



REPORT FIN-2021-012

TO: Mayor and Members of Council

FROM: Mary Hasan, Director of Finance/Treasurer
Mirela Oltean, Deputy Treasurer

MEETING DATE: May 5, 2021

SUBJECT: 2020 Development Charges
File No. F21 DEV

RECOMMENDATIONS

THAT Report FIN-2021-012 regarding the 2020 Development Charges be received; and

THAT Council accepts the Treasurer's declaration that the Township is in compliance with section 59.1(1) of the Development Charges Act, 1997.

DISCUSSION

Purpose

The purpose of this report is to provide Council with information on the Township's Development Charges and related transactions as of December 31, 2020.

Background

Pursuant to Section 43(2) of the Development Charges Act (DCA), the Treasurer for the Township shall present a financial statement to Council regarding the development charge restricted reserves. The Treasurer's statement is to outline the following:

- Statements of the opening and closing balances of the reserve funds and of transactions relating to the funds;
- Statements identifying,
 - i. All assets whose capital costs were funded under a development charge by-law during the year,

- ii. For each asset mentioned in (i) above, the manner in which any capital cost not funded under the by-law was or will be funded;
 - A statement as to compliance with subsection 59.1 (1); and
 - Any other information that is prescribed

Section 59.1 (1) of the DCA specifically prohibits municipalities from imposing additional payments on developers or requiring construction of a service unless specifically authorized under the DCA or another Act. The importance that the province places on this section is reinforced by (a) requiring that the Treasurer’s report include a statement confirming that the municipality is in compliance with Section 59.1(1) and (b) granting extensive investigative powers to the Ministry of Municipal Affairs and Housing to investigate whether a municipality is in compliance.

The Township does not require any “voluntary” payments from developers and the Treasurer confirms that, for 2020 development charges reporting, the Township is in compliance with Section 59.1 (1) of the DCA.

In the past, a municipality was required to file the Treasurer’s report with the Minister within 60 days of the presentation of the report to Council. In accordance with Section 43 of the DCA, this requirement has been removed and replaced by a requirement that Council shall ensure that the statement is available to the public and that the Treasurer shall give a copy of the statement to the Ministry of Municipal Affairs and Housing upon request. Therefore, Report FIN-2021-012 and its related attachments will be posted on the Township’s website.

FINANCIAL IMPLICATIONS

- The total balance of Development Charges as of December 31, 2020 is \$1,428,489
- Development Charges increased by \$690,659 from 2019.

Beginning Balance in 2020:		\$737,830
DC Revenue in 2020:	\$754,405	
Interest earned:	\$14,644	
Transfers to capital:	-(\$78,390)	
Net 2020 Increase:		\$690,659
Ending Balance in 2020:		\$1,428,489

There was an increase in development charge contributions received in 2020 compared to previous years. The Township received contributions of \$754K in 2020 compared to \$256K in 2019. Please note, the increase in development charges collected in 2020 relates to \$544K collected from a developer that entered into a development charges credit agreement with the Township in 2012.

The Annual Treasurer's Statement of Development Charges is listed in Schedule A. Details of Development Charge amounts transferred to Capital, Operating, or Other Funds are listed in Schedule B. Schedule C summarizes the statement of credit holder transactions in 2020 and notes that there were no credit holder transactions during the period or in previous periods.

APPLICABLE LEGISLATION AND REQUIREMENTS

Development Charges Act, 1997
Ontario Regulation 82/98

ATTACHMENTS

Schedule A –Annual Treasurer's Statement of Development Charges as at December 31, 2020

Schedule B – Amounts Transferred to Capital, Operating or Other Funds for the 12 months ended December 31, 2020

Schedule C – Statement of Credit Holder Transactions for the 12 months ended December 31, 2020