

Developers react to proposed hike in development charges

By Angela Gismondi

The development community in King is concerned about the proposed increase in development charges (DC).

A public meeting was held recently to present the development charge background study and to receive input regarding the proposed development charge policies and changes.

Gary Scandlan of Watson and Associates was on hand to make the presentation. The purpose of development charges is to recover the capital costs associated with residential and non-residential growth, explained Scandlan. The Development Charges Act gives municipalities the authority to impose these charges for financing costs resulting from new growth. Municipalities use these fees help pay for the cost of infrastructure required to provide municipal services to new development, such as roads, transit, recreation, library and fire and police facilities. King's current DC bylaw has expired and without it, the Township cannot impose and doesn't have the ability to collect development charges. That's why a new bylaw is needed.

For non-residential growth, the current development charge for municipal wide services is \$4.15 a square foot and the proposal is to increase the fee to \$8.09. As for water and wastewater services in the township's three villages, it is recommended that the charge be increased from \$4.65 to \$8.86 a square foot in Nobleton, \$5.23 to \$9.61 in King City and \$4.18 to \$8.59 in Schomberg.

For residential growth, developers currently pay \$12,022 in DC charges for municipal wide-services on a single detached dwelling. The proposal is to increase that figure to \$25,494. An increase in water and wastewater services is also being recommended raising the fee from \$17,234 to \$32,163 in Nobleton, \$17,848 to \$37,046 in King City and \$12,077 to \$28,889 in Schomberg.

Members of the local development community were not happy about the proposed DC hike. On behalf of Brookvalley Developments, Paul Mondel came forward to share his concerns.

"This is a 100 per cent increase in development charges," said Mondel. "I want to emphasize that we need to find the right balance here."

Mondel suggested some of the information presented may not be entirely accurate.

"Those charts are really interesting, but they don't reflect the true market place out there," he explained, adding a consultant has been retained to conduct a review of the background study and would like to continue to meet with staff to come to a resolution. He said that will take more than one meeting.

"These are big numbers and we are here to work with your staff and the consultant to find the right balance," Mondel concluded.

A representative from the SighNature Communities development, suggested a transition mechanism is needed to lessen the impact of the increase.

"This is a significant increase over existing rates," he said. "An appropriate transition mechanism is desirable and would mitigate the impact of the increases."

He asked that council urge staff to report back on possible options for a transition mechanism, especially for development applications which are currently being processed.

Danielle Chin from the York Chapter of Building Industry said the association is "looking forward to having consultation meetings especially considering the magnitude of the increase."

The next step in the process is for council to consider a bylaw for adoption, explained Alan Evelyn, the Township's director of finance. Before that happens, Township staff has scheduled a stakeholder meeting on Nov. 4 to discuss the matter with the development community.

"Our objective is to try and have a bylaw before council that will represent a collaborative approach with bylaw and the community so we don't end up involved in the lengthy and expensive appeals process," said Evelyn.

Councillor Cleve Mortelliti added including a transition policy in the bylaw would be a "fair approach."

Depending on the meeting with the development community, staff could bring the matter back to council at the Nov. 22 meeting, the first meeting after the election.