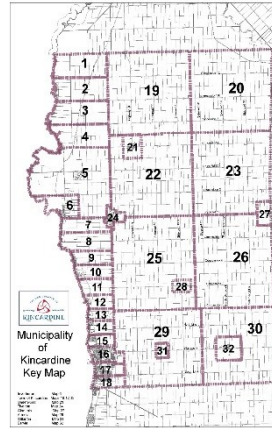


Municipality of Kincardine 2020 Area-Specific Development Charges Study Statutory Public Meeting



Monday, March 2nd, 2020

Today We Will Discuss

- Purpose of Today's Meeting
- Development Charges Overview
- Area-Specific Development Forecast
- Capital Program Summary
- Calculated Area-Specific Development Charge Rates
- ASDC By-law Policy
- Next Steps

Purpose of Today's Meeting

- Statutory **Public Meeting** required by Section 12 of the *Development Charges Act*
- Primary purpose is to provide the public with an opportunity to make representation on the proposed 2020 Area-Specific DC (ASDC) By-law for the 9/21 Business Park Lands
- ASDC Background Study was made publically available in **December 19, 2019**
- Proposed ASDC By-law was made publically available on **February 13, 2020**

What Are Development Charges?

- Fees imposed on development to fund “growth-related” capital costs
- DCs pay 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

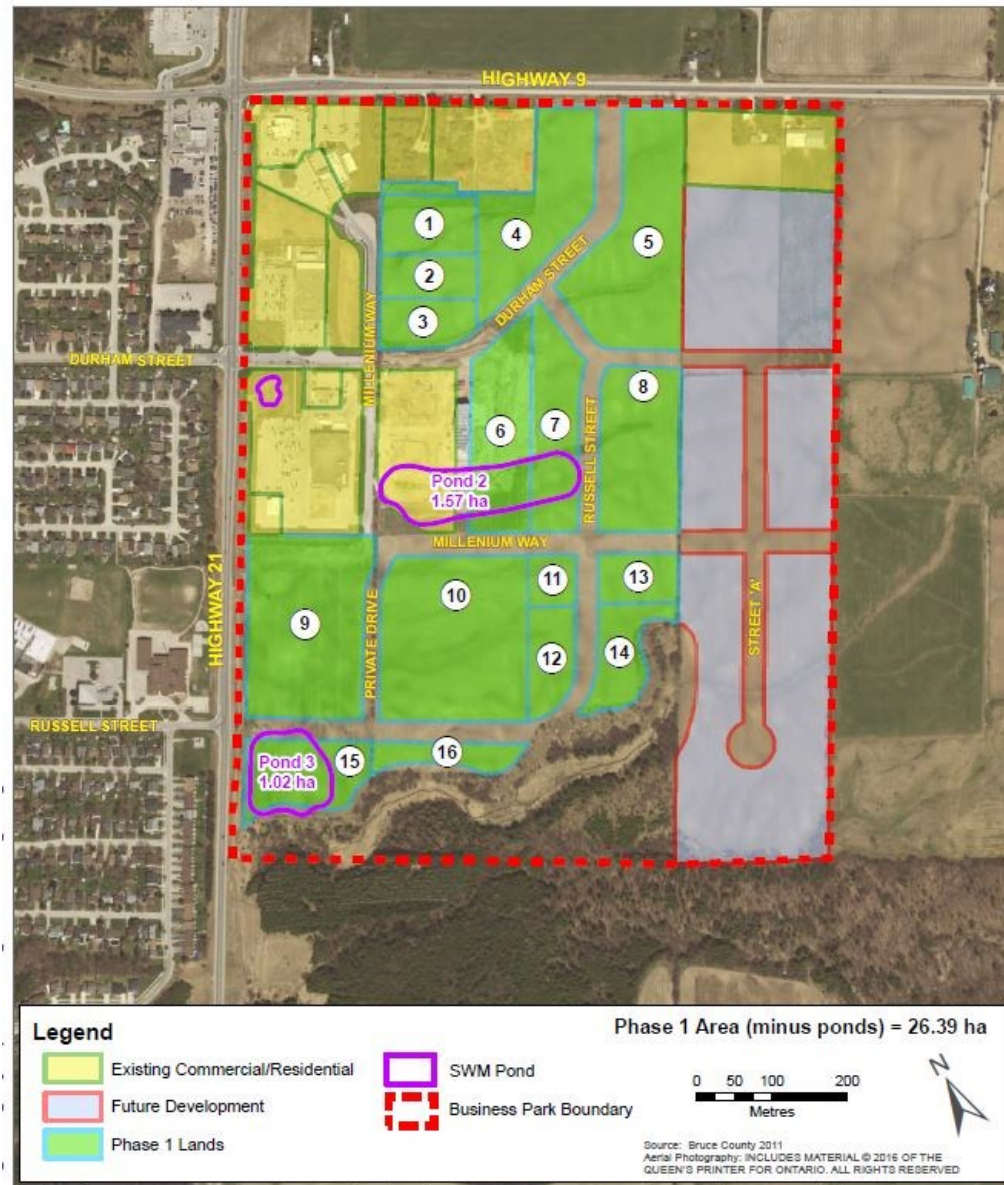
Background

- Kincardine passed a Municipal-wide DC By-law 2016 which imposes DCs for the following services:
 - Cemetery
 - Parks and Recreation
 - Public Works & Municipal Fleet
 - Fire Services
 - Waste Management
 - General Government
 - Roads & Related
 - Water
 - Wastewater
- The Municipality also passed an ASDC By-law for the Ontario Peninsula Farm (OPF) Lands in March 2019

Background

- The Municipality would like to introduce a new area-specific development charge (ASDC) for the recovery of costs related to servicing the **Highway 9 and Highway 21 Business Park (“9/21 Business Park”)** lands
- Infrastructure identified for the 9/21 Business Park lands will benefit future development in the area, as such an area-specific development charge is proposed

Map of Benefitting Lands



Services Included in Proposed ASDC By-law

- Includes the recovery of engineered or “hard” services:
 - Extension of Durham Street and Millennium Way (e.g. design costs, roads and related infrastructure, storm infrastructure, water and wastewater)
 - Additional engineering infrastructure (e.g. storm ponds, water boosting pumping station etc.)
 - Financing costs associated with Infrastructure Ontario floating capital loan
- Applicable ASDC rates are calculated based on total eligible costs and net developable land area

Area-Specific Development Forecast

- An area-specific development forecast has been prepared for the 9/21 Business Park lands
- ASDC is calculated on a net developable land area basis
 - Net developable land area is adjusted for non-developable lands (e.g. road allowances, stormwater blocks, environmentally protected areas etc.) and existing sites

Description	Land Area
Total Land Area of Site (Less Existing Sites)	51.16 ha (126.42 acres)
Less: Non-Developable Area	19.51 ha (48.21 acres)
Total Net Developable Area	29.06 ha (71.81 acres)

Capital Program Summary

Service Component	Gross Cost ¹	DC Eligible ¹
Extension of Durham Street and Millennium Way	\$2,072,000	\$2,072,000
Additional Engineering Infrastructure	\$2,370,000	\$2,370,000
Financing Costs	\$476,000	\$476,000
Total	\$4,918,000	\$4,918,000

Notes:

(1) *Estimates have been rounded*

ASDC Calculation

Defined Area	Total Development-Related Costs	Net Developable Land Area	Cost per Net Developable Area
9/21 Business Park	\$4,918,000	29.06 hectare; or 71.81 acre	\$169,236 per net hectare; or \$68,486 per net acre

- ASDC is calculated based on the total development-related costs divided by the net developable land area

ASDC By-law Policies

- The *Development Charges Act* requires that statutory DC exemptions be provided for the following:
 - Board of education or a local board (local or upper-tier)
 - Intensification of existing residential
 - 50% industrial expansion
 - DC deferrals (e.g. rental, non-profit housing and institutional uses)
- Statutory DC exemptions required by the legislation will apply within the ASDC area
- Non-statutory DC exemptions implemented through the Municipal-wide 2016 DC By-law are not proposed within the ASDC area

Next Steps

- Statutory Public Meeting
 - Today (March 2nd, 2020)
- Respond to submission received at/after Public Meeting
 - Early March
- Council ratification and passage of 2020 ASDC By-law
 - March 16th, 2020