

City of Toronto **RE: EX5.1**
2015 Scarborough Subway
Development Charges Bylaw
Amendment



Public Meeting (April 22, 2015)
Executive Committee



Today we will discuss...

- Project Overview
- Current Bylaw
- Background Study Findings
- Proposed Bylaw Amendment

Project Overview

- Council directed staff to update the DC rates for the Scarborough Subway Extension project (CC39.5, October 11, 2013)
- Retained Hemson Consulting to complete DC Study
- Proposed Amendment to 2013 Study and Bylaw
- Calculated based on existing DC legislation

Key Documents Recently Released

- April 1 – Notice of Public Meeting
- April 7 – DC Background Study and Proposed Bylaw
- April 15 – Staff Report

- April 22 – Statutory Public Meeting

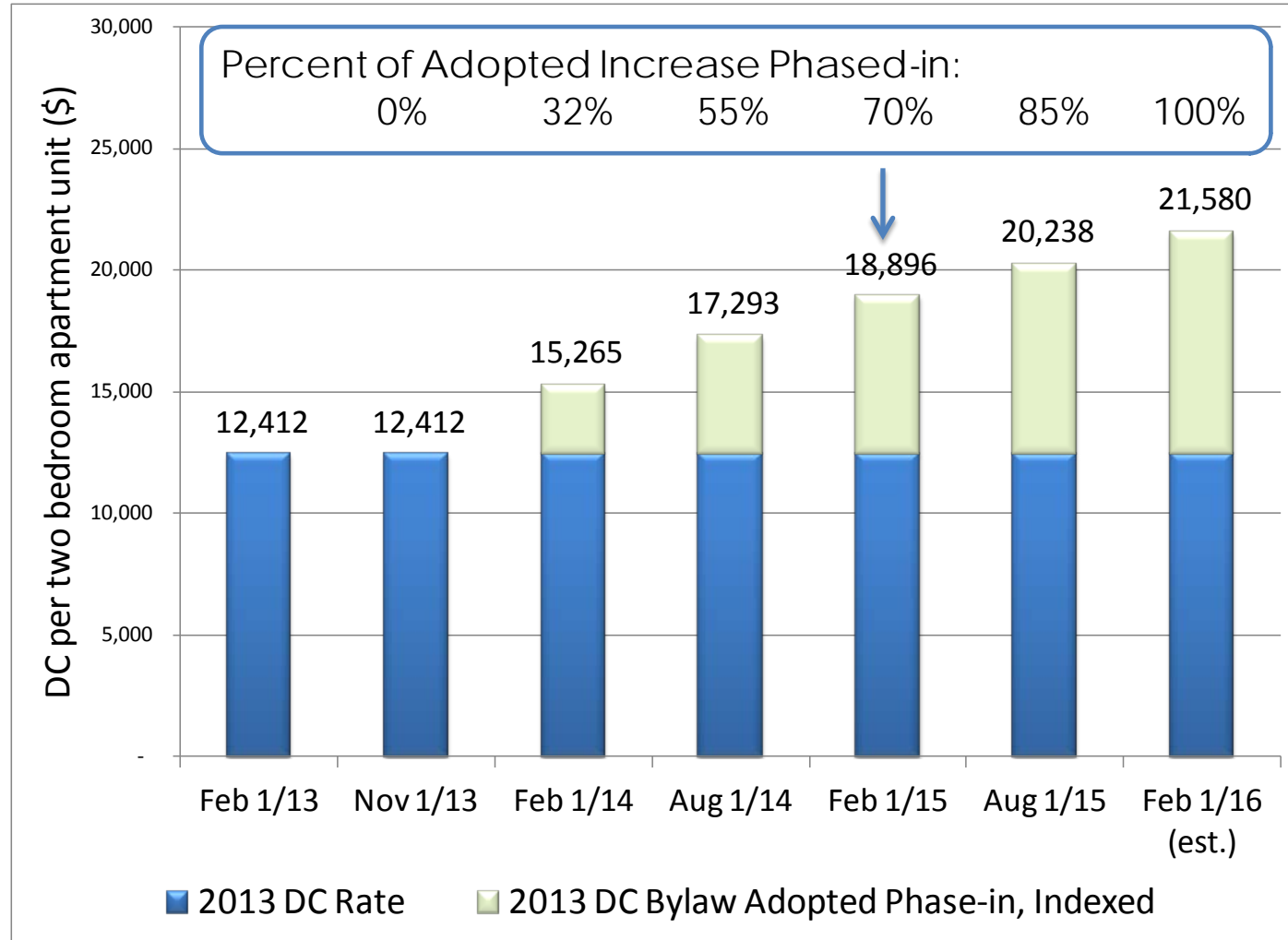
Background - What are DCs?

- Fees collected at building permit
- Pays for growth-related capital infrastructure
- Principle is that “Growth Pays for Growth”
- Widely used in Ontario
- Governed by Provincial Legislation (*DC Act, 1997*)

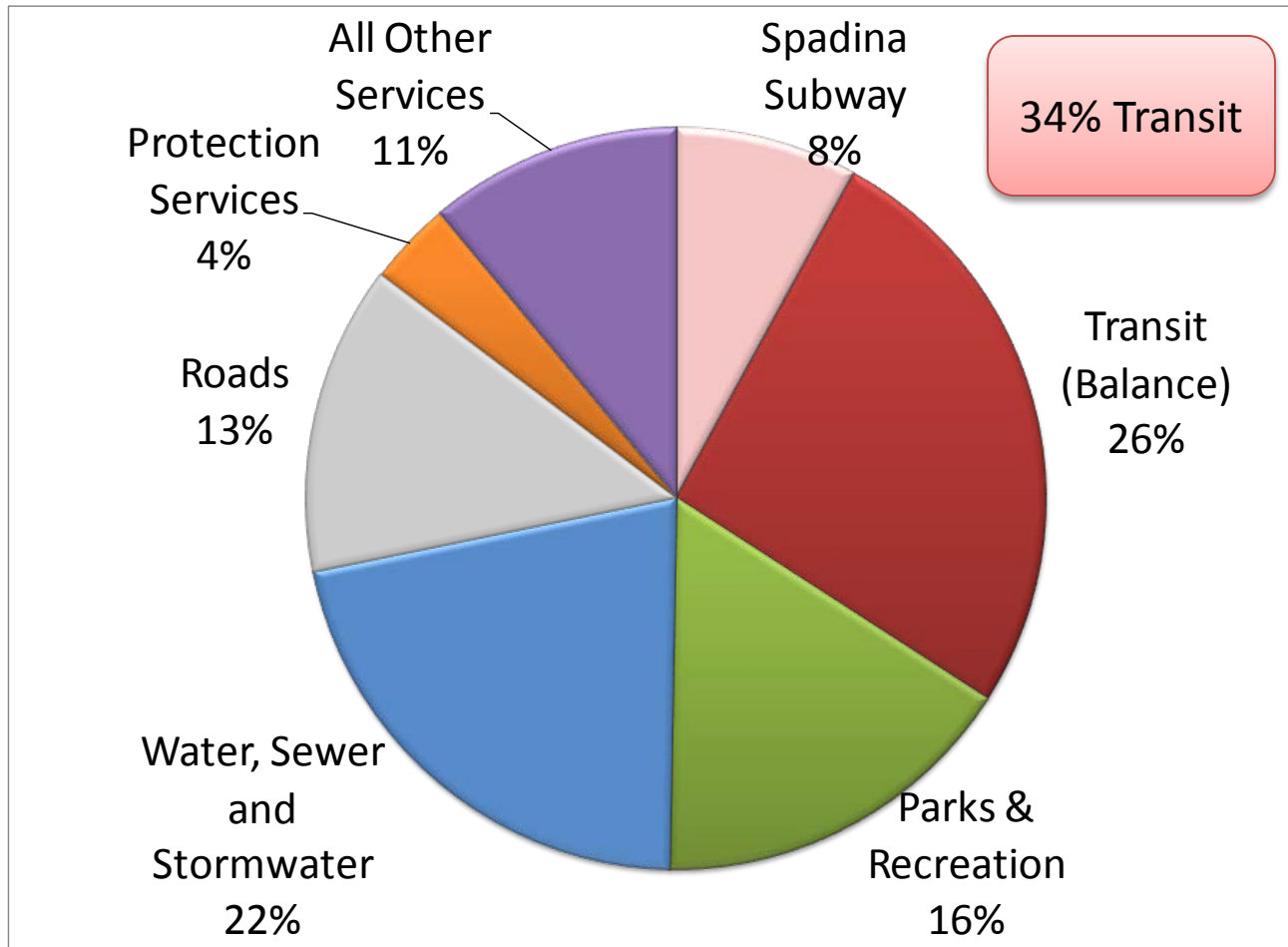
Current (2013) DC Bylaw

- Adopted on October 11, 2013
- Effective November 1, 2013
- Expires in five years (October 2018)
- Two-year phase-in – full rates still not implemented
 - Next phase-in dates: Aug 1/15 and Feb 1/16
- Uniform city-wide charges
- Various exemptions including:
 - Affordable rental housing
 - Industrial uses
 - Non-ground floor non-residential uses

2013 DC Phase-in



Residential Charge by Service



- 17 DC Services
- “All Other Services” includes Library, Subsidized Housing, Studies, Civic Improvements, Childcare, Health & Pedestrian Infrastructure

Process Overview

- Background Study – 2014 to early 2015
 - Calculate DC rates
 - Allows growth capital costs to be recovered from new development (“cost recovery”)
- Statutory Public Meeting – April 22, 2015
 - Consider public input to proposed bylaw
- Council consideration
 - Can implement rates at or below calculated rates
- Bylaw can be appealed to the OMB (within 40 days)

Public Engagement

- Key Stakeholders
 - BILD, TREB, TRBot, NAIOP, REALpac, TIN
 - DC Study calculations released in early March
 - Three meetings (March – April) to discuss methodology, capital program, calculations, rates, and policies
 - Additional technical meeting with BILD at their request (April)
 - Responded to written submissions
 - Request for longer phase-in and questions about calculations
- Statutory Public Meeting
 - April 22, 2015 (Executive Committee) to consider public input

Project Funding

2015 to 2024 Capital Budget and Plan:

Funding	\$millions (inflated dollars)
Federal	660.0
Provincial	1,990.0
City	910.0
Total	3,560.0

City share funded through a combination of:

Property Tax Increase
(0.5% for each of 2014 and 2015,
and 0.6% planned for 2016)

Development Charges
(\$165M plus debt charge recovery)

Calculated DC Rates

Type	2013 DC Background Study Calculated Charge ¹	Calculated Scarborough Subway Charge ²	Total Amended Charge	% Change
Residential Charge Per Unit				
Singles & Semis	\$35,095	\$3,357	\$38,452	10%
Townhouses 2+ Bedrooms ³	\$29,559	\$2,827	\$32,386	10%
Townhouses 1 Bed and Bach. ³	\$21,113	\$2,019	\$23,132	10%
Apartments 2+ Bedrooms	\$21,582	\$2,064	\$23,646	10%
Apartments 1 Bed and Bach.	\$15,014	\$1,436	\$16,450	10%
Dwelling Room	\$9,384	\$897	\$10,281	10%
Non-Residential Charge Per Square Metre⁴				
Adjusted Charge per Square Metre	\$178.91	\$20.55	\$199.46	11%

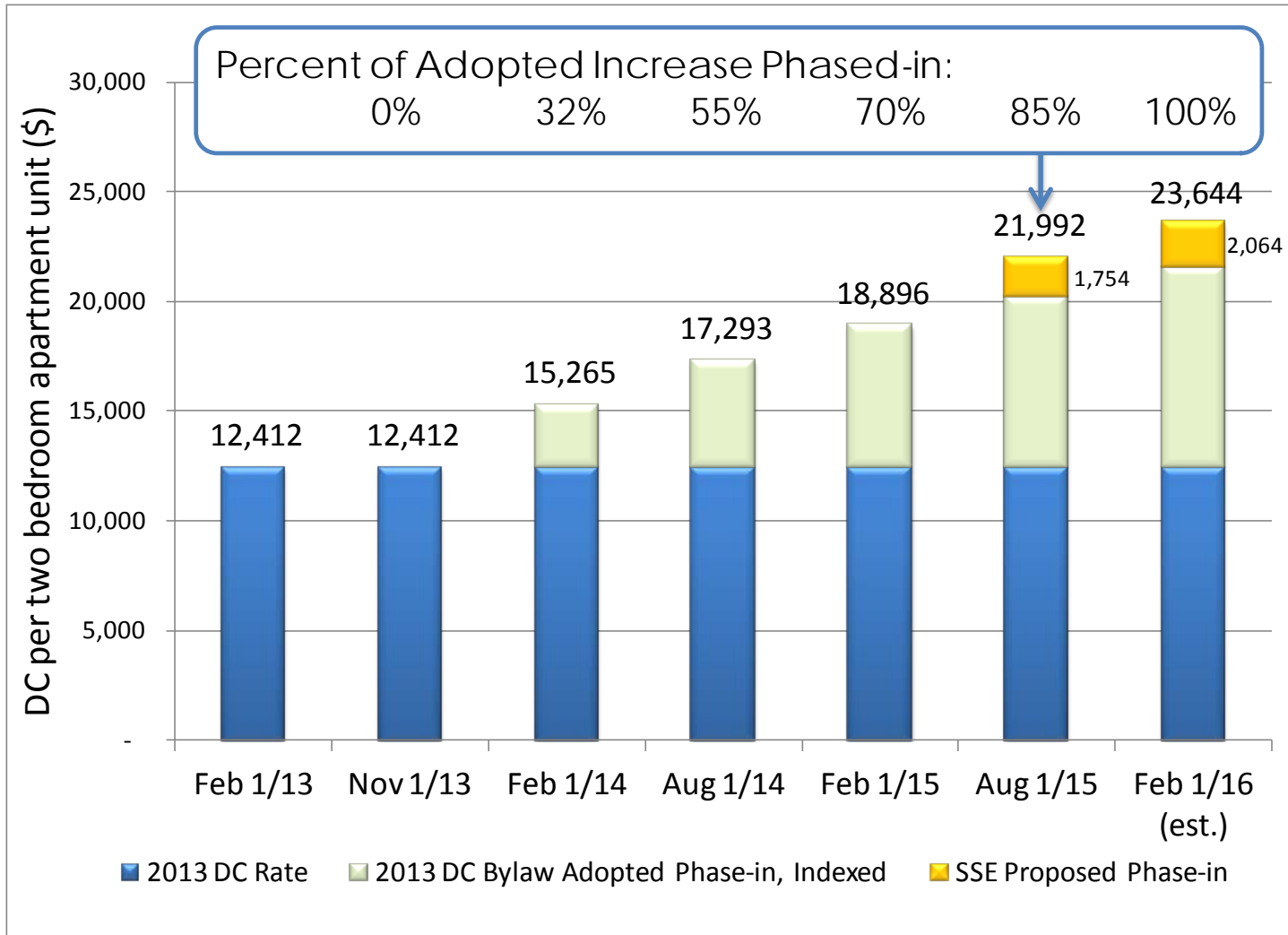
(1) Calculated 2013 rates have been indexed

(2) Calculated SSE charge represents an additional rate applicable to the existing Transit DC

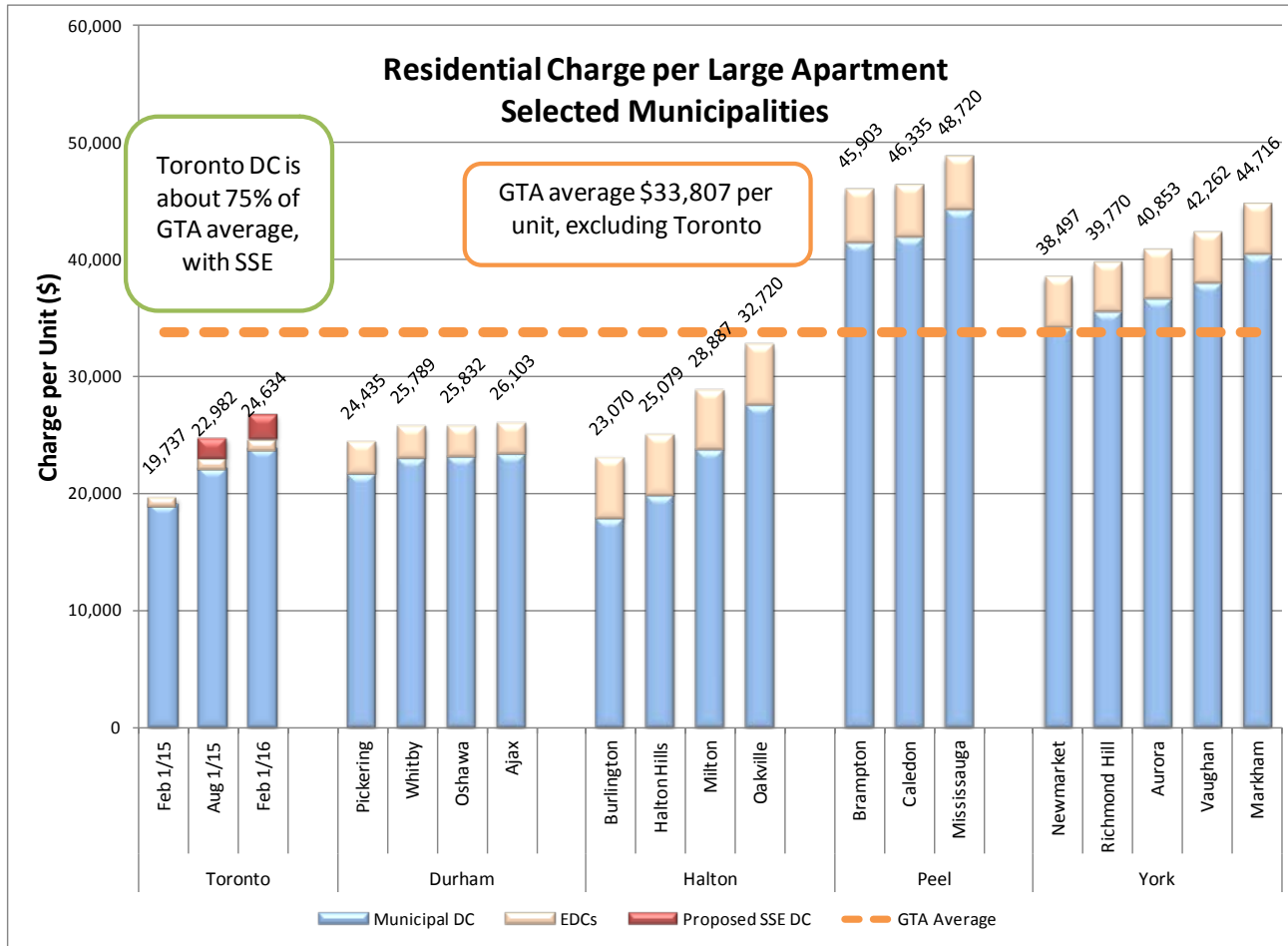
(3) "Multiple dwelling unit" category in the DC bylaw includes a row dwelling, duplex, triplex or a back to back townhouse unit

(4) Non-residential rates applicable to non-residential floor area located on the ground floor only

Proposed Rate Phase-In



DC Rate Comparison



Notes: (1) Rates as of February 2015, including EDCs.

(2) MLTT for Toronto (not shown in chart) is estimated at \$3,725 based on a \$400,000 value. Toronto DC rates, with MLTT, are about 15% below the GTA average DC imposed.

Proposed Bylaw Amendment

- Proposed bylaw amendment to Transit DC rates
- Expected to generate approximately \$20 to \$25 million annually, on average, in Transit DC
- No changes to current bylaw policies
- Uniform City-wide charge
- Phase-in of rate increases

A low-angle, upward-looking photograph of several modern skyscrapers against a clear, bright blue sky. The buildings are made of concrete and glass, with many windows visible. The perspective makes the buildings appear to converge towards the top of the frame. The text 'Thank You' is centered in the middle of the image in a white, sans-serif font.

Thank You