

King raises its development charges

By Mark Pavilons

A showdown is looming between King Township and developers.

Township staff met with key stakeholders Monday, following a council vote Sept. 14 to raise local development charges, making them the highest in the GTA.

According to Allan Evelyn, King's finance director, the developers have made it clear the newly passed development charge bylaw will be appealed. From here on in, Evelyn said the Township will be very deliberate on what's approved moving forward, until the appeals process is done.

They are explaining to the developers what brought the Township to its current state of DCs. The main reason for the almost twofold increase is a lack of hikes over previous years, which put the Township behind. To make up the lost ground, King has decided to up the rates substantially. Core improvements are also a 'significant driver' to the rates.

The required public meeting was held at council Sept. 14 and an overview was presented by David Uusitalo of Watson & Associates Economists Ltd.

He explained that DCs which have been in place in Ontario for more than 50 years, are designed to recover the capital costs associated with residential and non-residential growth within the Township. These costs are in addition to what would normally be constructed as part of a subdivision, such as internal roads, sewers, roads, sidewalks, etc.

Capital project revisions in King have altered the DC needs.

The DCs will almost double under the new proposal. Charges will go from the current \$4.18 to \$7.75 per square foot for new construction in Schomberg. King City's rates will go from \$5.23 to \$8.43, while Nobleton's rates will rise from \$4.65 to \$8.06 per square foot.

In the report prepared by Evelyn, he noted staff was asked to review core services to ensure local projects reflect an 'appropriate level' of DC recoverable costs. In the past year, King worked on and passed its Transportation Master Plan, which was an integral reference document for estimating project costs. Prior to this, staff based their cost estimates on tender pricing.

A comprehensive review of the Development Charge Background Study of 2014 resulted in the proposed DC hikes this year.

A lot of local road work projects have seen substantial cost increases.

While the DCs are on the high end, King's tax rates are comparable, in fact they're among the lowest in the GTA.

According to 2015 property tax rates throughout the Greater Toronto and Hamilton Area (GTHA), King ranks 21st (commercial) and 23rd (industrial) out of 27 municipalities - meaning we are among the lowest in southern Ontario. York neighbours Whitchurch-Stouffville, Vaughan, Richmond Hill and Markham are slightly lower. Overall, it seems York has among the best tax rates going.

Mayor Steve Pellegrini noted that when they revisited DCs back in 2009, they were understated.

With growth being limited in King, this is the municipality's opportunity to get the DC revenue it requires, he said. The added revenue will help King build the vision of the community it wants.