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Windsor, Ontario February 20, 2015

A meeting of the **Development Charges Task Force** is held this day commencing at 1:30 o'clock p.m. in Room 409, 400 City Hall Square East, there being present the following members:

Councillor Hilary Payne  
Councillor Rino Bortolin  
Councillor Chris Holt  
Councillor Ed Sleiman  
Evangelos Kalmantis  
Shane Mitchell  
Tony Rosati  
Albert Schepers  
Pietro Valente

**Guest in attendance:**

Craig S. Binning, Partner HEMSON Consulting Ltd.

**Also present are the following resource personnel:**

Tony Ardovini, Deputy Treasurer – Financial Accounting  
Carolyn Brown, CEO for YQG & WDTC / CLT Transportation Services  
Stephen Cipkar, Executive Initiatives Coordinator  
Onorio Colucci, City Treasurer  
Diana Digirolama, Manager of Technical Support  
Andrew Dowie, Policy Analyst, Operations  
Barry Horrobin, Director of Planning, Windsor Police Services  
Thom Hunt, City Planner  
Angela Marazita, Fleet Manager  
Bruce Montone, Fire Chief  
Don Nantais, Financial Planning Administrator  
Brian Pougnet, Controller, Finance, Enwin Utilities Ltd.  
Helga Reidel, CAO  
Mario Sonego, City Engineer  
Harry Turnbull, CIO/Executive Director of Information Technology  
Karen Kadour, Committee Coordinator

**1. CALL TO ORDER**

The Chair calls the meeting to order at 1:30 o'clock p.m. and the Committee considers the Agenda being Schedule "A" **attached** hereto, matters which are dealt with as follows:

2. **DECLARATIONS OF CONFLICT**

None disclosed.

3. **ADOPTION OF THE MINUTES**

Moved by Councillor Bortolin, seconded by Councillor Sleiman,  
That the minutes of the Development Charges Task Force of its meeting held January 16,  
2015 **BE ADOPTED** as presented.  
Carried.

4. **PRESENTATION**

Craig Binning, Partner HEMSON Consulting Ltd. is present and provides a PowerPoint presentation relating to the Development Charges Study. The PowerPoint presentation entitled "City of Windsor Development Charges Study DC Task Force Meeting #2" is distributed and ***attached*** as Appendix "A". The highlights of the PowerPoint presentation are as follows:

- Next steps include the calculation and release of draft Development Charges rates and to hold a Council Workshop Information Session.
- Forecast of population, household and employment to 2024. Ten year forecast based on Census Canada Data, CMHC Data, and Provincial Forecasting by Hemson Consulting, Ltd. Will be compared against projections prepared by the City at the end of February, 2015.
- It is projected that 3,500 dwelling units will be added from 2015 to 2024.
- Section 5(1)4 of the Development Charges Act limits maximum allowable charge for general services based on average service level provided in preceding 10 years (2005 – 2014).
- Historic service levels are calculated on a service by service basis for all general services.
- The 10-year historical service level multiplied by the forecast growth in the 10-year planning period yields the Maximum Allowable Funding Envelope.
- Maximum development charge is the lesser of historic service level standard or future capital program.
- 2015-2024 General Services Capital Program includes two Development Charges Studies, Fire Master Plan, Parks and Recreation Master Plan and a Growth Management Plan.
- Capital infrastructure planning is based on forecast future needs and reflects changing demand patterns.
- In terms of historical service levels, the Development Charges Act 1997 limits the amount eligible for development charges funding to the 10-year average service level rather than "peak" level achieved in previous ten-years.
- Development-related capital programs account useable excess capacity resulting from recent demographic shifts.

- Maximum funding envelopes for services driven by population are calculated using net population (total change in population), which accounts for available capacity as a result of declining population.
- Economics (supply/demand) are critical factors in the determination of the rate and quantum of development.
- Development of land involves a number of participants and changes in costs are shared amongst them all.
- The demand curve for new construction is influenced by many factors including – interest/borrowing rates, resale homes, and customer preferences.
- Without infrastructure, opportunities for development are very limited and, if Development Charges are not used, property taxes and utility rates will need to be increased.
- Development has contributed to the initial round of capital infrastructure needs since the early 1900's.
- Development will benefit from existing infrastructure without having contributed to the initial capital cost of construction.
- The calculation considers the replacement/benefit-to-existing shares of development-related capital projects.
- Property taxes are intended to fund the operation of facilities, while Development Charges are a mechanism to fund a share of the increased capital costs necessary to meet increased needs arising from development.
- The City of Windsor currently levies lower Development Charges in the central part of the City (3 service areas) to encourage development.

In response to a question asked by Councillor Sleiman regarding projections in the population in the City of Windsor from 210,000 (present) to 212,000 in 2024, C. Binning advises the projections are based on demographics undertaken by his firm. T. Hunt indicates the biggest driver in population is tied to employment growth.

In terms of capital programs, A. Schepers questions what happens to the projected development charges if the program never manifests.

In response to a question by E. Kalmantis relating to Windsor as a “border city” and if thought has been given to cost sharing road infrastructure and repairs with the United States, C. Binning responds this falls outside of the Development Charges spectrum, and road repair is a maintenance issue rather than a capital issue.

A. Schepers asks if the cost per home for infrastructure on annexed lands can be calculated.

A question is posed in the PowerPoint presentation stating “does Hemson do economic studies” and the Chair notes it appears Hemson has not done economic studies. C. Binning advises he has never been retained to undertake economic studies.

A. Schepers states an economic study would determine the optimal level of rates.

O. Colucci notes if the development charges are lowered, preference would be no growth component as the cost of taxes are increased and higher taxes drive away development.

P. Valente states the City of Windsor is suffering due to high unemployment and low growth and requests a creative strategy amendable for the community. He requests the consultant give consideration to the multi-family sector in his calculations.

The Chair requests any further comments/submissions be provided to the Consultant prior to the next meeting of the Task Force.

S. Mitchell requests the opportunity for the Task Force to review the proposed recommendations and to work with Administration prior to the review by City Council.

T. Hunt advises the rationale for reductions of development charges in Community Improvement Plans will be provided at the next meeting of the Task Force.

**5. OTHER BUSINESS**

None.

**6. DATE OF NEXT MEETING**

The next meeting will be held on March 11, 2015 at 1:30 o'clock p.m. in the Council Chambers, 3<sup>rd</sup> floor, City Hall.

**7. ADJOURNMENT**

There being no further business, the meeting is adjourned at 3:50 o'clock p.m.

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CHAIR

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COMMITTEE COORDINATOR

**AGENDA**  
**of the**  
**DEVELOPMENT CHARGES TASK FORCE**  
**Friday, February 20, 2015**  
**1:30 p.m.**  
**Room 409, 400 City Hall Square East**

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**1. CALL TO ORDER**

**2. DECLARATIONS OF CONFLICT**

**3. ADOPTION OF THE MINUTES**

Adoption of the minutes of the meeting of the Development Charges Task Force held on January 16, 2015 - (*previously distributed*).

**4. PRESENTATION**

Presentation by Craig Binning of Hemson Consulting regarding the following:

- a. Update on Study Process
- b. Overview of Preliminary Development Forecast
- c. Overview of Capital Programs
- d. Questions and Issues Raised by Task Force Members
- e. Other Policy Issues
- f. Next Steps

Questions and Discussion to follow.

**5. OTHER BUSINESS**

**6. DATE OF NEXT MEETING**

**7. ADJOURNMENT**