

**DEVELOPMENT CHARGES BACKGROUND STUDY**

**Recommendation**

The Deputy City Manager/Commissioner of Finance & Corporate Services and the Director of Reserves & Investments in consultation with Purchasing recommends:

That Hemson Consulting Ltd. be retained to undertake the update of the City's Development Charge Background Study.

**Economic Impact**

Council during the 2007 Capital Budget deliberations approved capital project RJ-0046-07 in the amount of \$150,000 for the preparation of a Development Charges Background Study, funded development charges 90% and taxation 10%.

**Communications Plan**

Not applicable

**Purpose**

To prepare an updated development charges background study that identifies and costs growth related capital projects required to service future growth. Under Provincial legislation the City is required to update its development charge background study every five (5) years. The last update was in 2003.

**Background - Analysis and Options**

The 2003 City of Vaughan Development Charges Background Study and associated by-laws were approved by Council in August 2003 with a five year expiry. Since 2003 the City has experienced and is encountering cost increases beyond indexing that have significant capital cost implications.

The updating of the 2003 Development Charges Background will not just be limited to the review of inflation or the cost adjustments included in the current DC Background Study but includes identifying growth related projects associated with ongoing City of Vaughan official plan reviews.

During the preparation of both the 1999 and 2003 Development Charges Background Study, the City engaged the services of Hemson Consulting Ltd. to assist the City. Historically the City has collected the maximum development charges permitted under the legislation. Although Vaughan's development charge rates tend to be on the high end of the scale, Vaughan's rates have been successfully implemented without appeal in the past. This success is attributable to the consultative approach taken by the City, the positive working relationship with the development industry and the retention of a firm that has credibility with stakeholders in the development process. Retaining Hemson also has the advantage of continuity and efficiency which should make the update process smoother and greatly assist in the City meeting the timeframe. Specific funding for updating the Development Charges Background Study, Project (RJ-0046-07) was approved by Council in the 2007 Capital Budget. The costs to update the background study is budgeted at \$150,000.

### **Relationship to Vaughan Vision 2007**

This report is consistent with the priorities set forth in Vaughan Vision 2007, specifically "A-5" – Plan, manage and maintain growth, development and infrastructure and the necessary resources have been approved.

### **Regional Implications**

The City's growth forecast must be coordinated with that of the Region, however there are no direct regional implications.

### **Conclusion**

The current Development Charges Background Study and associated by-laws were approved in August 2003 with a five year expiry. The Development Charges Act requires that before passing of a development charge by-law, Council shall complete a Development Charges Background Study. Staff recommend retaining the services of Hemson Consulting Ltd. to work with the various City departments to prepare the update of the 2003 Development Charges Background Study.

### **Attachments**

None

### **Report prepared by:**

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Respectfully submitted,

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