

2023 Development Charge Study

Bruce County Stakeholder Meeting

July 5, 2023

10:30 AM

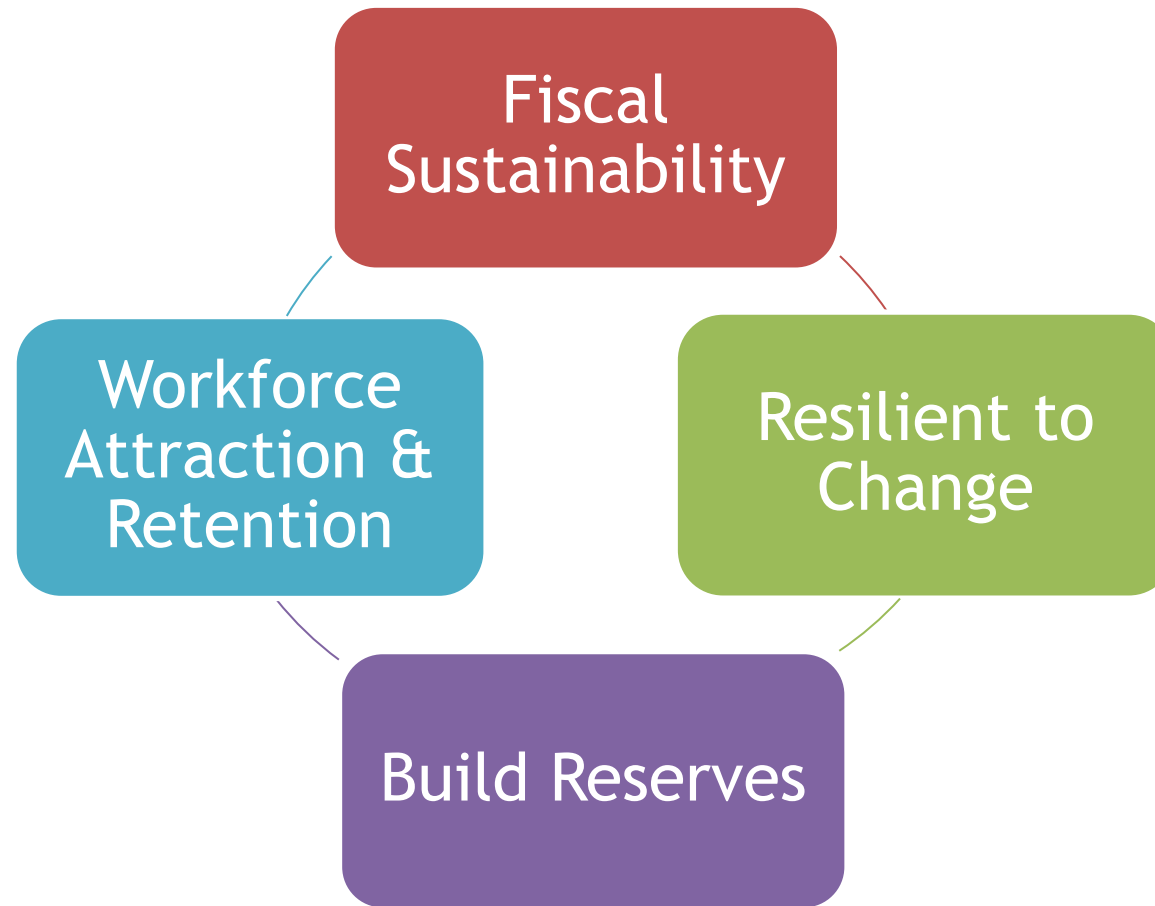
2023-01-19

Why does the County want to collect DCs?

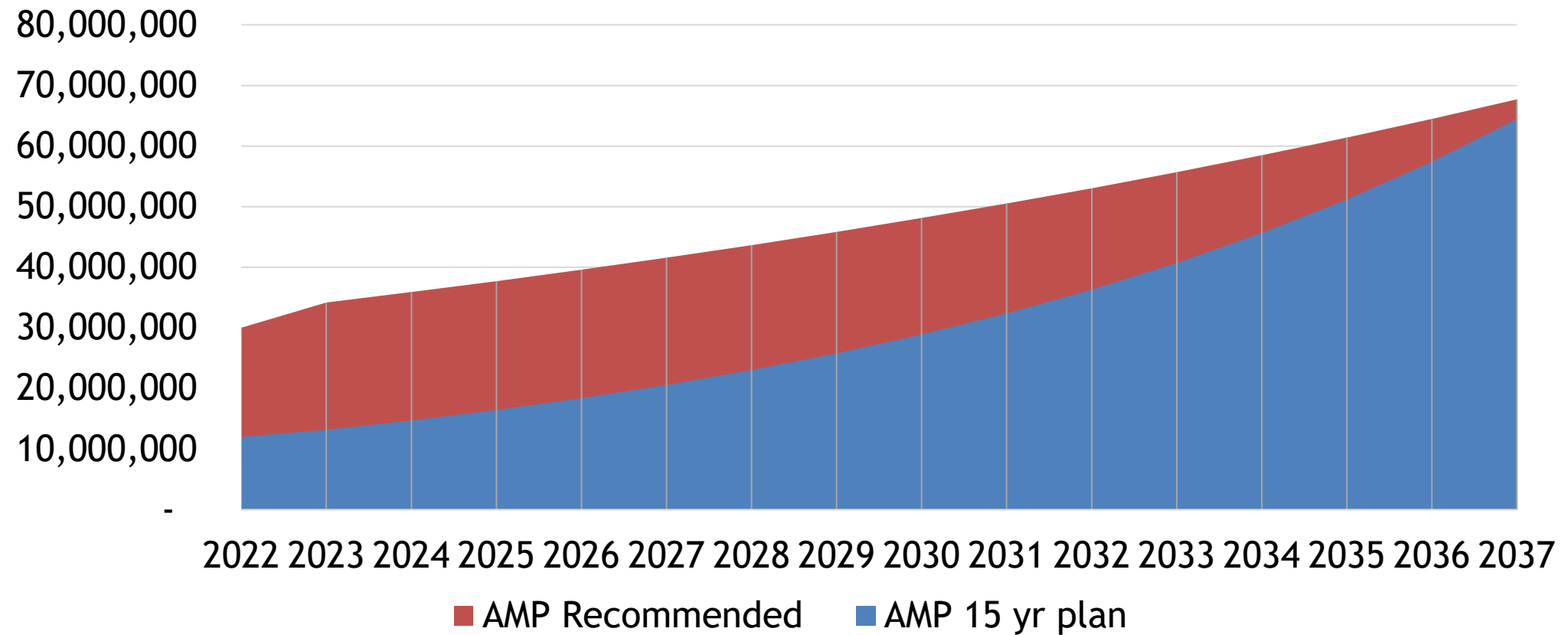
Why does the County want to collect DCs?

- Funds needed for growth-related infrastructure
- Service levels will decrease without growth-related improvements
- County does not currently have funds to pay for replacement of existing infrastructure and has had to levy large tax increases
- Recurring 2.1% annual capital infrastructure renewal levy for next 15 years just for existing infrastructure
 - Still a shortfall that needs to be addressed
- DCs are an Alternate Revenue source mitigating having to raise property taxes

2023 Budget Theme: Strengthen the Foundation of our Core Services

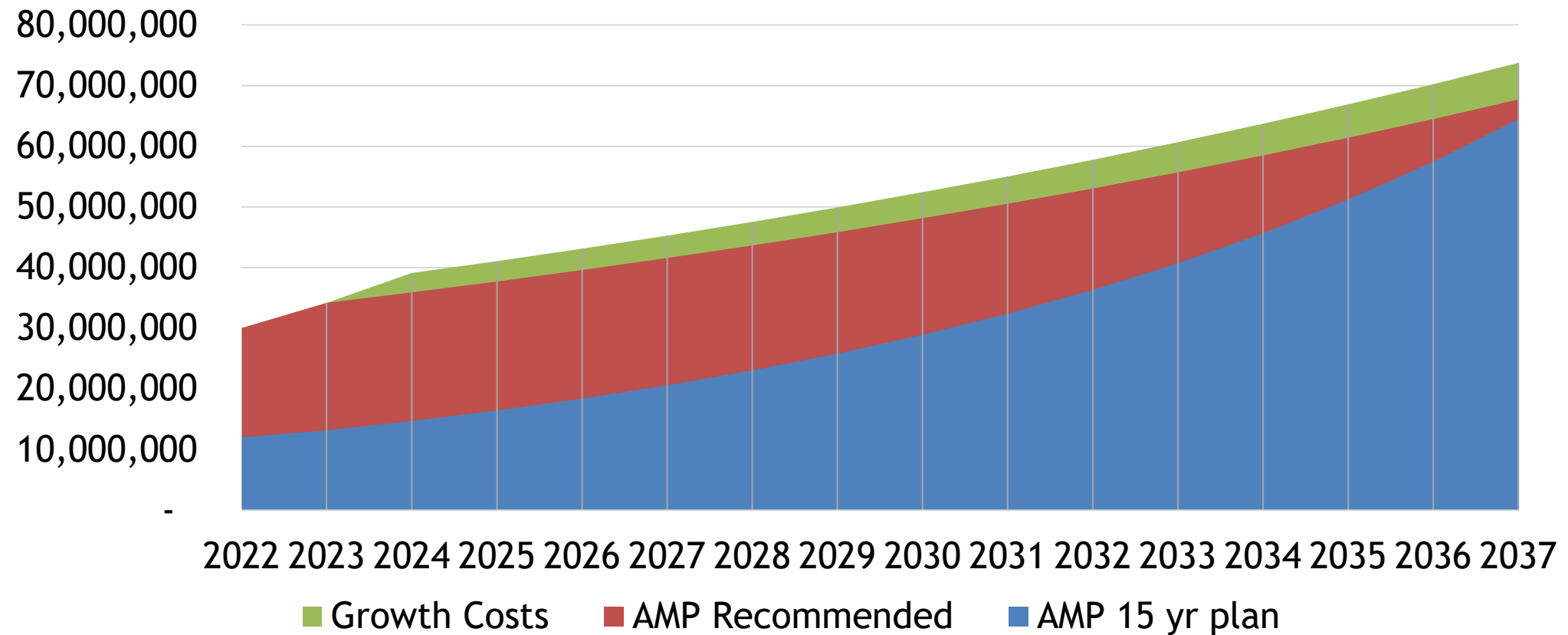


Recommended Infrastructure Replacement Costs/Reserve Contributions



Red area is unfunded. Requires deferring repair/replacement, closing/removal of infrastructure, increased borrowing, or increased taxes.

Recommended Infrastructure Replacement Costs/Reserve Contributions plus Growth Costs



Red and Green areas are unfunded. Requires deferring repair/replacement, closing/removal of infrastructure, increased borrowing, or increased taxes. Green can be funded by DCs.

DCs are an Alternate Revenue source that reduces need to increase property taxes

- Approximately \$3,200,000 per year (plus inflation) to be collected to pay for new or expanded County infrastructure due to growth
- Currently \$621,184 equivalent to 1% tax levy increase for County
- 5.15% tax levy increase required if no DC revenues
 - Plus annual inflation increases
- Alternative is to not expand infrastructure to accommodate growth and permit service levels to decrease with more population
 - Or increase taxes and/or borrowing

DCs can reduce tax increases due to growth

DC Service	Est. Cost over 10-14 years in 2023\$	Total DC Recoverable Costs	Residential DCs Recoverable Costs	Non-Residential DCs Recoverable Costs
Highways	86,771,000	38,646,900	29,758,113	8,888,787
Fleet	200,000	200,000	154,000	46,000
Parks & Rec	350,000	350,000	332,500	17,500
Long-term Care	3,500,000	3,500,000	3,150,000	350,000
Child Care	200,000	200,000	200,000	-
Ambulance	13,658,750	1,020,750	918,675	102,075
Total	104,679,750	43,917,650	34,513,288	9,404,362

What the \$44 Million in DCs can assist to fund

- Port Elgin and Holyrood paramedic stations, new ambulance
- Roads and Bridges widenings, including Paisley and Walkerton bridges
- Roadway roundabouts, traffic signals, bike lanes, intersection improvements, and realignments
- Provision for Trails expansion and machinery
- Provision for Long-term Care expansion
- Provision for Child Care and Early Years program space

Where will the DCs be raised from?

Residential Annual Construction Average 10-year Forecast (2023-2032)

Development Location	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Studio and 1 Bedroom	Net Seasonal Units*	Total DC Amount Collected Annually
Arran-Elderslie	10.6	1.6	-	-	0.1	\$89,854
Brockton	24.2	10.6	13.9	14	-	\$350,157
Huron-Kinloss	27.4	1.2	0.4	0.4	1.9	\$233,698
Kincardine	18.7	12.6	13.35	13.35	0.3	\$315,324
Saugeen Shores	25.9	53.5	31.15	31.15	4.1	\$743,957
Northern Bruce Peninsula	17.4	-	-	-	28.8	\$354,123
South Bruce	14.7	1.9	-	-	0.1	\$122,750
South Bruce Peninsula	13.5	4.9	-	-	7.2	\$182,671
Total	152.4	86.3	58.8	58.9	42.5	\$2,392,533
Calculated Draft D.C. Rates	\$7,665	\$4,899	\$4,834	\$3,253	\$7,665	
Total D.C. Collected	\$1,168,146	\$422,784	\$284,239	\$191,602	\$325,763	

Non-Residential Annual Construction Average 10-year forecast (2023-2032)

Development Location	Industrial	Commercial	Institutional	Total Amount Collected Annually
Arran-Elderslie	9,350	720	1,920	\$35,251
Brockton	17,170	10,310	6,660	\$100,372
Huron-Kinloss	7,480	2,210	1,440	\$32,722
Kincardine	126,650	14,350	5,770	\$431,504
Saugeen Shores	11,220	26,040	7,340	\$131,124
Northern Bruce Peninsula	2,890	3,290	1,650	\$23,020
South Bruce	2,380	4,860	2,260	\$27,930
South Bruce Peninsula	2,720	2,070	550	\$15,700
Total	179,860	63,850	27,590	\$797,622
Calculated Draft D.C. Rates (Blended)	\$2.94	\$2.94	\$2.94	
Total D.C. Collected	\$528,788	\$187,719	\$81,115	

Total DCs Collected Annually by Municipality (Residential and non-Residential) compared to Property Tax

Location	DCs Collected	DCs %	County Property Taxes	Taxes %
Arran-Elderslie	\$125,105	4%	\$3,539,235	6%
Brockton	\$450,529	14%	\$5,675,256	9%
Huron-Kinloss	\$266,420	8%	\$6,905,903	11%
Kincardine	\$746,828	23%	\$11,212,699	18%
Saugeen Shores	\$875,081	27%	\$14,277,547	23%
Northern Bruce Peninsula	\$377,143	12%	\$7,792,508	13%
South Bruce	\$150,680	5%	\$3,427,701	6%
South Bruce Peninsula	\$198,370	6%	\$9,353,184	15%
Total	\$3,190,155	100%	\$62,184,033	100%

More Information - County DC webpage

- <https://www.brucecounty.on.ca/development-charges>
- E-mail:
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- ehenley@brucecounty.on.ca
- (226) 909-3110

Questions or comments?

Survey of Attendees

When should the County collect the DCs?

- Two options for DC collections
 - Subdivision Approval (Requires collection at Subdivision and Building Permit)
 - Building Permit Approval
- Collection at Subdivision Approval and Building Permit Approval
 - Can only collect Water, Wastewater, Stormwater, and Roads DCs
 - Cannot collect Paramedic, Parks & Recreation, Childcare, Long-term Care DCs
- Collection at Building Permit Approval only
 - Can collect all DCs