



Report to Council

Report Number: REP-FIN-08-2025

Subject: Development Charges 2024

Date of the meeting: April 28, 2025

Prepared by: Nadia Knebel, Treasurer

Circulated to and/or collaborated with: n/a

Approval: Pierre Leroux, CAO

In agreement with the recommendation based on the contents of this report.

Recommendation

That Council receives and approves this report as presented.

Financial Considerations

Financial implications have been verified with annual budget and / or approved applicable policy or by-law: YES

Context

The purpose of this report is to present information regarding development charges (hereafter “DC”) to Council as required by Section 43 of the *Development Charges Act, 1997, S.O. 1997* and *O. Reg 82/98 Section 12*.

Report

Key information:

- *The Development Charges Act, 1997, S.O. 1997, c. 27* provides that the Council of a municipality may impose DC against land to pay for increased capital cost required because of increased need for services.
- The general purpose for which the municipality imposes DC is to assist in providing the infrastructure required by future development in the municipality.
- DC funds may only be used for the purpose for which they are collected.
- The intended purpose is determined by the background study which is based on future projects on which the growth factor is applied to determine the eligible portion for DC contributions.
- DC are based on the idea that existing taxpayers should not be liable for capital costs due to new growth.
 - Also, new taxpayers should not have to contribute more than the net capital cost attributable to growth to maintain current levels of municipal services.
- DCs provide a non-tax source of revenue to finance growth-related municipal land and infrastructure.

Reporting requirements:

- *The Development Charges Act, 1997, S.O. 1997* requires the treasurer to report the following to Council annually:
 - Opening balances, activity in the development charge reserve funds during the year and closing balances.
 - Assets whose capital costs were funded with DC in the year and how remaining asset cost will be funded.

- The treasurer is further required to make a copy of these documents available to the public and if requested, the Ministry of Municipal Affairs & Housing.
- *O.Reg 82/98 Section 12(3)* requires the treasurer to report the following to Council annually:
 - Amounts from DC allocated to projects.
 - For each service for which DC is collected in the year, whether, as of the end of the year, the municipality expects to incur the amount of capital costs that were estimated, in the relevant DC background study, to be incurred during the term of the applicated DC by-law and if not, the amount now expected to be incurred and why this amount is expected.

Projects on which DC were spent in the year as well as the summary of fund activity and balances is presented below.

Development charges were used on the following projects in the following amounts:

DEPARTMENT	DESCRIPTION	TOTAL PROJECT COST (\$)	PROJECT FUNDING (\$)		
			DC	GRANTS	TAXES
Public Works	Gagnon Rd	157,751	1,964	150,787	-
Public Works	Savage Rd	55,872	1,997	-	53,875
Library	Collection	5,862	2,340	-	2,505

Annual reserve activity by department:

DEPARTMENT	OPENING BALANCE (\$)	CURRENT YEAR REVENUE (\$)	CURRENT YEAR CONTRIBUTIONS (\$)	ENDING BALANCE (\$)
Administration	86,684	10,189	-	96,874
Public Works	348,511	305,680	3,961	650,231
Fire	406,945	305,680	-	712,625
Recreation	376,206	356,627	-	732,833
Library	103,927	40,757	2,341	142,344
Totals	1,322,273	1,018,935	6,301	2,334,907

As at the end of 2024, the municipality expects to incur the estimated capital costs estimated in the DC background study.

Relevance to priorities

n/a

Communication Plan

n/a

Other Option/Options to the Recommendation

n/a

Attachments

Schedule A – Statement of Compliance - Development Charges

Schedule B – Development Charges Detailed Report