

**Subject: 2024 Development Charge By-law and Community Benefits Charge
By-law Review Councillors Sponsor Group**

File Number: ACS2023-PRE-GEN-0001

Report to Planning and Housing Committee on 27 February 2023

and Council 22 March 2023

**Submitted on February 10, 2023 by Charmaine Forgie, Manager, Business
Technical Support Services, Planning Services, Planning, Real Estate and
Economic Development**

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Ward: City Wide

**Objet : Groupe de conseillers parrains sur la révision de 2024 du Règlement
municipal sur les redevances d'aménagement et du Règlement municipal sur les
redevances pour avantages communautaires.**

Dossier : ACS2023-PRE-GEN-0001

Rapport au Comité de la planification et du logement

le 27 février 2023

et au Conseil le 22 mars 2023

**Soumis le 10 février 2023 par Charmaine Forgie, Gestionnaire, Services de
soutien techniques et aux activités, Direction générale de la planification, des
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Quartier : À l'échelle de la ville

REPORT RECOMMENDATIONS

That Planning and Housing Committee recommend Council approve:

1. **Establishing a Councillors Sponsor Group to provide input and advice to the 2024 Development Charge By-law and Community Benefits Charge By-law update, as detailed in this report.**
2. **The Councillors Sponsor Group terms of reference in Document 1.**

RECOMMANDATIONS DU RAPPORT

Que le Comité de la planification et du logement recommande au Conseil d'approuver :

1. **l'établissement d'un Groupe de conseillers parrains qui offrirait des commentaires et des conseils sur la mise à jour de 2024 du Règlement municipal sur les redevances d'aménagement et du Règlement sur les redevances pour avantages communautaires, comme il est décrit dans le présent rapport.**
2. **le mandat du groupe de conseillers parrains (document 1).**

BACKGROUND

This report is being brought forward to approve the members of Council that will sit on the Development Charges (DC) By-law and Community Benefits Charge (CBC) By-law Review Councillors Sponsor Group (Sponsor Group). The Councillor Sponsor group will provide input into the review process. The current Development Charges by-law expires in May of 2024 pursuant to the requirements outlined within the *Development Charges Act, 1997* (DCA), and the City must pass a new development charge by-law before this date.

The review will also consider the CBC eligible projects and updating the existing CBC by-law. A CBC is a new growth-funding tool (GFT) under the *Planning Act* that allows municipalities to levy a charge against certain forms of higher density development to fund associated development-related capital infrastructure needs. The CBC by-law, pursuant to the *Planning Act*, impose charges against land to pay for the capital costs of facilities, services and matters required because of development and redevelopment. The CBC by-law is subject to review every 5 years, or sooner as prescribed by legislation.

Through the 2022-2026 Council Governance Review report, the City Clerk will bring forward a report and recommendations regarding matters relating to advisory bodies

such as Council Sponsors Groups. Following the City Clerk's report, best practices identified will be incorporated when creating the DC and CBC Sponsor Group.

DISCUSSION

The DC Background Study update is conducted every five years pursuant to the requirements outlined within the DCA. The review will be comprehensive since it will be based on revised masterplans and will also incorporate the recent amendments to the DCA approved under Bill 23 (*the More Homes Built Faster Act*). The City will also explore options regarding components to the Community Benefits Charge and how it can be incorporated with the 2024 DC by-law. This review will consider how the City maintains the CBC development related capital program, initiated by revisiting the 2022 consultant's Strategy report. The review will consider the CBC by-law itself and a policy that directs staff on how to administer the collection and spending of the charge.

Key objectives will involve reviewing various inputs such as projects specified in the CBC project list, infrastructure costing, contingencies, scope changes and eligible land acquisition costs. The study will incorporate initiatives contained in the new Official Plan, with development-related infrastructure projects listed in the revised Transportation and Infrastructure Master Plans, upon Council approval. The adoption of the various master plans will provide the long-term basis for identifying affordable funding priorities and updated project timing that we be required to finance growth in Ottawa from 2024 - 2046. The revisions will address critical development-related revenue pressures over this planning horizon associated with servicing additional lands included within the urban boundary. The structure of the development charge by-law will continue to be used to contribute to the implementation of policies such as the encouragement of compact development, use of existing infrastructure, and encouragement of mixed-use development.

The Councillors Sponsor Group model is an effective way to provide ongoing advice to City staff in the development of the Development Charges and Community Benefits Charge By-Law updates. Staff are recommending the use of a similar body that would meet at appropriate times to review progress in the development of the updated by-laws, weigh various policy options, make recommendation and act as a sound board.

Staff is recommending that, as this is a city-wide by-law update, the Councillors Sponsors Group be made up of five Members of Council: two representatives of the suburban area, two representatives of the urban area, and one member of the rural area as well as the General Manager Planning, Real Estate and Economic Development, or a designate, as well as other City staff as needed.

This comprehensive update will once again undertake an integrated approach to planning, servicing, and financing growth-related infrastructure and facilities within the confines of the statutory limitations. The Sponsor Group, along with City staff, will ultimately recommend the schedule of charges by type of land use and any associated policy implications to Committee and Council. The critical point in the review is the timing of the adoption of the new by-laws that will take place in 2024.

The establishment of the Councillors Sponsor Group will take place through an Expression of Interest between the approval of this report at Planning and Housing Committee and the City Council meeting on March 22, 2023.

A high-level timeline for the development of the 2024 Development Charges By-law and Community Benefits Charge By-law is set out below:

Table 1: 2024 Development Charges By-law and Community Benefits Charge By-law Review Key Deliverables and Timelines

	Deliverable Name	Target Completion Date
1	Project Charter	December 2022
2	Project Kick-off	January 2023
3	Councillor Sponsors Group Report	February 2023
4	Public Meeting Notice	March 2024
5	Release Background Study	February 2024
6	Public Meeting at Planning Committee	April 2024
7	Council Approval of By-law	April 2024

RURAL IMPLICATIONS

The Development Charges Background Study will contain policy directions and growth-related projects that will impact future servicing requirements within the rural area.

COMMENTS BY THE WARD COUNCILLOR(S)

This section does not apply to City-wide items.

ADVISORY COMMITTEE(S) COMMENTS

N/A

LEGAL IMPLICATIONS

There are no legal impediments to adopting the recommendations in this report.

RISK MANAGEMENT IMPLICATIONS

There are no risk implications.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications.

FINANCIAL IMPLICATIONS

There are no direct financial implications.

ACCESSIBILITY IMPACTS

There are no accessibility impacts.

SUPPORTING DOCUMENTATION

Document 1 – Terms of Reference

DISPOSITION

The first meeting will be held in March following Committee approval of the membership of the Sponsor Group,

Document 1 – Terms of Reference



2024 Development Charges and Community Benefits Charge By-law Update Councillor Sponsor Group

Terms of Reference

February 27, 2023

Mandate

To provide ongoing advice to City staff in the development of the Development Charges (DC) and Community Benefits Charge By-Law updates. The Committee is advisory in nature and shall report to and make any policy recommendation(s) to the Planning Committee and Council.

Scope

- Review progress in the development of the updated By-law, weigh various policy options.
- Recommend the schedule of charges by type of land use and any associated policy implications to Planning Committee and Council
- Act as a sounding board on matters relevant to the Development Charges and Community Benefit Charge studies and reports

Responsibilities

Specific responsibilities of the DC and CBC Councillor Sponsor Group include but are not limited to:

- To meet at appropriate times to review progress in the development of the updated By-Law
- Review policy options
- Recommend the schedule of charges, by type of land use, and any associated policy implications to Planning Committee and Council

Working Methods:

Meet monthly, or as needed, to inform the 2024 DC and CBC By-Law Review.

Membership

- Suburban representative
- Suburban representative
- Rural representative
- Urban area representative
- Urban area representative