78,669,987		49,463,967

Note: \$6,427,000 of existing benefit from 2007 DC Reserve Fund

Note: The portion of the Wyndham Street Overpass that is allocated to the existing benefit may be eligible for grants.

INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

The City of Guelph
Service: Water Distribution

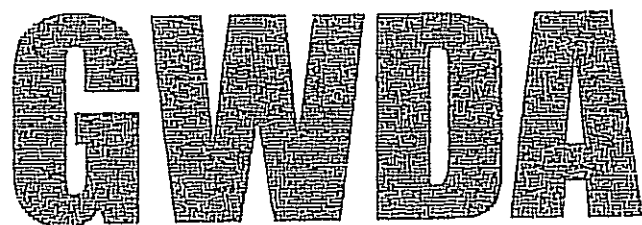
Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate	Post Period Benefit	Other Deductions	Net Capital Cost	Benefit to Existing Development	Less: Grants, Subsidies and Other Contributions Attributable to New Development	Potential DC Recoverable Cost		
									Total	Residential Share	Non-Residential Share
	2008-2031								63%		37%
WW0036	Downey Rd. Tie to Laird	2008	355,000			355,000	0		223,210	131,790	
WW0042	Speedvale Drive - Elmira to Governors	2008	191,000			191,000	0		120,093	70,907	
WW0057	Starwood: Speedvale to Eastview	2009	638,000			638,000	0		401,149	236,851	
WW0060	Mallby: Southgate to Gordon	2008-2009	1,595,000			1,595,000	0		1,002,873	592,127	
WW0070	Gordon: Clair to Mallby	2009	1,615,000			1,615,000	0		1,015,449	599,551	
WW0082	W-1-1 CLAIR-CRAWLEY TO GORDON	2009	2,515,050			2,515,050	0		1,581,365	933,685	
WW0083	W-1-2 Scout Camp Aqueduct Tie-In	2009-2010	2,000,000			2,000,000	0		1,257,521	742,479	
WW0084	W-1-3 HANLON:WELLINGTON TO CLAIR	2009-2012	10,192,500			10,192,500	2,038,500		5,128,915	3,027,085	
WW0084	W-1-4 EDINBURGH TO KORTRIGHT	2012-2013	1,265,600			1,265,600	253,120		636,608	375,872	
WW0085	W-1-5 KORTRIGHT TO EDINBURGH TO GORDON	2013-2014	1,458,000			1,458,000	291,600		733,388	433,014	
WW0086	W-1-6 SPEEDVALE-WATSON TO WESTMOUNT	2010-2012	6,076,000			6,076,000	3,038,000		1,910,175	1,127,825	
WW0088	W-1-8 WATSON:EASTVIEW TO SPEEDVALE	2012	1,093,500			1,093,500	546,750		343,775	202,875	
WW0089	W-1-9 WELLINGTON:HANLON TO WATSON	2010-2016	10,125,000			10,125,000	5,062,500		3,183,101	1,879,399	
WW0090	W-1-11 Kortright Zone 1B: Edinburgh to Rickson	2016	486,000			486,000	97,200		244,462	144,338	
WW0092	W-1-14 Arkell Well Transmission Main	2015-2016	500,000			500,000	250,000		157,190	92,810	
WW0092	W-1-15 WATSON:SPEEDVALE TO HWY 24	2014-2018	14,985,000			14,985,000	7,492,500		4,710,909	2,781,511	
WW0093	W-1-17 Stevenson: Woods to York	2019-2023	972,000			972,000	0		611,155	360,845	
WW0094	W-1-17 Stevenson: York to Elizabeth	2010	1,266,000			1,266,000	0		796,011	469,989	
WW0095	W-1-17 Stevenson: Elizabeth to Eramosa	2010	1,266,000			1,266,000	0		796,011	469,989	
WW0096	W-1-17 Stevenson: Eramosa to Speedvale	2011	2,110,000			2,110,000	0		1,326,885	783,315	
WW0096	W-1-17 Stevenson: Speedvale to Verney	2012	2,110,000			2,110,000	0		1,326,885	783,315	
WW0096	W-1-17 Stevenson: Speedvale to Verney	2019-2023	1,685,500			1,685,500	0		1,059,776	625,724	
WW0096	W-1-18 Exhibition/Dublin - Verney to Wellington	2019-2023	5,062,500			5,062,500	0		3,183,101	1,879,399	
WW0096	W-1-22 Woodlawn: Walsin to Imperial	2024-2028	9,720,000			9,720,000	0		6,111,554	3,608,446	
WW0096	W-1-23 Imperial: Woodlawn to Paisley	2024-2028	3,645,000			3,645,000	0		2,291,833	1,353,167	
WW0096	W-1-24 River Crossing Connections	2024-2028	2,000,000			2,000,000	1,000,000		628,761	371,239	
WW0096	W-1-25 Development Overizing	2009-2023	3,750,000			3,750,000	0		2,357,853	1,392,147	
	DC Reserve Fund		1,619,179			1,619,179	0		1,016,076	601,103	
	Total		90,296,829	0	0	90,296,829	20,070,170	0	44,155,763	26,070,897	

Two projects have been removed from the October 29, 2006 release: WW0035 Crawley Clair - Mallby, WW0062 Southgate: Clair - Mallby

Appendix 2

2008 Development Charges Background Study
Report # FIN 08-32

Input from Development Charges Advisory Committee Members



*DC Advisory
Committee member
- Alfred Artinger*

November 4, 2008

Ms. Sue Aram, CGA
Deputy Treasurer
Financial Services
City of Guelph
59 Carden Street
Guelph, ON N1H 3A1

Dear Ms. Aram,

RE: City of Guelph Development Charge Background Study

The Guelph & Wellington Development Association received the Background Study on October 30, 2008. Our members were alarmed to note that development charges are proposed to more than double given the current economic climate.

We are in the process of retaining experts to peer review the contents of the Background Study. In the past we have been able to work with the staff in the Financial Services Department to avoid an appeal of the development charge by-law. We would like to work with the City again to resolve our issues with the proposed development charge by-law.

We are respectfully requesting that Council not approve the Development Charge By-law on December 9, 2008 as is now scheduled. The existing Development Charge by-law does not expire until March 2009 and we would like to use the time in the interim to work through our issues with the City

I thank you for your co-operation and look forward to your reply.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tom Krizsan', written over a horizontal line.

Tom Krizsan
President

c.c.: Mayor Karen Furbridge &
Members of Council



November 6, 2008

*DC Advisory
Committee Member
- Astrid Clos*

Ms. Sue Aram, CGA
Deputy Treasurer
Financial Services
City of Guelph
59 Carden Street
Guelph, ON N1H 3A1

Dear Ms. Aram,

RE: City of Guelph Development Charge Background Study

The Guelph & District Homebuilders Association received the background study on October 30, 2008. We understand the need to update the Development Charge Study and by-law but were obviously alarmed by the size of the development charge increase to homes, as well as, industrial and commercial projects. This will undoubtedly affect home affordability, as well as, impact homebuilders, trade contractors, suppliers, consultants and all staff at these firms at a time of economic instability.

We have been in contact with consultants to peer review the contents of the background study but as the document and sheer volume of information it represents is very large we would like more time to review the study and by-law. As the existing Development Charge by-law does not expire until March 2009 and as the size of increase and the impact the new by-law will have on all development and construction in Guelph, we are requesting that Council not approve the Development Charge By-law schedule on December 9, 2008.

Our association would very much like to work with city staff to resolve some of our concerns with the proposed by-law in order to lessen the impact it will have on many.

I thank you for your consideration.

Sincerely,

Mark Godman
President

c.c.: Mayor Karen Farbridge &
Members of Council

Susan Aram

From: khammill@
Sent: November 7, 2008 10:45 AM
To: Susan Aram
Subject: DC

*DC Advisory
Committee Member
Friends of Guelph
Ken Hammill*

Follow Up Flag: Follow up
Flag Status: Red

Good morning Susan.

Some homebuilders claim that the costs of repairing, maintaining, upgrading of current water/waste systems are causing this group to be so high. Can we have assurance that only "growth" costs are used.

I would like to discuss the use of GRANTS, rather than reduced D.Cs for specific sections. Example Brownfields. ken

Susan Aram

From: khammill@
Sent: November 10, 2008 12:28 PM
To: Susan Aram
Subject: DC

Follow Up Flag: Follow up
Flag Status: Red

The current economic conditions make for a difficult decision. People who have lost their jobs, seniors with reduced incomes will have difficulty with increased property taxes in Guelph..

We must be competitive with our neighbours, and their studies are not due until summer of 2009.

I would encourage a delay until we have a further review of the use of grants, to encourage industry, to come to Guelph, grants for brownfields, etc.
ken

Susan Aram

DC Advisory
Committee

member

Guelph Civic League

Julia Grady

From: Julia Grady
Sent: November 10, 2008 11:02 AM
To: Doug Reddick
Cc: Susan Aram; Jim Mairs; David Corks; Tricia Sinclair; Marion Plaunt; Paul Kraehling; scandlan@watson-econ.ca; warman@watson-econ.ca; astrid.clos@ajcplanning.ca; aartinger@reidsheritagehomes.com; Lloyd Longfield; mark@downtownguelph.com; Jacquelyn Garrard; khammill@uoguelph.ca; shellac@wellington.ca; ericmellton@hotmail.com
Subject: Re: Comments Regarding DCs: from Doug Reddick
Follow Up Flag: Follow up
Flag Status: Red

Hello Susan,
I am also unable to make today's meeting.

I'd like to echo Astrid's and Ken's comments on the possibility that more time to allow the group to reach a collective direction would be desirable.

In the sessions that I was able to attend, there was not a lot of discussion on the big picture, and what the city was hoping to achieve with the DCs. The Guelph Civic League's viewpoint on involvement is that groups with seemingly different viewpoints CAN accomplish a lot of progress when they start from a discussion of their common ground – what we hope to achieve in the long-term for our city.

I feel that discovering this common ground, the shared goals and realities of the development community, the city, the chamber, the downtown, the GCL and citizens at large will help us move forward with a DC plan that is more readily embraced by all sectors. Had the sessions started with this as a framework, we may have been in a better position to meet the mandate of this committee, which is:

to serve in an advisory capacity and committee meetings will provide a forum for discussion in the spirit of co-operation.

The intent of this group is to review development charge proposals, provide input and bring issues or concerns to the fore during the study process to reduce the need for lengthy appeals. Discussions will be used by staff to develop realistic assumptions as to the impact of development charge reductions or exemptions. "

If there was a possibility of having a facilitated session that focussed on this common ground, and then discussed how the DCs can be used to effectively support our common values first, while balancing individual interests, I'd be able to put aside more time in my schedule. This may also make it possible for staff to bring back the regional #s on DCs, and give this group a look at where Guelph stands moving forward.

Julia Grady
Guelph Civic League

12/11/2008

Susan Aram

*DC Advisory
Committee
Member*

From: Doug Reddick
 Sent: November 10, 2008 10:00 AM
 To: Susan Aram
 Cc: Jim Mairs; David Corks; Tricia Sinclair; Marion Plaunt; Paul Kraehling; scandlan@watson-econ.ca; warman@watson-econ.ca; astrid.clos@ajcplanning.ca; aartinger@reidsheritagehomes.com; lloyd@guelphchamber.com; mark@downtownguelph.com; jacquelyn@downtownguelph.com; khammill@uoguelph.ca; julla@barlingdogstudios.com; sheilac@wellington.ca; ericmelton@hotmail.com
 Subject: Comments Regarding DCs: from Doug Reddick

*Citizen At Large
Doug Reddick*

Susan,

As expected I will not be able to attend today's meeting. I have a series of senior management meetings set for the remainder of the day that I am unable to ignore. I do apologize for my absence however, please accept my notes below as my contributions as a Citizen at Large.

After reviewing all the materials again, from my point of view as a Citizen at Large, the primary concern I have is related to the use of exemptions and the effects funding shortfalls have on property owners/taxpayers of our community. Though I completely understand the purpose for exemptions given (E.g. to spur development in built up areas, commercial/industrial/etc; to assist not-for-profit establishments such as 'places of worship', instil consistencies in terms of policies for development, etc.), we must also consider how such exemptions will impact the growth expectations. The fact that Guelph is already somewhat known for its higher priced housing and related taxes is something we need to consider as part of the recommendations we as a group put forth.

<http://www.canadianbusiness.com/rankings/bestplacelive/index.jsp?pageID=article&year=2006&content=overview&type=overview>

Based on the information provided in Gary's latest presentation and my property owner perspective, the following are my recommendations for the advisory committee.

1. Apply consistent DCs for Brownfield Redevelopment, Affordable Housing and Heritage Retention/Adaptive Re-use; instead use other programs and grants to assist the funding of these projects.
2. Downtown Area and other Older Built Up Areas should be subject to DCs though at a reduced rate. Despite the fact that our city's water/waste water infrastructure in need of improvements and all older built up areas will need to invest in the redevelopment of such infrastructure, I can agree to a reduced rate on the hard fees paid. Soft services are made available to all and will benefit all. This said, my recommendation to the committee would be to consider either a) a blended reduced rate for both hard and soft fees in this area, but at a rate between 5% and 10% as opposed to the 13% given. An alternative would be to impose variable rates for hard and soft services.
3. Spurring economic development by enticing businesses to grow organically or by offering attractive development plans for new businesses to set roots in Guelph is an absolute necessity. The challenge is how to charge these organisations for development. All new businesses will require infrastructure (I.e, water/waste water/sewage/etc.) to be established. How DCs are imposed to accurately reflect the nature and/or mix of these businesses needs to be thought through. At the same time, we need to be cognisant of 'attractiveness' of the opportunity to set-up shop in Guelph. Obviously, this part goes well beyond simply financials

12/11/2008

as such business will need to consider the skill set of the community. My recommendation in this area is to increase the DC as per Gary's outline and use grants on a site-by-site basis if required. Having business set-up in the community with reduced fees and/or exemptions will only further burden Joe the taxpayer. (Note: Other areas have seen drastic increases in DCs to industrial/commercial/etc. How have these increases impacted the business development of these other communities?)

4. In addition to the notes in point 3 above, commercial development should be a key piece of our community development. With manufacturing slowing, we need to focus on bringing more knowledge based businesses to the region. I support Gary's recommendation to review and offer varying DCs for commercial and industrial development.
5. I support Gary's recommendations to not develop policies to promote efficient land use, or for a community energy program. These can be considered at a later time as other programs become more defined.
6. I recommend to continue exemptions for institutional and places of worship development with one exception. Some places of worship are now so big and incorporate a number of other facilities that go far beyond the intended use. E.g. gymnasiums, banquet halls, board rooms, etc. My recommendation is to review what is meant by a place of worship and consider DC for the development of such extra development.
7. Transit Supportive Reduction - I support Gary's recommendation for no exemptions.

I know this is last minute and you will not likely get this not until after the meeting. I have copied the others on your distribution list in the hope that someone gets the message and can relate my comments to the group. If not, please include any relevant comments with your meeting summary. Again my apologies.

Please keep me posted on the date/time of any follow-up meetings.

Best regards,
Doug

Doug Reddick

Messenger wants to send you on a trip. [Enter today.](#)

Susan Aram

*Citizen at
Large*

From: Doug Reddick ,
Sent: October 7, 2008 11:28 PM
To: Susan Aram
Subject: Comments regarding Development Charge Policies
Follow Up Flag: Follow up
Flag Status: Red
Attachments: Development Charges.doc

Susan,

It was a pleasure meeting you the other week.

The last meeting was certainly informative for me as I was able to get a feeling for the dynamics of the advisory committee. It was evident that there were individuals in the room with far more knowledge of the cities planning and development than I (being merely a citizen working in the IT industry).

Anyway, as a takeaway from the meeting, I have reviewed the documents you have provided in greater detail and now offer the attached list of questions, comments and feedback for you to consider including in any future advisory discussions. In summary, there are some policies that I can agree with entirely, some in part and others that I disagree with. My thoughts and opinions are outlined.

If you have any questions regarding the attached, please do not hesitate to contact me (my numbers are below).

Thanks again for allowing me the opportunity to take part in this exercise.

See you on the 16th.

Doug

Doug Reddick

16/10/2008

Development Charges: Questions, Comments and Feedback

1. Policy 1 & 2 – Downtown development

- a. I personally feel all downtown development should be subjected to DCs, however, the idea of being charged at a percentage of the full amount does make sense for some items as there will likely be added development costs for replacing old infrastructure such as water, waste water, storm and road. However, I also feel charges for 911 services, parks, admin, recreation, parking and library should not be discounted as they are all critical pieces of our cities that need to be supported. Those living and/or working in the downtown area will all benefit from these services.

2. Policy 3 - Brownfield Redevelopment

- a. Are there any parameters included in the policy that are related directly to land contamination? Reason I ask is the building I work in is being renovated but not expanded on as the land has been classified unfit for redevelopment. Frankly the building should be levelled...
- b. I agree with the idea of reducing DC for the redevelopment of Brownfield areas to entice development and/or growth in these areas. We could look at imposing specifications on what types of redevelopment would qualify for DC exemptions and allow council to offer grants on a site-by-site basis.

3. Policy 4 – Affordable Rental Housing Unit Exemption

- a. I do not agree with the idea of eliminating DC on such development. To recover lost revenue by increasing property taxes to support the development of affordable housing defeats the idea of developing residential growth. Guelph property taxes are already considerably high in comparison to surrounding areas and increasing taxes could discourage residential growth in the higher income areas.

4. Policy 5 – Heritage Retention/adaptive Re-use Exemption

- a. I agree in preserving the town's historical buildings. Provisions should be included that state if the original building structures are kept intact they could be exempt from water, waste water, storm and road charges, however, depending on the purpose for the regenerated building, 911 services, admin, recreation, library, transit, parks and parking should still be applicable.

5. Policy 6 – Policies to Promote Efficient Land use

- a. No comment. When one buys a piece of land, they should be able to build as they please within the boundaries of the city bylaws.

6. Policy 7 – Marginal vs. Average Cost Pricing

- a. No comment

7. Policy 8 – Mixed Use Reduction

- a. Why? Most situations where mix-use plans are crafted are typically money driven. Whether such development is a mix of residential and

commercial, or residential and institutional, or whatever the mix is, the services provided by the city will be had by all parties involved.

8. Policy 9 – Transit Supportive Reduction

- a. Transit is a necessary means in any growing city. Further, transit services should be available in all areas in town, therefore, DCs should be charged to support the growing requirements of the transit services provided. This said, I don't really favour the idea of any DC reduction for development within 200 metres of the transit route.

9. Finance Policy 1 – Timing of charge collection

- a. No real comment here. I've always believed in getting commitment up-front but delaying charges based on benefit and cash flow also make sense as to not discourage development.

10. Finance Policy 2 & 3 – Separate Charges for Commercial/Institutional vs. Industrial.

- a. Why would there not be a nominal fee for Police or ambulance services for industrial development? I can see why DC would not apply for library, recreation and parks but all businesses would use the services of ambulance and police. These should not be exempt.
- b. Are there any DC grants or exemptions for new businesses (Industrial or Institutional)? As Guelph needs to find businesses to invest in the area to create jobs for those being lost in the industrial sector, could there be reductions in fees to entice such development? Perhaps there are such plans already in place other city policies.
- c. How are businesses defined that are not industrial, institutional or commercial in nature? I'm speaking more about professional services, IT, etc. How are these classified? I think there should be some focus on building new business sectors outside of manufacturing. Creating incentives to do so could potentially bring new opportunities to our town. With many people commuting to the GTA, I think the time is coming where businesses start to look further west for land.

11. Other Ideas

- a. DC exemptions for businesses that are geared towards supporting tourism. Bed and Breakfasts, hotels, etc. could be offset expenses to promote the city and its tourism.

Susan Aram

From: Astrid Clos
Sent: October 15, 2008 5:23 PM
To: Susan Aram; aartinger
Cc: 'Gary Scandlan (E-mail)'
Subject: RE: DC Advisory Committee Policy Feedback

Hi Sue,

Thank you for forwarding the comments that you have received from members of the Advisory Committee. I would like to clarify some of the items mentioned in the Guelph Civic League comments to be sure that Council is presented with accurate information.

The comment was made that "*Guelph's Development Charges should be brought more in line with similar municipalities.*" I wanted to clarify that a municipality cannot merely decide that it would like to increase development charges so that it can increase revenues. There must be legitimate growth related projects identified within the D.C. background study. The D.C. background study must also be prepared in compliance with the Development Charges Act and Regulations.

The comment was also made that, "*It is widely understood that low density suburban infrastructure has the highest long term cost to the City.*" I believe that Gary Scandlan, from C.N. Watson provided information to the Advisory Committee that does not support this statement, but Mr. Scandlan can address this issue at the Council workshop.

The comment was made that, "*Development Charges in the Urban Growth Area and Growth Corridors should be significantly less.*" I believe that Mr. Scandlan provided the opinion to the Advisory Committee that servicing costs in older areas can be four times the cost of extending services into Greenfield areas.

Greenfield comments Contrary to the statements made, Places to Grow does not prohibit greenfield development. Places to Grow provides targets for development in the Built Up Area and Greenfield Areas. It also includes density targets.

Thank you for the opportunity to provide these comments.

Regards,

Astrid

Astrid J. Clos
Planning Consultants
423 Woolwich Street
Suite 201
Guelph, Ontario
N1H 3X3

Phone (519) 836-7526 (836-PLAN)

16/10/2008

Email astrid.clos@ajcplanning.ca

From: Susan.Aram@guelph.ca [mailto:Susan.Aram@guelph.ca]
Sent: Wednesday, October 15, 2008 4:18 PM
To: astrid.clos@ajcplanning.ca; aartinger@heritagehomes.com; lloyd@guelphchamber.com;
mark@guelphdowntown.com; jacquelyn@downtownguelph.com; khammil@u ;
julia heatherb@county.wellington.on.ca; shellac@wellington.ca;
Cc: Paul.Kraehling@guelph.ca; David.Corks@guelph.ca; Tricia.Sinclair@guelph.ca; Jim.Mairs@guelph.ca
Subject: DC Advisory Committee Policy Feedback
Importance: High

<<Sept 29 DC Adv. Comm. Meeting.pdf>>

Hi everyone - Thank you to those who were able to provide comment. Please find attached the feedback from Guelph Home Builders Association (Astrid Clos), Guelph Civic League (Julia Grady) and Guelph Chamber of Commerce (Lloyd Longfield) for your review.

I have forwarded this information to the DC Staff Steering Committee and will also be sharing with Council at tomorrow night's workshop.

Thanks Sue

Sue Aram CGA | Deputy Treasurer | Finance
City of Guelph | 59 Carden Street | Guelph | ON | N1H 3A1
(519) 822-1260 x 2300 | Fax (519) 837-5631
susan.aram@guelph.ca | Website: guelph.ca

----- This e-mail message (including attachments, if any) is intended for the use of the individual to whom it is addressed and may contain information that is privileged and confidential. If you are not the intended recipient, you are notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify the sender and erase this e-mail message immediately.

No virus found in this incoming message.
Checked by AVG - <http://www.avg.com>
Version: 8.0.173 / Virus Database: 270.8.0/1718 - Release Date: 10/15/2008 7:29 AM

Susan Aram

From: Astrid Clos |
Sent: October 8, 2008 4:09 PM
To: Susan Aram
Subject: DC Advisory Committee Meeting
Follow Up Flag: Follow up
Flag Status: Red

*Guelph & District
Homebuilders
Association*

Hi Susan,

Further to your request for comments regarding the Development Charge Policies. I can confirm support of a Development Charge exemption for brownfield sites. There is also support for Community Energy Plan Incentives supported by Development Charge exemptions.

Regards,

Astrid

Astrid J. Clos
Planning Consultants
423 Woolwich Street
Suite 201
Guelph, Ontario
N1H 3X3

Phone (519) 836-7526 (836-PLAN)

Email astrid.clos@ajcplanning.ca

From: Susan.Aram@guelph.ca [mailto:Susan.Aram@guelph.ca]
Sent: Wednesday, September 24, 2008 9:19 AM
To: astrid.clos@ajcplanning.ca; aartinger@heritagehomes.com; lloyd@guelphchamber.com; mark@guelphdowntown.com; khamml| julia
heatherb@county.wellington.on.ca; shellac@wellington.ca; dreddick(; ericmellton
Paul.Kraehling@guelph.ca; David.Corks@guelph.ca; Tricia.Sinclair@guelph.ca; Kiran.Suresh@guelph.ca;
Don.Kudo@guelph.ca; Peter.Busatto@guelph.ca; warman@watson-econ.ca; scandlan@watson-econ.ca
Cc: Marion.Plaunt@guelph.ca
Subject: September 29 - DC Advisory Committee Meeting

<<Aug 14 2008 Advisory Committee Workshop DC Policies.ppt>> <<#2 Meeting Agenda September 29 2008.doc>>

Hello everyone - just a reminder of our Development Charges Advisory Committee Meeting on Monday, September 29th at 1:00 pm in Council Committee Room C (downstairs City Hall).

09/10/2008

I have attached an agenda as well as the previous meeting presentation for your review.

Please be prepared to share your comments and ideas with respect to the policies you feel are important to include in the DC By-law.

Thank you,

Sue

Sue Aram CGA | Deputy Treasurer | Finance
City of Guelph | 59 Carden Street | Guelph | ON | N1H 3A1
(519) 822-1260 x 2300 | Fax (519) 837-5631
susan.aram@guelph.ca | Website: guelph.ca

----- This e-mail message (including attachments, if any) is intended for the use of the individual to whom it is addressed and may contain information that is privileged and confidential. If you are not the intended recipient, you are notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify the sender and erase this e-mail message immediately.

No virus found in this incoming message.
Checked by AVG - <http://www.avg.com>
Version: 8.0.169 / Virus Database: 270.7.1/1688 - Release Date: 9/24/2008 6:29 AM

Susan Aram

From: Julia Grady
Sent: October 8, 2008 11:27 AM
To: Susan Aram
Subject: Re: DC Advisory Meeting # 3 - Feedback
Importance: High
Follow Up Flag: Follow up
Flag Status: Red

Guelph Civic League

Hi Susan,

Feedback on the policies overall, followed by specific notes on each of the policies.

The timing of providing comment was earlier than our next meeting which is this Saturday, so I'm providing my comments on behalf of the Guelph Civic League. As well, we're only speaking generally to the policies, more focussed on the big picture goals, but would be interested in more of a financial discussion of various implications paired with other policies at play, perhaps this is planned for upcoming sessions, once all feedback has been given.

Overall, we believe that if the intent is to have developers partner with the city to begin to take big steps towards implementing Places to Grow and the Local Growth Management Strategy, then a mix of incentives and charges should be put in place to signal the city's commitment to these long term plans. Also, while not exactly related to DCs, but very key to development in general, is citizen input and constructive feedback along the way to ensure that the community as a whole move towards new types of development.

Specific notes not covered in specific policies

Development Charges -- Guelph's charges should be brought more in line with similar municipalities, namely Kitchener and Cambridge. It was noted that we fall low on the comparatives, but there wasn't a clear context for why this was the case. While the costs should be competitive with other areas, bringing the charges more in line with other municipalities will help the city put in some of the core infrastructure that the development community may need as key incentives for them to develop in certain areas. Bringing our charges more in line would also ensure that more revenue in general is available to help provide some of the incentives covered by the specific policies, with ideally a net zero impact on current taxpayers.

Long term costs of development and impact on taxpayers - It's interesting that the long-term costs of growth are not factored into this discussion. Ideally, the long-term (50-70 years) costs of how growth is managed falls into the equation (though maybe not directly through DCs if this is not possible within the legislation). It's widely understood that low density suburban infrastructure has the highest long-term cost to the city, but neither DCs nor past OP policies seemed to steer development to the built areas. Current policies need to take the long-term nature of building a city into account.

Opportunity - While there will be some short term adjustments to be made as to how we build community, in the long-term, Guelph's development community has a huge opportunity to become the new status quo, becoming regional/provincial even national leaders at developing within a more

09/10/2008

sustainable, energy efficient, community focussed, densified, mixed use residential and commercial developments.

Redistribution of DCs through development zones

Development charges combined with incentive policies should be used to encourage livable and densified development that meets Guelph's Growth Management Plan and Places to Grow. Where possible, allocations should be towards upgrading existing infrastructure to make way for growth rather than implementing new infrastructure which will be more costly in the long run. To stimulate this kind of development, we suggest creating 3 rates of charges for residential residential (and commercial/industrial that meets the people per hectare employment standards).

1) **Urban growth area and growth corridors** - If one of the key development areas is the Urban Growth Area (the core) and the growth corridors in the rest of the city, then the charges here should be significantly less than the other areas within the built boundary and the greenfield areas. The downtown/urban growth area should align with the new boundary as shown in the map, which is somewhat expanded past the boundary of the past downtown boundary. These could be noted as redevelopment areas, with charges applied accordingly.

2) **Within built boundary** - Once the overall increase in costing is applied (related to bringing Guelph in line with other municipalities) these would remain relatively unchanged, but would be eligible for the specific reductions/incentives noted pertaining to the 11 policies below.

3) **Greenfield** - The charges in the greenfield areas outside of the built boundary should significantly increase to reflect the need to move development to the other areas of the city. Until greenfield development costs increase significantly (i.e. 50-100% increase), our opinion is that we will continue to approve a level of greenfield development that is not sustainable. The increased costs here should be mirrored by increased opportunities in other zones. There are a number of policies below that pertain to incentives, while there is no existing policy noted for greenfield, we believe a disincentive policy making greenfield development a little less lucrative is needed to make the paradigm shift. These increases could be phased in during the first 2 years of the policy, to give the development community some time to adjust, though with Places to Grow, the writing has been on the wall for some time now.

related factors

If there is an overall increase in DCs, are there other factors that could be streamlined to save developer costs/time? speed of approval, processes, etc.

Notes on specific policies --

Policy 1/2 - Downtown Older Area. a) **Boundary** - should match the urban growth area to set a consistent development area with growth management strategy, CIP area would ideally fall into similar boundaries as well. b) charges for residential and non-residential should be significantly less (at least 50% reduction, if not fully removed). The goal to get significant development started in this zone in the next 5 years. Future policy phases could look at reinstating charges once development in this area is proven practical. Charges should be fore increase in sq. feet of space.

? How is the loss of revenue from DCs contrasted with increased assessments/new tax base from this area?

Policy 3 Brownfield - incentives/grants on a case by case basis, tax deferral for projects once underway to help longer term financing of project.

Policy 4 Affordable Rental - Issue is related to growth and a reduction in charges, with rebates and or incentives to ensure that the ideal balance of housing stock is built seems logical.

Policy 5 Heritage/Adaptive reuse - Should consider reduction of DCs paired with tax deferral incentives to encourage redevelopment of existing heritage buildings. Buildings should be on the inventory and in agreement that they would be designated). This is related to growth, as every existing site that is developed, brought back into current use offsets the need for greenfield development.

Policy 6 Efficient Land Use -- Would support lower charges for smaller dwellings based on sq footage, and multiple story buildings. Charges varying by # of bedrooms wouldn't necessarily meet the goal, as a 5000 sq foot home could have the same # of bedrooms as a 1000 sq foot loft.

Policy 7 Marginal/Average Cost Pricing -- The growth management strategy looks at the city as a whole, and how we want to development for the city as a whole to proceed. The cost of servicing areas should be allocated across the city, as it's the total amount of development possible and the quality/where growth occurs that is affected. Efficiency of overall infrastructure and in the long-term (50-70yr) costs of what should be built should take priority over the short term servicing costs. The ideal is that development happen first around existing infrastructure within the built boundary, and an average cost pricing would encourage development of the whole, not just the cheapest to service.

Policy 8 Mixed Use Reduction - This is more an issue of the quality of development and community, not specifically related to growth, as the mix of uses could be found across the city at the same densities. We definitely support encouraging mixed use development at the building and neighbourhood level throughout the city, though this may be better handled within the OP or secondary plans for key areas of the city. Perhaps a recommended % of mix of commercial to residential should be used as a guideline, which could then be included in the DPP. And offer rewards through an incentive system for great mixed use examples on a case by case basis.

Policy 9 Transit Supportive - This is an important policy and it can be strongly argued that transit supportive policies and infrastructure needed are related to growth. Increasing auto transit by the volume needed with new growth targets isn't feasible, so walking, biking, bus and rail need to be key considerations. If part of the road component can be reallocated to improving transit infrastructure, this would be ideal. Then the DCs could encourage development near existing lines. This policy should also apply to non-residential as well. If this policy in particular was implemented 10 or 15 years ago, the city would already be much denser with development concentrated around existing infrastructure. Kitchener is working on a light rail or rapid transit system to connect into the future GO line. We should consider this as a long-term growth related infrastructure piece from the central N/S spine of the city (Gordon/Edinburgh).

Policy 10 - Community Energy Plan - Could consider a DC rebate for buildings that meet prescribed targets. These targets would need to be clearly quantified and speak to an ultra-high level of energy efficiency, not merely energy star appliances. A near zero energy building and/or zero energy site (where a particular development creates the energy it needs) are the larger types of projects that should be met with incentives and a reduction in charges.

Policy 11 Timing of Collection -- Seems to be more of a cashflow issue, so if there is no big benefit to either the city or the development community to adjust this, we see no need.

Thanks.

On 2-Oct-08, at 5:17 PM, <Susan.Aram@guelph.ca> <Susan.Aram@guelph.ca> wrote:

Hi everyone - I apologize, please note that in my meeting invitation I indicated that the Council Workshop is on October 17th - that is not correct, it is scheduled for October 16th, 6:30 to 9:30.

Thanks Sue

Sue Aram CGA | Deputy Treasurer | Finance
City of Guelph | 69 Carden Street | Guelph | ON | N1H 3A1
(519) 822-1260 x 2300 | Fax (519) 837-5631
susan.aram@guelph.ca | Website: guelph.ca

----- This e-mail message (including attachments, if any) is intended for the use of the individual to whom it is addressed and may contain information that is privileged and confidential. If you are not the intended recipient, you are notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify the sender and erase this e-mail message immediately.

Julie Orady, B.A., R.C.D.

-> Please note our new address:
Barking Dog Studios Inc.
186b Norfolk Street, Guelph ON N1H 4K2

See our site for all kinds of great stuff:

<http://www.barkingdogstudios.com>

09/10/2008

Susan Aram

*Guelph
Chamber
of Commerce*

From: Lloyd Longfield [lloyd@guelphchamber.com]
 Sent: October 9, 2008 1:23 PM
 To: Susan Aram
 Cc: astrid.clos@ajcplanning.ca; aartinger@heritagehomes.com; mark@guelphdowntown.com;
 jacquelyn@downtownguelph.com; khammill ; julia
 sheilac@wellington.ca; heatherb@county.wellington.on.ca; dredrick
 ericmellton ; Paul Kraehling; David Corks; Tricia Sinclair; Marion Plaunt; Jim Mairs;
 warman@watson-econ.ca; scandlan@watson-econ.ca; ericmellton
 Subject: RE: DC Workshop - October 16th

Hi Sue,

Sorry to be late getting back. I am on vacation next week so unfortunately will miss the meeting. A few general comments or concerns:

- 1) We are moving into a period of no organic growth of existing businesses in many cases. This could provide some opportunity of stimulating growth via diversification of existing businesses, or attracting new businesses. In either event we should be aware of the changing reality. DC's over the past five year period should not necessarily follow the same logic as what we need going forward. Possible consideration of scaling from one year to the next as recovery happens.
- 2) We need to be very aware of DC's in other areas, and what change plans are out there in surrounding communities.
- 3) The ICI component needs to increase to ease the burden on residential, particularly in periods of job loss. We need to be aggressive in attracting new business. This should integrate with our Economic Development plans and have participation from Council so that the Council knows how and why we are trying to stimulate growth.

Thanks for coordinating this.

Lloyd

From: Susan.Aram@guelph.ca [mailto: Susan.Aram@guelph.ca]
 Sent: Thursday, October 09, 2008 12:38 PM
 To: astrid.clos@ajcplanning.ca; aartinger@heritagehomes.com; Lloyd Longfield; mark@guelphdowntown.com;
 jacquelyn@downtownguelph.com; khammill ; julia sheilac@wellington.ca;
 heatherb@county.wellington.on.ca; dredrick ; ericmellton ; paul.kraehling@guelph.ca;
 David.Corks@guelph.ca; Tricia.Sinclair@guelph.ca; Marion.Plaunt@guelph.ca; Jim.Mairs@guelph.ca;
 warman@watson-econ.ca; scandlan@watson-econ.ca; ericmellton
 Subject: DC Workshop - October 16th

Hi all - Just to let everyone know, as a Committee Meeting has been cancelled next week, the DC Council Workshop will be starting at 5:30 pm in Council Chambers On October 16th.

Also, just a reminder to forward any feedback you may have with respect to DC policy from our last meeting asap and thankyou to those who have already done so. I will be passing on to Staff Steering Committee.

Thank you , Sue

09/10/2008

Sue Aram CGA | Deputy Treasurer | Finance
City of Guelph | 59 Carden Street | Guelph | ON | N1H 3A1
(519) 822-1260 x 2300 | Fax (519) 837-5631
susan.aram@guelph.ca | Website: guelph.ca

----- This e-mail message (including attachments, if any) is intended for the use of the individual to whom it is addressed and may contain information that is privileged and confidential. If you are not the intended recipient, you are notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify the sender and erase this e-mail message immediately.

CONSENT AGENDA

November 17, 2008

Her Worship the Mayor
and
Members of Guelph City Council.

SUMMARY OF REPORTS:

The following resolutions have been prepared to facilitate Council's consideration of the various matters and are suggested for consideration. If Council wishes to address a specific report in isolation of the Consent Agenda, please identify the item. The item will be extracted and dealt with immediately. The balance of the Consent Agenda will be approved in one resolution.

A Reports from Administrative Staff

REPORT	DIRECTION
<p>A-1) REQUEST FROM THE CORPORATION OF THE TOWNSHIP OF GUELPH/ERAMOSIA REGARDING SUPPORT FOR A BUILDING CANADA FUND APPLICATION SUBMISSION</p> <p>THAT the report of the Director of Community Services of November 17, 2008 be received;</p> <p>AND THAT the correspondence report dated November 17, 2008 from the Township of Guelph/Eramosa regarding their application for funding under the Build Canada Fund be received;</p> <p>AND THAT Council of the City of Guelph acknowledge the inherent benefit that the construction of the Marden Park Recreational Facility would have in providing: increase the opportunity for sport activity; improve the health of Canadians; and strengthen Canadian communities; and that the facility would provide increased opportunities for the development of athletes and the hosting of major athletic events.</p>	Approve

COUNCIL REPORT



TO Guelph City Council

SERVICE AREA Community Services
DATE November 17, 2008

SUBJECT Request from The Corporation of the Township of Guelph/Eramosa regarding support for a Building Canada Fund Application Submission

REPORT NUMBER CS-RE-0823

RECOMMENDATION

THAT the report of the Director of Community Services of November 17, 2008 be received; and

THAT the corresponding report dated November 17, 2008 from the Township of Guelph/Eramosa regarding their application for funding under the Build Canada Fund be received; and

THAT Council of the City of Guelph acknowledge the inherent benefit that the construction of the Marden Park Recreational Facility would have in providing: increase the opportunity for sport activity; improve the health of Canadians; and strengthen Canadian communities; and that the facility would provide increased opportunities for the development of athletes and the hosting of major athletic events.

BACKGROUND

On July 24, 2008, the Federal Government and the Province of Ontario signed an Infrastructure Framework Agreement worth more than 6.2 billion dollars in joint federal and provincial funding under the 'Building Canada Fund.' The objective of the Intake One phase is to address the local needs of smaller communities. This application phase addresses priorities in communities with a population of less than 100,000.

The Township of Guelph/Eramosa has chosen to submit an application in the Primary Category of "Sports". Phase One of their project will include the construction of a 50,000 square foot steel structure recreation facility that will house a 210' x 210' artificial turf sports field and an indoor track, and an outdoor regulation size football field.

The Township has sent correspondence (report) to the City of Guelph Mayor and Members of Council seeking our official receipt of their report and our consideration of a resolution acknowledging the benefits of this facility as per their application.

REPORT

The request for an endorsement was reviewed by Community Services staff who in turn consulted with Monteith Brown, the consultants currently preparing the Master plan for Parks, Recreation and Culture. Staff is of the opinion that if this facility is built it is unlikely to have a negative impact on the City of Guelph. Rather, staff suspect it will have a positive impact on our citizens who choose to use the additional facility.

Guelph is currently experiencing a shortage of recreational fields. While there is a possibility that some of our existing users may leave our facilities to use this new facility, staff believe we will not see an impact on our gross revenues as demand currently exceeds supply. As new facilities are developed in Guelph we fully expect that Guelph users would return to using Guelph facilities provided they are of similar quality.

CORPORATE STRATEGIC PLAN

Strategic Objective 2.3 The most physically and socially active residents in Canada.

FINANCIAL IMPLICATIONS

There are no financial implications. There are currently no reciprocal sports field agreements between Guelph and Townships or other cities.

DEPARTMENTAL CONSULTATION

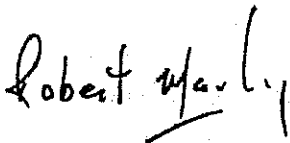
Community Design and Development
Operations

COMMUNICATIONS

N/A

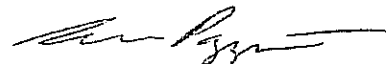
ATTACHMENTS

Correspondence – Township of Guelph/Eramosa Re: Building Canada Fund
Application Submission /Marden Park



Prepared By:

Rob Mackay
Manager of Recreation
519-822-1260 x 2664
rob.mackay@guelph.ca



Recommended By:

Ann Pappert
Director of Community Services
519-822-1260 x 2665
ann.pappert@guelph.ca



The Corporation of the Township of Guelph/Eramosa

TO: City of Guelph Mayor and Members of Council
FROM: Robin Milne, Manager of Parks and Recreation Township of Guelph/Eramosa
DATE: November 17, 2008
RE: Building Canada Fund Application Submission

Background

On July 24, 2008, the Federal Government and the Province of Ontario signed an Infrastructure Framework Agreement worth more than 6.2 billion dollars in joint federal and provincial funding under the Building Canada Fund. Intake One of the Building Canada Fund opened on September 12, 2008 and the federal and provincial government each committed to providing \$100 million for a total of \$200 million for local infrastructure improvements. The objective of Intake One, referred to as the Community Component is to address the local needs of smaller communities. This will be accomplished by contributing funding to projects that may otherwise be beyond the community's normal budgetary capacity. The "Community Component" will address priorities in communities with a population of less than 100,000.

The Township of Guelph/Eramosa has chosen to submit application for Intake One in the primary category of "Sports". The Township will be submitting Phase One of the Marden Park Master Plan. Phase one will include the construction of a 50,000sq/ft steel structure recreational facility that will house a 210'x120' artificial turf sports field and an indoor track. Phase one will also include the construction of an outdoor regulation size football field. Marden Park is located at 7368 Wellington Rd. #30, Guelph, Ontario. This facility would provide a significant regional benefit that will provide increased opportunities for sport activities that can improve the health of Canadians and strengthen Canadian communities; and will provide increased opportunities for the development of Canadian athletes and/or the hosting of major amateur athletic events.

Financial Impact

There will be no financial impact to the City of Guelph. The Township of Guelph/Eramosa is requesting council support to be used as additional leveraging criteria for application submission to the Building Canada Fund.

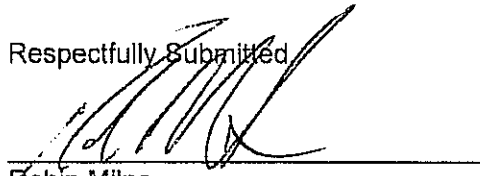
Suggested Resolution

If the Council of the City of Guelph is in support of the construction of this project, the following is a suggested resolution for your consideration:

Be it resolved that the Council of the City of Guelph has received the Building Canada Fund report from the Township of Guelph/Eramosa; and

that the Council of the City of Guelph acknowledges the regional benefit that the construction of the Marden Park Recreational Facility would have in providing increased opportunity for sport activity and the opportunity to improve the health of Canadians and strengthen Canadian communities; and that it would provide increased opportunities for the development of Canadian athletes and/or the hosting of major athletic events.

Respectfully Submitted



Robin Milne
Manager of Parks and Recreation
Township of Guelph/Eramosa

Any additional questions please contact

Robin Milne, Manager of Parks and Recreation
Township of Guelph/Eramosa
8348 Wellington Rd. 124
Rockwood, Ontario
N0B 2K0
519-856-9596 x110

Attachments: Marden Park Master Plan; Phase One Highlighted



Indoor Field
(48 375ft²)

Amenity
(3700ft²)

Maint.

Maint.

Library

Main Entrance

Mason Creek

Volleyball
Courts (510)

Tennis
Courts (125)

Baseball
(1000)

Softball
(1000)

Soccer
(10000)

Basketball
Courts (1000)