



Administrative Report

To: Warden MacDonald and Members of Essex County Council

From: Melissa Ryan, CPA, Director, Financial Services/Treasurer

Date: Wednesday, April 2, 2025

Subject: Development Charges Study-Draft Data Tables

Report #: 2025-0402-FIN-R08-MR

Purpose

The purpose of this report is to present the County of Essex's first Development Charges (DC) Study data tables to Council. Following the release of these data tables, a comprehensive DC Background Study will be made available to the public, followed by consultations with the development community, the public, and local municipal partners. A final draft of the DC By-law will be presented for Council's consideration after these consultations.

Background

The Development Charges Act (DCA) allows municipalities to impose development charges to fund growth-related infrastructure and services. These charges ensure that new development contributes its fair share of the cost of expanding services, preventing existing taxpayers from bearing the financial burden.

The County of Essex has not previously had a DC by-law, but with significant growth anticipated, it is now considering introducing one. Hemson Consulting Ltd. has been retained to conduct a Development Charges Study, which includes forecasting future growth, assessing service levels, and calculating eligible costs. This study is the first step in the process of adopting a DC by-law to fund necessary infrastructure growth.

Discussion

Attached as **Appendix A** are the data tables and supporting information being presented by Hemson, our consultants, to provide an initial breakdown of:

- Forecasted growth within the County, including population and employment projections.
- Eligible capital costs for services such as roads, emergency services, waste diversion, long-term care, and libraries.
- Proposed development charge calculations based on growth-related infrastructure needs.
- Comparison of development charges with similar municipalities.

The next steps in the Development Charges Study process are as follows:

- **April 2, 2025** – Presentation of draft DC rates.
- **April 15, 2025** – Public release of the DC Background Study.
- **April 30, 2025** – Stakeholder consultations with the development industry and municipal partners.
- **May 1, 2025** – Public notice of the statutory public meeting.
- **May 6, 2025** – Release of the draft DC By-law for public review.
- **May 21, 2025** – Statutory public meeting to receive feedback.
- **June 18, 2025** – Final adjustments and presentation of the DC By-law for passage by Council.
- **July 8, 2025** – Notice of By-law passage issued.
- **July 28, 2025** – Deadline for any appeals to the Ontario Land Tribunal.
- **TBD** – Preparation and release of DC pamphlets following the appeal period.

The Development Charges Background Study will be released on April 15, 2025, two weeks after the presentation of the data tables to Council. This comprehensive study will provide a detailed analysis supporting the proposed development charges and will include key components such as the development forecast, calculated development charges, long-term capital and operating cost analysis, and the asset management plan. The study will also outline the methodology used in determining county development charges, review historical capital service levels, and present the

development-related capital forecast for various County services. This report will serve as a critical resource for Council and stakeholders, ensuring informed decision-making regarding the funding of growth-related infrastructure.

Financial Implications

The adoption of development charges would provide a sustainable funding source for growth-related infrastructure, reducing the financial burden on existing taxpayers. The revenues collected through development charges would be allocated towards eligible capital costs associated with new development, ensuring that services such as roads and emergency response remain adequately funded as the County grows.

The proposed development charges for the County of Essex have been calculated as follows:

- Residential Development Charges (Single Detached): \$12,998 per unit
- Non-Residential Development Charges (Commercial/Institutional): \$46.50 per square meter

These rates are in line with development charges established by other upper-tier municipalities in Southwestern Ontario. For comparison, Oxford County's DC rate is \$6,520, and the Region of Waterloo's is \$25,831. Non-residential DCs range from \$18.25 in Oxford County to \$158.01 in the Region of Waterloo.

While the exact financial impact will depend on the final rates adopted by Council, the study aims to align funding needs with projected growth, ensuring that growth-related infrastructure costs are appropriately distributed.

Consultations

- Stefan Krzeczunowicz, Associate Partner, Hemson
- Bianca Whiffen, MES Pl., Hemson

Strategic Plan Alignment

Working as Team Essex County	Growing as Leaders in Public Service Excellence	Building a Regional Powerhouse
<input type="checkbox"/> Scaling Sustainable Services through Innovation <input type="checkbox"/> Focusing “Team Essex County” for Results <input checked="" type="checkbox"/> Advocating for Essex County’s Fair Share	<input type="checkbox"/> Being an Employer with Impact <input checked="" type="checkbox"/> A Government Working for the People <input type="checkbox"/> Promoting Transparency and Awareness	<input checked="" type="checkbox"/> Providing Reliable Infrastructure for Partners <input checked="" type="checkbox"/> Supporting Dynamic and Thriving Communities Across the County <input checked="" type="checkbox"/> Harmonizing Action for Growth <input type="checkbox"/> Advancing Truth and Reconciliation

Recommendation

That Essex County Council receive report number 2025-0402-FIN-R08-MR, Development Charges Study-Draft Data Tables as information.

Approvals

Respectfully Submitted,

Melissa Ryan

Melissa Ryan, CPA, Director, Financial Services/Treasurer

Concurred With,

Sandra Zwiers

Sandra Zwiers, MAcc, CPA, CA, Chief Administrative Officer

Appendix	Title
A	Hemson Presentation with Data Tables