

**Township of Southgate  
Administration Office**

185667 Grey Road 9  
Dundalk, ON N0C 1B0



**Phone:** 519-923-2110  
**Toll Free:** 1-888-560-6607  
**Fax:** 519-923-9262  
**Web:** [www.southgate.ca](http://www.southgate.ca)

**Staff Report FIN2022-026**

**Title of Report:** FIN2022-026 Development Charges

**Department:** Finance

**Council Date:** October 5, 2022

**Recommendation:**

**Be it resolved that** Council receive Staff Report FIN2022-026 Development Charges as information; and

**That** Council consider for approval By-law 2022-154, being a by-law with respect to Development Charges.

**Background:**

On November 15, 2017, By-law 2017-138, being a By-law with respect to Development Charges was passed. By-law 2017-138 expires at 12:01 AM on November 16, 2022 unless it is repealed by Council at an earlier date. The categories of services for which development charges are imposed under this By-law are as follows:

- a) Services related to a Highway;
- b) Fire Protection Services;
- c) Parks and Recreation Services;
- d) Library Services;
- e) Administration Services;
- f) Waste Diversion Services;
- g) Storm Drainage and Control Services;
- h) Wastewater Services; and
- i) Water Services.

On January 19, 2022, Council received Staff Report FIN2022-005 and approved the release of a Development Charge Study Request for Proposal (RFP).

On March 2, 2022, Council received Staff Report FIN2022-009 and awarded the Development Charge Study tender to Watson & Associates Economists Ltd. (Watson & Associates) for \$29,840 plus HST.

On March 30, 2022, Council received staff's Development Charges presentation, which summarized the purpose and process of the 2022 Development Charge update, for information.

On July 26, 2022, Council received a presentation from Watson & Associates on the Development Charges Background Study, Staff Report FIN2022-019, and directed the release of the Development Charge Study for public comment.

**Staff Comments:**

The Development Charges Background Study was posted on the township's website and advertising placed in the local papers.

On September 28, 2022, the Development Charges Statutory Public Meeting was held. One written comment was received from a resident that objected to the approval of the new Development Charges due to how existing assets have been accounted for and the cost estimates used to determine future asset needs, and there were no verbal comments.

Staff recommends Council approve By-law 2022-154, being a by-law with respect to Development Charges, repealing By-law 2017-138 and establishing new rates (see Attachment 1) that would come into effect on October 6, 2022. A copy of the current DC rates is included in this report for comparison purposes as Attachment #2. As the Development Charges are required to be determine on a service level, some services are seeing increases, and others are seeing decreases. A comparison of the change in the residential (single-detached) rates is provided as Attachment 3.

**Financial Implications:**

The purpose of Development Charges is to ensure that development costs are born by the developer. Although Development Charge recover the majority of project costs, the portion that benefits existing taxpayers will be recovered through tax rates in future years.

**Communications & Community Action Plan Impact:**

This report has been written and presented to Council in accordance with the Southgate Community Action Plan:

Mission Statement Pillars

- Trusted Government
- Economic Prosperity.

Themes:

- Municipal Services
- Public Communications

Core Values:

- Integrity
- Stewardship

**Concluding Comments:**

Watson & Associates has completed the Development Charges Background Study, and it has been presented to the public for comment. One resident submitted a written objection. Staff recommends Council approve By-law 2022-154, being a by-law with respect to Development Charges, effective October 6, 2022.

Respectfully Submitted,

**Dept. Head:**        ***Original Signed By***  
William Gott, CPA, CA, Treasurer

**CAO Approval:**    ***Original Signed By***  
Dave Milliner, CAO

**Attachment:**

- 1 2022 Proposed DC Charges
- 2 2022 Current DC Charges
- 3 Residential (Single-detached) Rate Comparison