



# Town of Aurora

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## Development Charges Stakeholder Presentation #2

January 12, 2024

# Purpose of the Presentation / Agenda



This presentation is to provide the Stakeholder Group with the following:

- Recap of D.C. Study Process and Timelines
- Growth Forecast
- Service Standards
- Local Service Policy
- Draft Capital Program and D.C. Rates
- Survey of Comparator Municipalities
- Next Steps



## Recap of D.C. Study Process and Timelines

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# Timelines of Study Process



- ✓ Project Kick-off Meeting – June 16, 2023
- ✓ Data Compilation – June to November 2023
- ✓ Policy Review – June to November 2023
- ✓ Staff Interviews (Review Service Standards, Capital, Growth Forecast, etc.) – September 2023
- ✓ Stakeholder Presentation #1 – September 14, 2023
- ✓ Council Workshop – October 3, 2023
- ❖ Stakeholder Presentation #2 – January 12, 2024
  - Final Report and Draft By-law – January 23, 2024
  - Mandatory Public Meeting – February 6, 2024
  - Council Consideration of D.C. By-law – March 26, 2024



# Growth Forecast

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# Growth Forecast Overview

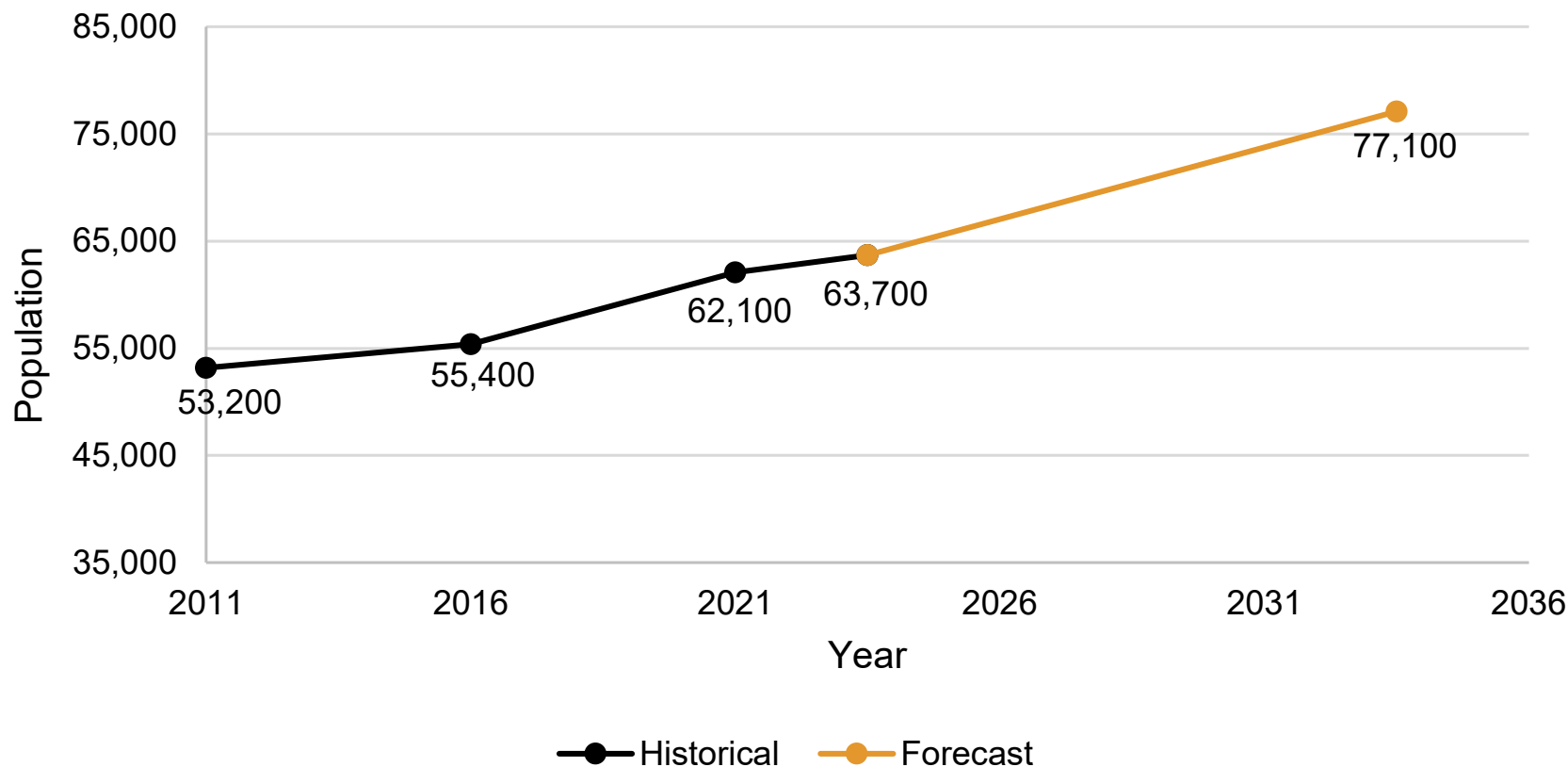
## 2024 DC Growth Forecast Assumptions



- Watson undertook a detailed update of the Town of Aurora growth forecast over a 10-year forecast period from 2024 to 2034 for the purposes of the 2024 Development Charges Background Study (DCBS).
- The updated 10-year forecast reflects the changing real-estate market and demographic trends which are anticipated to have upward pressure on medium and high-density housing development over the next decade.

# Growth Forecast Overview

## 2024 DC Total Population Forecast



Note: Figures have been rounded.

Source: Historical derived from Statistics Canada Census, 2001 to 2021, and 2024 estimated by Watson & Associates Economists Ltd.

Forecast by Watson & Associates Economists Ltd.

# Growth Forecast Overview

## 2024 DC Incremental Growth Forecast



- The DC growth forecast utilizes a 10-year growth period for all services.

| Measure   |                                      | 10-Year      |
|---|--------------------------------------|--------------|
|   |                                      | 2024 to 2034 |
| (Net) Population Increase Excluding Undercount                  |                                      | 13,400       |
| Residential Unit Increase                                       |                                      | 5,900        |
| Total Employment Increase                                       | Including WAH and NFPOW <sup>1</sup> | 7,600        |
|   | Excluding WAH and NFPOW <sup>1</sup> | 6,200        |
| Non-Residential Gross Floor Area Increase (sq.ft.) <sup>2</sup> |                                      | 3,977,700    |

<sup>1</sup> Work at Home (WAH) and No Fixed Place of Work (NFPOW).

<sup>2</sup> G.F.A. and employment associated within special care institutional dwellings treated as residential. Total employment growth presented in this table has been downwardly adjusted to account for institutional employment associated with special care facilities for the purposes of future non-residential gross floor area needs.

Note: Figures have been rounded.

Source: Watson & Associates Economists Ltd.



# Growth Forecast Overview

## Residential Growth Forecast



- 13,400 people and 5,900 housing units are forecast in the Town of Aurora from 2024 to 2034
- The forecast housing unit mix is forecast to be largely comprised of medium and high-density, due to limited remaining opportunities to accommodate low-density housing.

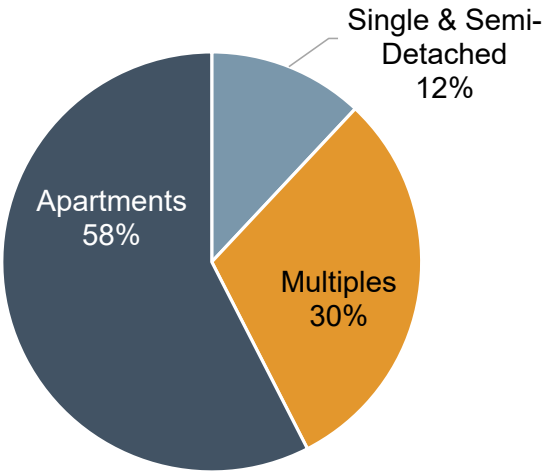
**2024 to 2034  
Housing by Structure Type Forecast**

| Single & Semi-Detached | Multiples <sup>1</sup> | Apartments <sup>2</sup> | Total Residential Units | Net Population Including Institutional |
|------------------------|------------------------|-------------------------|-------------------------|--|
| 710                    | 1,800                  | 3,390                   | 5,900                   | 13,400                                 |

Note: Figures have been rounded.

Source: Watson & Associates Economists Ltd.

**2024 to 2034  
Housing Unit Mix Forecast**



# Growth Forecast Summary

## Non-Residential Growth Forecast

- 7,600 jobs (6,200 excluding WAH and NFPOW) and 4.0 million sq.ft. of new gross floor area forecast in the Town from 2024 to 2034.

|  | Non-Residential 10-Year Growth Forecast |                                 |                            |           |
|--|---|---------------------------------|----------------------------|-----------|
|  | Industrial                              | Commercial / Population Related | Institutional <sup>2</sup> | Total     |
| Jobs   | 1,900                                   | 2,600                           | 1,700                      | 6,200     |
| Gross Floor Area in Square Feet <sup>1</sup> | 1,848,700                               | 1,017,500                       | 1,111,500                  | 3,977,700 |

<sup>1</sup> Town-wide Average Square Foot Per Employee Assumptions

|                                |     |
|--------------------------------|-----|
| Industrial                     | 950 |
| Commercial/ Population Related | 395 |
| Institutional                  | 680 |

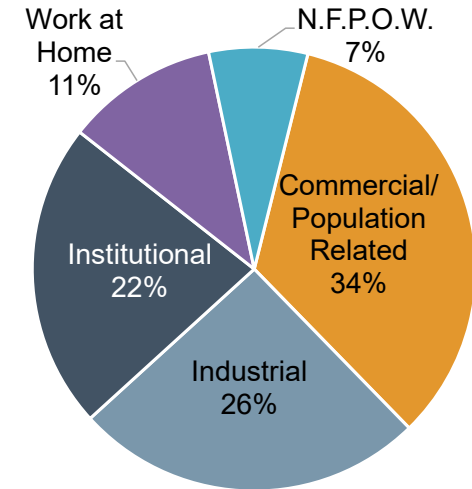
<sup>2</sup> Forecast institutional employment and gross floor area has been adjusted downward to account for employment associated with special care units.

Note: Figures may not sum precisely due to rounding.

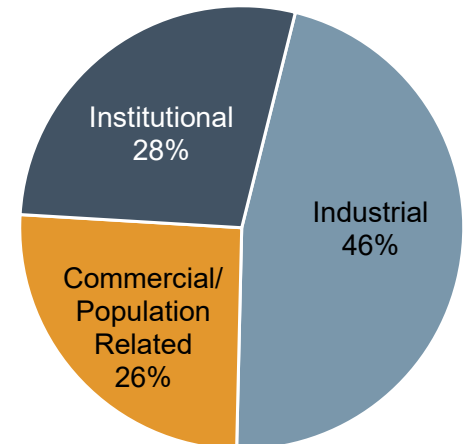
Source: Watson & Associates Economists Ltd.



## 2024 to 2034 Employment Forecast Shares by Sector



## 2024 to 2034 G.F.A. Forecast Shares by Sector





# Service Standards

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# Service Standard Methodology



- Service standard measure provides a ceiling on the level of the charge that can be imposed
- The D.C.A. requires the calculation to be based on “quality” and “quantity” measures and “averaged” over the past 15 years
- This involves reviewing capital inventories in detail over past 15 years
- Note that this measure does not apply to water, wastewater, stormwater and Transit (which now has a forward-looking service standard)

**\*Amended as per Bill 23**

# Draft 2024 Service Standard Summary



| SUMMARY OF SERVICE STANDARDS AS PER DEVELOPMENT CHARGES ACT, 1997, AS AMENDED |   |             |
|---|---|-------------|
| Service Category  | Sub-Component   | Maximum     |
| Service Related to a Highway  | Services Related to a Highway - Roads                               | 238,371,583 |
|   | Services Related to a Highway - Bridges, Culverts & Structures      |             |
|   | Services Related to a Highway - Sidewalks and Active Transportation |             |
|   | Services Related to a Highway - Traffic Signals & Streetlights      |             |
| Public Works  | Public Works - Facilities   | 7,518,328   |
|   | Public Works - Vehicles & Equipment                                 |             |
| Fire Protection   | Fire Protection Services - Facilities                               | 7,826,428   |
|   | Fire Protection Services - Vehicles & Equipment                     |             |
|   | Fire Protection Services - Small Equipment and Gear                 |             |
| Parks & Recreation  | Parkland Development  | 145,627,155 |
|   | Parkland Amenities  |             |
|   | Parkland Trails   |             |
|   | Recreation Facilities   |             |
|   | Parks & Recreation Vehicles and Equipment                           |             |
| Library   | Library Services - Facilities                                       | 13,568,030  |
|   | Library Services - Collection Materials                             |             |

# Comparison of Service Standards



| SUMMARY OF SERVICE STANDARDS AS PER DEVELOPMENT CHARGES ACT, 1997, AS AMENDED |   |                 |                 |
|---|---|-----------------|-----------------|
| Service Category  | Sub-Component   | 2019 D.C. Study | 2024 D.C. Study |
|   |   | Maximum         | Maximum         |
| Service Related to a Highway  | Services Related to a Highway - Roads                               | 80,439,093      | 238,371,583     |
|   | Services Related to a Highway - Bridges, Culverts & Structures      |                 |                 |
|   | Services Related to a Highway - Sidewalks and Active Transportation |                 |                 |
|   | Services Related to a Highway - Traffic Signals & Streetlights      |                 |                 |
| Public Works  | Public Works - Facilities   | 4,023,929       | 7,518,328       |
|   | Public Works - Vehicles & Equipment                                 |                 |                 |
| Fire Protection   | Fire Protection Services - Facilities                               | 5,109,350       | 7,826,428       |
|   | Fire Protection Services - Vehicles & Equipment                     |                 |                 |
|   | Fire Protection Services - Small Equipment and Gear                 |                 |                 |
| Parks & Recreation  | Parkland Development  | 53,528,197      | 145,627,155     |
|   | Parkland Amenities  |                 |                 |
|   | Parkland Trails   |                 |                 |
|   | Recreation Facilities   |                 |                 |
|   | Parks & Recreation Vehicles and Equipment                           |                 |                 |
| Library   | Library Services - Facilities                                       | 8,068,532       | 13,568,030      |
|   | Library Services - Collection Materials                             |                 |                 |

# Key Drivers for Increased Costs to Service Standards



- Tender Prices have increased significantly
- Indexing through NRBCPI (Stats-Canada) from 2019 to 2024 is approximately 43%
- The increase of the historical review period from 10 to 15 years



# Local Service Policy

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# Local Service Policy

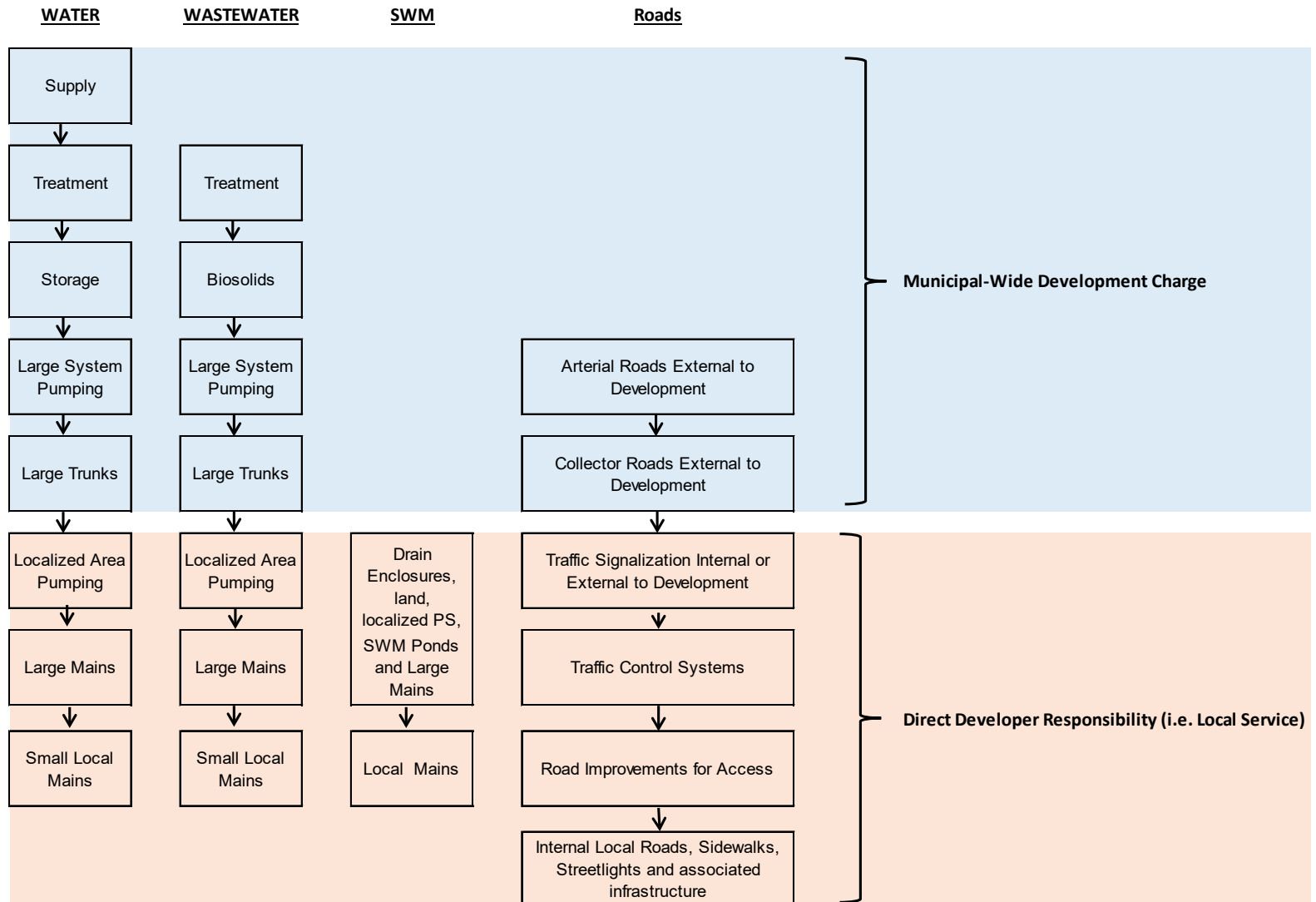


- Section 59.1(1) and (2) of the Act “No Additional Levies” - prohibits municipalities from imposing additional payments or requiring construction of a service not authorized under the D.C.A., therefore, need to be clear:
- What will be included in the D.C.; and
- What will be required by developers as part of their development agreements
- Items considered in Local Service Policies may include:
  - Local, rural, collector & arterial roads,
  - Intersection improvements & traffic signals,
  - Streetlights & sidewalks,
  - Bike Routes/Bike Lanes/Bike Paths/Multi-Use,
  - Trails/Naturalized Walkways,
  - Noise Abatement Measures,
  - Land dedications/easements,
  - Water, Wastewater & Stormwater, and
  - Park requirements.
- The Town’s current Local Service Policy is proposed to continue

# Local Service Policy



## Allocations of Services Included in Capital Charges





# Draft Capital Program and D.C. Rates

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# Draft Capital Program – By Service



| Increased Service Needs<br>Attributable to Anticipated<br>Development | Timing (year) | Gross Capital<br>Cost Estimate<br>(2024\$) | Post Period<br>Benefit | Other<br>Deductions | Net Capital<br>Cost | Less:                                 |  | Potential D.C. Recoverable Cost |                      |                              |
|---|---------------|--|------------------------|---------------------|---------------------|---------------------------------------|--|---------------------------------|----------------------|------------------------------|
|   |               |  |                        |                     |                     | Benefit to<br>Existing<br>Development | Grants, Subsidies and<br>Other Contributions<br>Attributable to New<br>Development | Total                           | Residential<br>Share | Non-<br>Residential<br>Share |
| Fire Protection Services  | 2024-2034     | 26,387,100                                 | 5,043,600              | -                   | 21,343,500          | -                                     | 14,143,800   | 7,199,700                       | 4,895,796            | 2,303,904                    |
| Services Related to a Highway   | 2024-2034     | 80,268,443                                 | 3,216,000              | 216,411             | 76,836,032          | 27,779,097                            | -  | 49,056,935                      | 33,358,716           | 15,698,219                   |
| Public Works  | 2024-2034     | 3,930,000                                  | -                      | -                   | 3,930,000           | 595,000                               | -  | 3,335,000                       | 2,267,800            | 1,067,200                    |
| Parks and Recreation Services   | 2024-2034     | 143,712,245                                | 52,500,000             | 2,265,967           | 88,946,278          | 78,600                                | 4,000,000  | 84,867,678                      | 80,624,295           | 4,243,384                    |
| Library Services  | 2024-2034     | 11,703,106                                 | -                      | -                   | 11,703,106          | -                                     | -  | 11,703,106                      | 11,117,951           | 585,155                      |
| Wastewater - Sewers   | 2024-2034     | 10,295,828                                 | -                      | -                   | 10,295,828          | 3,425,707                             | -  | 6,870,121                       | 4,671,682            | 2,198,439                    |
| Water Distribution  | 2024-2034     | 6,628,603                                  | -                      | -                   | 6,628,603           | 1,037,916                             | -  | 5,590,687                       | 3,801,667            | 1,789,020                    |
| <b>Total</b>  |               | <b>282,925,326</b>                         | <b>60,759,600</b>      | <b>2,482,378</b>    | <b>219,683,348</b>  | <b>32,916,320</b>                     | <b>18,143,800</b>  | <b>168,623,227</b>              | <b>140,737,906</b>   | <b>27,885,321</b>            |

# Draft Development Charges Rates



| Service/Class of Service                          | RESIDENTIAL                       |               |                           |                                     |                                     | NON-RESIDENTIAL                  |                                |
|---|-----------------------------------|---------------|---------------------------|-------------------------------------|-------------------------------------|----------------------------------|--------------------------------|
|   | Single and Semi-Detached Dwelling | Multiples     | Apartments - 2 Bedrooms + | Apartments - Bachelor and 1 Bedroom | Special Care/Special Dwelling Units | (per sq.ft. of Gross Floor Area) | (per sq.m of Gross Floor Area) |
| <b>Town-Wide Services/Class of Service:</b>       |                                   |               |                           |                                     |                                     |                                  |                                |
| Wastewater Services                               | 1,233                             | 946           | 692                       | 476                                 | 383                                 | 0.55                             | 5.92                           |
| Water Services                                    | 1,003                             | 769           | 563                       | 387                                 | 312                                 | 0.45                             | 4.84                           |
| Services Related to a Highway                     | 9,404                             | 7,212         | 5,281                     | 3,629                               | 2,922                               | 4.22                             | 45.42                          |
| Fire Protection Services                          | 1,292                             | 991           | 726                       | 499                                 | 401                                 | 0.58                             | 6.24                           |
| Library Services                                  | 2,935                             | 2,251         | 1,648                     | 1,133                               | 912                                 | 0.15                             | 1.61                           |
| Parks and Recreation Services                     | 21,280                            | 16,321        | 11,950                    | 8,211                               | 6,612                               | 1.07                             | 11.52                          |
| <b>Total Town-Wide Services/Class of Services</b> | <b>37,147</b>                     | <b>28,490</b> | <b>20,860</b>             | <b>14,335</b>                       | <b>11,542</b>                       | <b>7.02</b>                      | <b>75.56</b>                   |

**\*Note: The above D.C. rates are subject to the mandatory phase-in from Bill 23**

# Development Charges Comparison – Residential



| Service/Class of Service           | Current       | Calculated    |
|------------------------------------|---------------|---------------|
| <b>Town-Wide Services/Classes:</b> |               |               |
| Wastewater Services                | 1,071         | 1,233         |
| Services Related to a Highway      | 8,962         | 9,404         |
| Fire Protection Services           | 1,300         | 1,292         |
| Library Services                   | 2,227         | 2,935         |
| Parks and Recreation Services      | 21,435        | 21,280        |
| General Government                 | 1,132         | -             |
| Water Services                     | 550           | 1,003         |
| <b>Total Town-Wide Services</b>    | <b>36,677</b> | <b>37,147</b> |

\*Note: The draft calculated D.C. rates would equal to \$29,717.60 due to the mandatory phase-in

# Development Charges Comparison – Non-Residential



| Service/Class of Service           | per sq.m     |              | per sq.ft.  |             |
|------------------------------------|--------------|--------------|-------------|-------------|
|                                    | Current      | Calculated   | Current     | Calculated  |
| <b>Town-Wide Services/Classes:</b> |              |              |             |             |
| Wastewater Services                | 4.74         | 5.92         | 0.44        | 0.55        |
| Services Related to a Highway      | 40.10        | 45.42        | 3.73        | 4.22        |
| Fire Protection Services           | 5.79         | 6.24         | 0.54        | 0.58        |
| Library Services                   | 1.03         | 1.61         | 0.10        | 0.15        |
| Parks and Recreation Services      | 10.26        | 11.52        | 0.95        | 1.07        |
| General Government                 | 5.05         | -            | 0.47        | -           |
| Water Services                     | 2.52         | 4.84         | 0.23        | 0.45        |
| <b>Total Town-Wide Services</b>    | <b>69.49</b> | <b>75.56</b> | <b>6.46</b> | <b>7.02</b> |

\*Note: The draft calculated D.C. rates would equal to \$60.45 per sq.m or \$5.62 per sq.ft. due to the mandatory phase-in

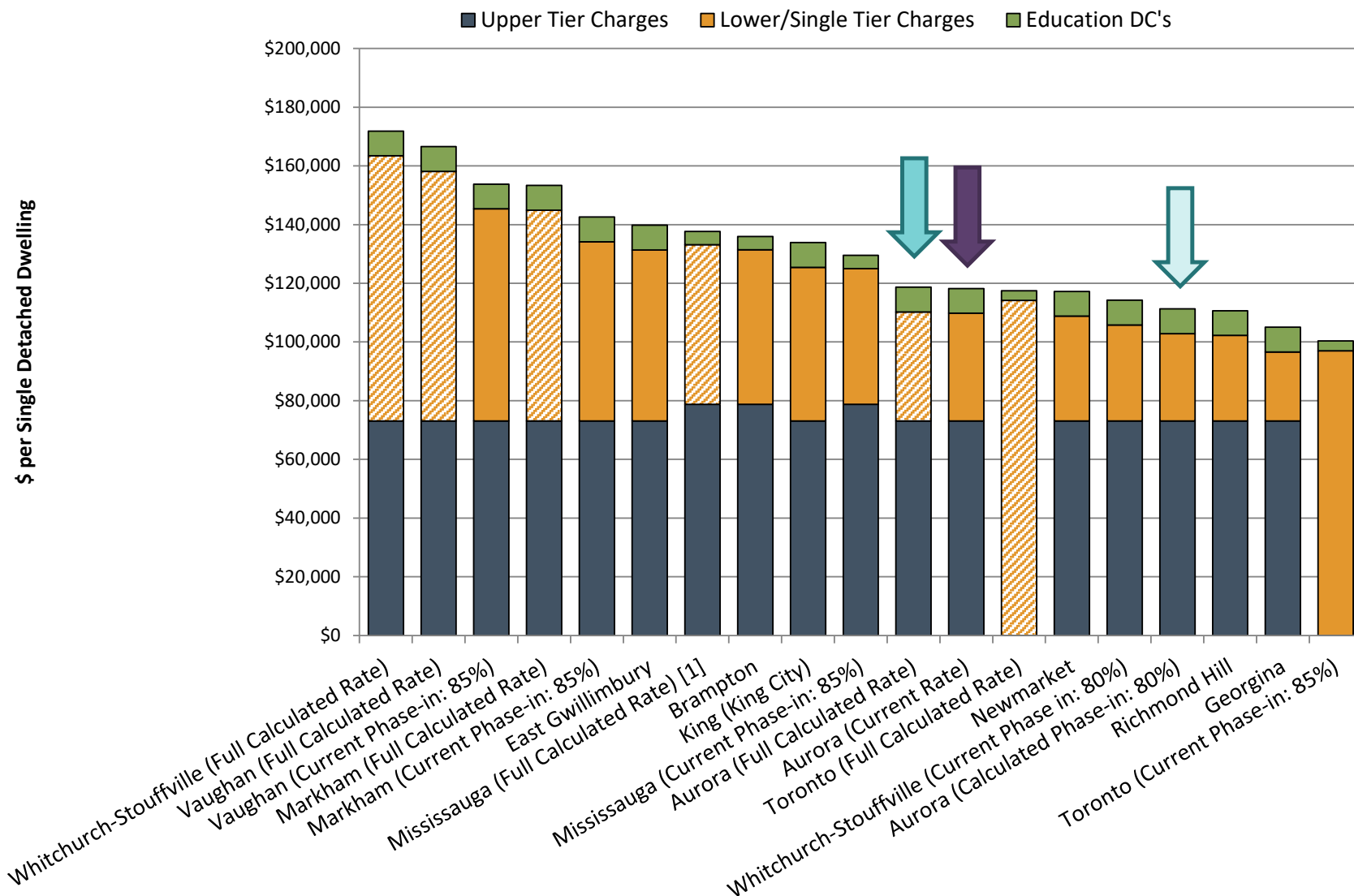


# Survey of Comparator Municipalities

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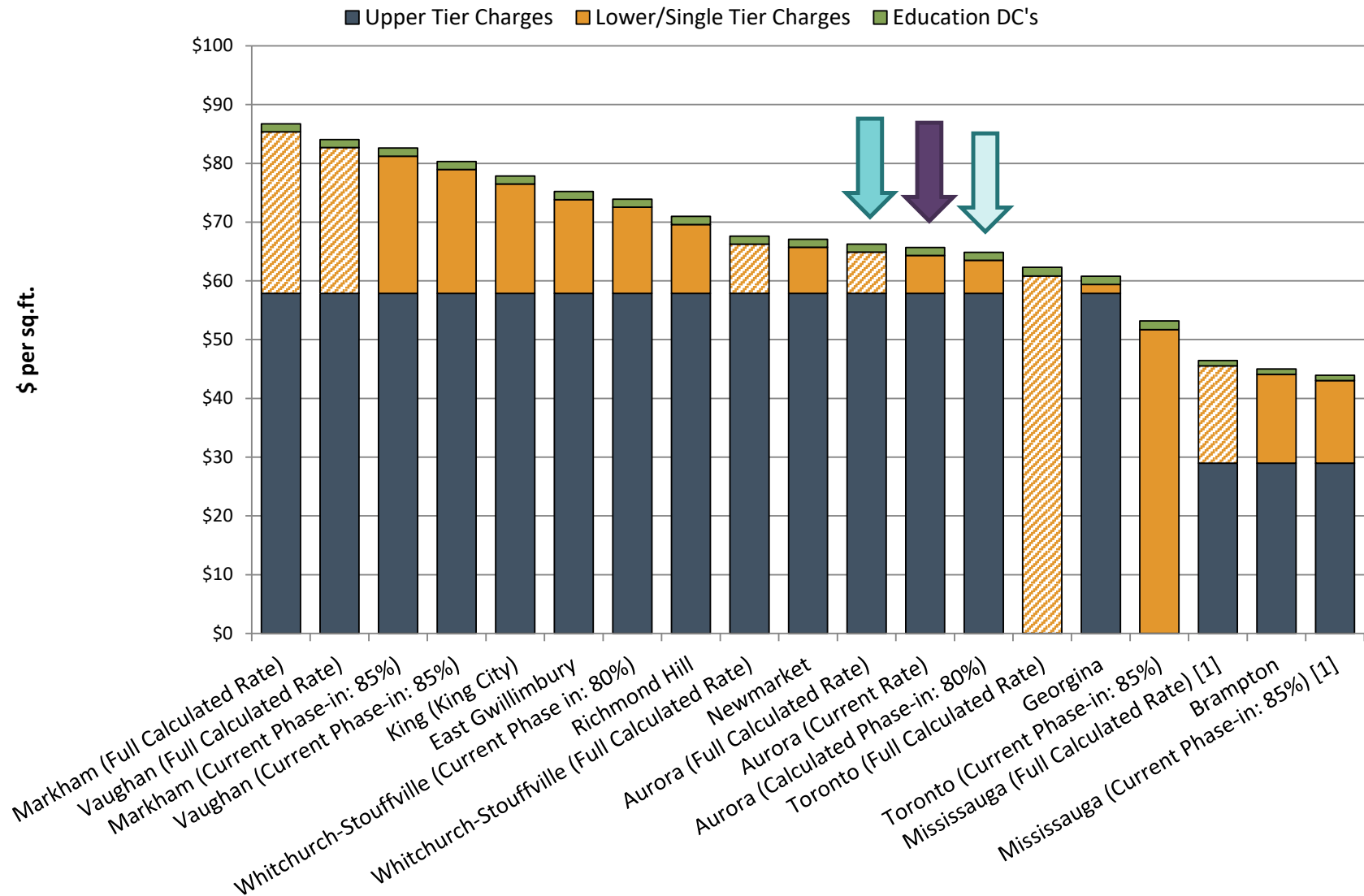


# Residential D.C. Survey – Single Detached



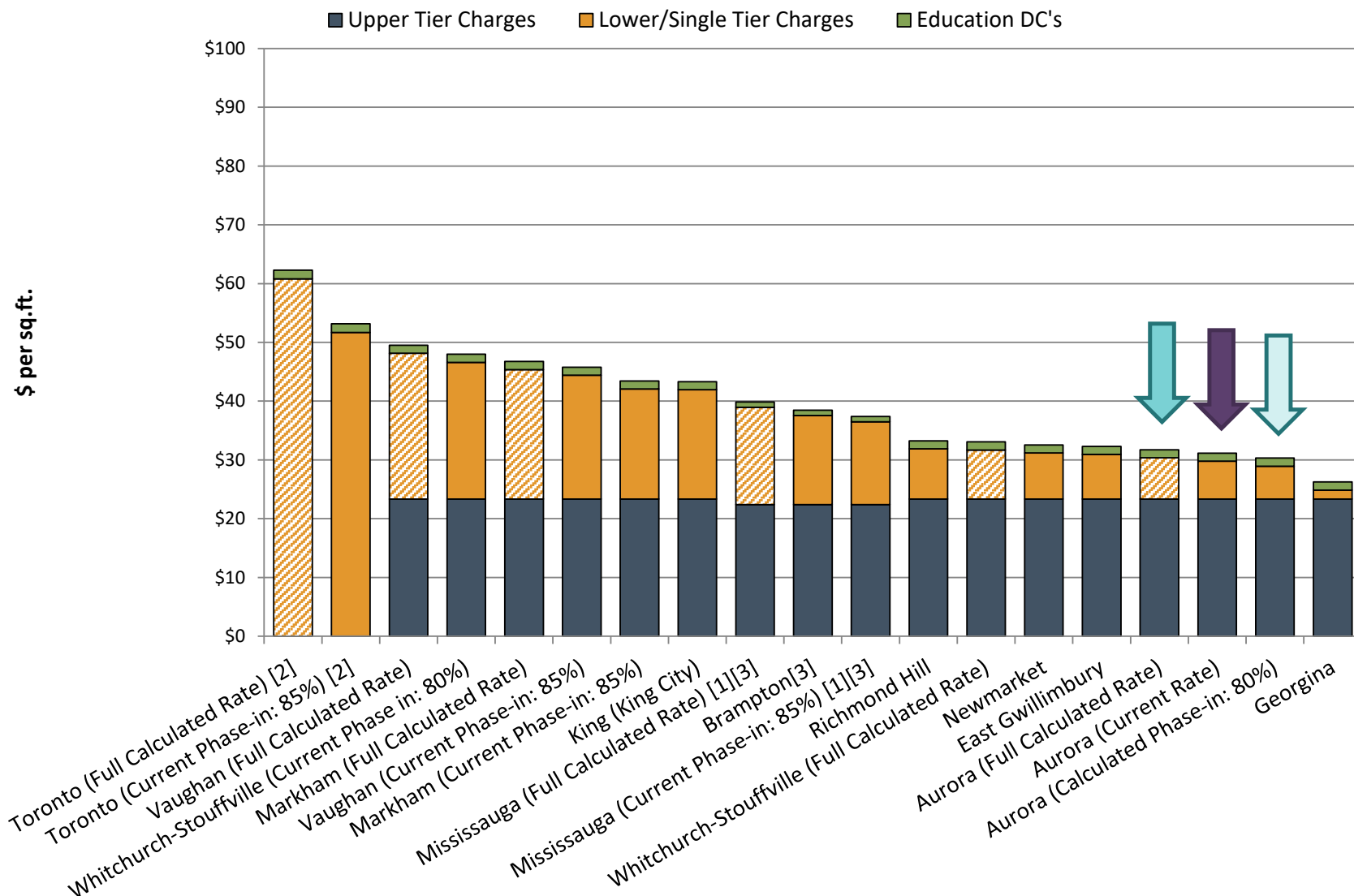
<sup>1</sup> Includes stormwater charge based on area - assuming 12 homes per acre

# Non-Residential D.C. Survey - Retail



<sup>1</sup> Includes stormwater charge based on area - assuming 33% lot coverage

# Non-Residential D.C. Survey – Non-Retail



<sup>1</sup> Includes stormwater charge based on area - assuming 33% lot coverage

<sup>2</sup> Note: Industrial development is exempt in Toronto

<sup>3</sup> Non-Industrial Rate presented. Note - Brampton & Mississauga classify as Industrial vs. Non-Industrial



## Next Steps

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# Next Steps



- Continue to work with Town staff to refine policy items to be included in the D.C. by-law
- Continue with the noted timelines:
  - Final Report and Draft By-law – January 23, 2024
  - Mandatory Public Meeting – February 6, 2024
  - Council Consideration of D.C. By-law – March 26, 2024



Questions