

Windsor, Ontario January 16, 2015

A meeting of the **Development Charges Task Force** is held this day commencing at 2:30 o'clock p.m. in Room 409, 400 City Hall Square East, there being present the following members:

Councillor Hilary Payne, Chair  
Councillor Paul Borrelli  
Councillor Rino Bortolin  
Councillor Ed Sleiman  
Evangelo Kalmantis  
Shane Mitchell  
Tony Rosati (arrives at 3:30 p.m.)  
Albert Schepers  
Pietro Valente

**Regrets received from:**

Councillor Chris Holt

**Guest in attendance:**

Craig S. Binning, Partner HEMSON Consulting Ltd.

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

Tony Ardovini, Deputy Treasurer – Financial Accounting  
Stephen Cipkar, Executive Initiatives Coordinator  
Onorio Colucci, City Treasurer  
Pat Delmore, Executive Director, Transit Windsor  
Diana Digirolama, Manager of Technical Support  
Andrew Dowie, Policy Analyst  
Barry Horrobin, Director of Planning, Windsor Police Services  
Thom Hunt, City Planner  
Angela Marazita, Fleet Manager  
Don Nantais, Financial Planning Administrator  
Kitty Pope, CEO, Windsor Public Library  
Brian Pougnet, Controller, Finance, Enwin Utilities Ltd.  
John Revell, Chief Building Official  
Mark Winterton, Executive Director of Operations  
Karen Kadour, Committee Coordinator

1. **CALL TO ORDER**

The Committee Coordinator calls the meeting to order at 2:32 o'clock p.m. and the Task Force considers the Agenda being Schedule "A" attached hereto, matters which are dealt with as follows:

2. **DECLARATIONS OF CONFLICT**

Councillor Borrelli discloses a "potential" disclosure of interest as he owns a development company and there are development possibilities in the range of high density use.

3. **ELECTION OF CHAIR**

The Committee Coordinator calls for nominations from the floor for the position of Chair. Councillor Sleiman nominates Councillor Payne. The Committee Coordinator asks if there are further nominations from the floor. Seeing none, the Committee Coordinator asks Councillor Payne if he accepts. Councillor Payne accepts.

Moved by Councillor Sleiman, seconded by Councillor Bortolin,  
That Councillor Hilary Payne **BE ELECTED** Chair of the Development Charges Task Force.

Carried.

Councillor Payne assumes the Chair.

4. **PRESENTATION**

Craig S. 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 #1, January 16, 2015" is distributed and attached as Appendix "A". Also distributed is "Exhibit 1 City of Windsor 2015 Development Charges Study and By-law Work Plan Schedule", attached as Appendix "B". The highlights of the PowerPoint presentation are as follows:

- Council passed the Development Charges By-law 70-2010 on May 10, 2010 that imposes both City-wide and Area-Specific Development Charges. The By-law expires June 1, 2015.
- City must pass a new by-law before expiry date in order to continue collecting development charges.
- Fees imposed on development to finance "growth-related" capital costs.
- Pays for new infrastructure and facilities to maintain service levels.

- Principle is “growth pays for growth” so that financial burden is not borne by existing tax/rate payers.
- Direct Developer Contributions – Infrastructure required as part of a subdivision agreement, i.e. internal roads, sidewalks, streetlights, small water/sewer mains, park elements.
- Property Taxes and Utility Rates – Long-term repair and replacement of infrastructure.
- Statutory and non-statutory reductions on development charges and ineligible infrastructure.
- Key steps in passing a Development Charges By-law include:
  - Advertise public meeting in March 2015 (3 week notice)
  - Release development charges background study and proposed by-law (2 week notice)
  - Hold statutory public meeting in April 2015
  - Receive feedback and amend proposed charges and by-law if warranted
  - Passage of by-law by Council in May 2015
- Research and evidence suggests there is little to no correlation between the level of development charges and the rate and quantum of residential development.
- There is evidence that development charges can influence some types of non-residential development including population-related non-residential land uses such as grocery stores and coffee shops.
- All else being equal (land prices, property taxes, utility rates, etc.), industrial development has been shown to be sensitive to initial one-time capital costs such as development charges
- What do development charges fund in Windsor – roads (46.43%), sanitary sewer (11.91%), storm sewer (8.40%), water (8.09%), recreation (6.90%), parks (8.8%), general government (1.64%), library (3.77%) fire (1.82%), police (0.92%), public works (0.63%), transit (0.69%).
- If the fully calculated development charges are not implemented, the result is a loss of potential development charges revenue.
- There are two ways to mitigate the development charges revenue loss which includes:
  - Reduce the capital program – which will likely result in service level decreases
  - Fund the loss from other sources: property taxes and utility rates.

In response to a question asked by Councillor Borrelli regarding if development charges are based on external services if development occurs in a “mature area” and is there a differentiation between the two areas, C. Binning responds the area has specific charges versus a city-wide approach.

The Chair asks if there is a trend in Ontario for Councils to reduce development charges rates. C. Binning states it is unusual to reduce or discount rates and further notes there are no discounted rates in the Greater Toronto Area or in Central Ontario.

S. Mitchell questions if the rates for a single family dwelling are the same for a large family dwelling and suggests another category be added to the rate structure. C. Binning indicates certain texts in the *Development Charges Act* must ensure the rates are supportable and defensible. He provides an example of a 1500 sq. ft. dwelling versus a 3000 sq. ft dwelling and

notes there are not necessarily more people residing in the larger dwelling that would affect infrastructure costs.

P. Valente reports the Town of Leamington does not have development charges.

C. Binning advises the *Development Charges Act* requires a benefits type of test, i.e. what is the increased demand for services. He states development charges are not obligatory; municipalities can eliminate them. He notes 300 municipalities within Ontario utilize development charges.

In response to a question asked by E. Kalmantis regarding why the industrial sector is not charged development charges, O. Colucci responds *the Development Charges Act* prohibits development charges on up to a 50% expansion of an industrial building.

C. Binning indicates once the Development Charges By-law and rates are set, DC Bylaw and rates cannot be revised without a new DC Background Study and legislated meetings.

A. Schepers states people are forced to build in the Town of Tecumseh as the development charges are lower. He notes as the rates have increased, people have relocated into the County.

P. Valente requests a slide be added to the PowerPoint presentation that provides the average new home sale price.

C. Binning requests any submissions and or suggestions relating to development charges be sent to the Committee Coordinator by the end of January 2015.

S. Mitchell suggests the Planning Department provide how the implementation of development charges can assist in the development of planning goals.

## 5. BUSINESS ITEMS

### 5.1 Terms of Reference

The Development Charges Task Force Terms of Reference/Mandate is received for information.

## 6. OTHER BUSINESS

It is generally agreed the next meeting be held on February 19, 2015 at 4:00 p.m., however, as of this writing the next meeting date is to be determined.

7. ADJOURNMENT

There being no further business, the meeting is adjourned at 4:20 o'clock p.m.

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CHAIR

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COMMITTEE COORDINATOR

**AGENDA**  
**of the**  
**DEVELOPMENT CHARGES TASK FORCE**  
**Friday, January 16, 2015**  
**2:30 p.m.**  
**Room 409, 400 City Hall Square East**

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**1. CALL TO ORDER**

**2. DECLARATIONS OF CONFLICT**

**3. ELECTION OF CHAIRPERSON**

**4. PRESENTATION**

Presentation by Craig Binning of Hemson Consulting regarding the following:

- a. What are Development Charges?
- b. Development Charges in Windsor
- c. Impact of Development Charges
- d. Development Charge Policy Review
- e. Study Process and Next Steps

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**6. OTHER BUSINESS**

**7. ADJOURNMENT**