

**THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
MINUTES OF SPECIAL COUNCIL MEETING – NOVEMBER 30, 2021 AT 2:00 P.M.
VIA WEB CONFERENCING**

Members Present:

**Mayor: Andrew Lennox
Councillors: Sherry Burke
Lisa Hern
Steve McCabe
Dan Yake**

Staff Present:

Chief Administrative Officer:	Michael Givens
Director of Legislative Services/Clerk:	Karren Wallace
Deputy Clerk:	Catherine Conrad
Director of Finance:	Adam McNabb
Chief Building Official:	Darren Jones
Director of Operations:	Matthew Aston
Development Technologist:	Tammy Stevenson
Manager of Environment and Development Services:	Corey Schmidt
Community Recreation Coordinator:	Mandy Jones
Manager of Recreation Services:	Tom Bowden
Manager of Transportation Services:	Dale Clark
Economic Development Officer:	Dale Small
Human Resources Manager:	Chanda Riggi
Director of Fire Services:	Chris Harrow

CALLING TO ORDER

Mayor Lennox called the meeting to order.

ADOPTION OF THE AGENDA

RESOLUTION: 2021-394

Moved: Councillor McCabe

Seconded: Councillor Burke

THAT the Agenda for the November 30, 2021 Special Meeting of Council be accepted and passed.

CARRIED

DISCLOSURE OF PECUNIARY INTEREST

No pecuniary interest declared.

PRESENTATIONS

John Murphy, Municipal Finance Specialist, DFA Infrastructure International Inc.

Derek Ali, President, DFA Infrastructure International Inc.

- 2021 Development Charges Background Study & By-law Review

Mr. Murphy provided a background on development charges including the services included, projected growth, historical service levels, net capital to be recovered, proposed development charges and a comparison with other municipalities.

Municipalities are given the authority under the *Development Charges Act, 1997* and *O.Reg. 82/98*. The Act requires municipalities to prepare a background study, hold at least one public meeting, and pass a Development Charge By-law. Development Charge By-laws are valid for 5 years with the current Development Charge By-law expiring on June 16, 2021. A new Development Charge By-law needs to be passed to reflect recent amendments to the

Development Charges Act made through the *More Homes, More Choice Act*, and *COVID-19 Economic Recovery Act*.

Current policies, rules, built boundaries, and central intensification corridors were reviewed.

The Act requires that a public meeting be held. This is not the public meeting; this is a stakeholder meeting. A statutory public meeting will be set up. The background study needs to be made available sixty days before the by-law is passed. A public notice must be made twenty days prior to the public meeting and the background study needs to be available two weeks prior to the public meeting.

Questions and Comments

Request for clarification regarding net capital costs to be recovered. The benefit to existing users is deducted from the amount taken from Development Charges. Any grants available are deducted proportionately between existing population and growth. Any monies left in reserves are deducted from the gross cost as it is assumed that those costs have been pre-collected.

When will we see a list of specific capital projects used to generate the projected costs? Those projects are included in the background study and is available in Appendix D.

Earlier this year the Township passed a zoning by-law amendment to allow an accessory apartment in existing dwellings in a broad range of zones. The current by-law exempts the accessory apartments within dwellings from development charges. The zoning amendment now allows apartments in detached structures. These structures would have to pay full development charges the same as single detached dwelling. Council may want to consider exempting those in the same way as accessory apartments within dwellings. The Act allows a second unit, whether it's inside or outside of the building, as long as it's on the property. The second unit is exempt from the development charges. There is some crossover between what has been happening with municipalities where accessory buildings would be exempt. Now the Act has gone one step further, whereby a new development with a single family home can automatically put a secondary unit in the basement, or adjoining in some way without development charges being applied. The precise zoning requirements would need to be worked out. The wording in the by-law must reflect what the Act is requiring.

The purpose-built rental housing incentives put in place last time the Development Charges were reviewed were put in place to help stimulate some development in rental housing as well as attainable housing. This has been marginally successful, and it is important to keep that and intensification. We may want to look at commercial development charges as we are starting to run short on commercial property and commercial development.

In relation to the deferral of the development charges for purpose built rental housing, in which document is this following quote found, "means a residential use building or structure that consists of four (4) or more dwelling units that will remain as rental housing for a period of 20 years from the issuance of a building permit". The quotation comes from our by-law and is specific to purpose built rental. In the Development Charges Act there are new accommodations, which is part of why we are going through the development charges update, as it relates to a deferral program. The definition of purpose built is the Township's definition as outlined in the by-law. The deferral program, as it relates to rental, is covered under the *Development Charges Act*. A rental housing development that is not non-profit can defer payment of development charges. The Act also allows municipalities to charge interest on deferred payments. There is already a policy in place to allow a developer to participate in deferred payments. Interest rates are part of the policy. The new by-law refers to that policy.

There is a specific incentive of 25% off the development charges, which is unique to Wellington North, that would apply within that designated area.

Interest rates on deferred payment should not be too high. It's important to know what drives development. Condominium developments can be presold to finance projects; whereas multi-residential units must be self-financed. Development Charges are above and beyond the capital cost of building the actual multi-residential building. With a higher rate of interest there is no incentive to build multi-residential rental units. The *Development Charges Act* does not prescribe the interest rate; it is discretionary for each municipality to decide. If housing isn't available for potential employees, it takes away from industrial and commercial development.

Council will have opportunity to discuss the amounts for development charges during today's meeting, at the public meeting, and when the by-law is passed. Council could have another meeting for further review to address the development charges prior to the public meeting. Council supported having more time to review the proposed development charges and take the public's comments into consideration. A staff compiled list of known developers in and around the area was used to email a link to today's meeting and a link to the agenda on the website. A link to the recording of this meeting will be sent to the group as well as putting it on our website, Instagram, Twitter, and Facebook, like we do with all of our Council meetings. Notice will be published prior to the public meeting. The notice will be advertised in the newspaper and on our website. This list will be used to email notification of the public meeting as well.

Request for clarity around the application/ranking of development charges reductions; i.e. would a purpose built rental within the built boundary be subject to a 35% reduction (25% + 10%), or are they applied in subsequence such as 10% first, then 25% of the net? It is a 35% reduction.

There is some desire to continue with the incentives and acceptance of the rates. From a balance perspective we are not asking a lot more from the developers, but we are looking at delivering a lot more in terms of capital projects to support development. However, every time we incent development charges it under values the amount of dollars we are collecting to complete capital works to allow for that development. This gap is then being charged to the existing taxpayers. We are trying to find a balance between existing residents, new residents that come with new development, and development charges.

It was asked if the southwest corner of Mount Forest around the Sports Complex should be recognized as a growth area and incentives extended to that area, and possibly the development over the river. The purpose of the proposed development charges incentives is for the built boundary, which was created through planning documents. The zoning by-law determines the type of housing that could be built in those areas. The purpose of the incentives in the built boundary is to encourage development in areas where water and sewer are already in place.

CONFIRMING BY-LAW

RESOLUTION: 2021-395

Moved: Councillor Yake

Seconded: Councillor McCabe

THAT By-law Number 110-21 being a By-law to Confirm the Proceedings of the Council of the Corporation of the Township of Wellington North at its Special Meeting held on November 30, 2021 be read a First, Second and Third time and enacted.

CARRIED

ADJOURNMENT

RESOLUTION: 2021-396

Moved: Councillor Burke

Seconded: Councillor Hern

THAT the Special Council meeting of November 30, 2021 be adjourned at 3:29 p.m.

CARRIED

CLERK

MAYOR