

To: Mayor McKenzie & Members of Council
From: Wendy McMurray, Treasurer
Subject: Development Charges Annual Adjustment
Date: November 7, 2022

Recommendation:

That the Council of the Municipality of West Perth approve a 17% increase to Development Charges rate in accordance to By-Law 63-2019 section 75; and

That the approved rates come into effect January 1, 2023.

Purpose:

To request approval from Council to index West Perth's Development Charges pursuant to the annual adjustments provision in By-Law 63-2019.

Background:

The Development Charges Act authorizes municipalities to pass by-laws for the recovery of growth-related capital costs incurred to provide services to new development and redevelopment. Paragraph 75 of West Perth's Development Charges indicates that development charges may be adjusted annually without amendment to the By-law as of January 1st each year using the 2nd quarter of the prescribed index in the Act.

Analysis:

The percentage change from Q2 (2021) to Q2(2022) is 17%. The building type 'Nonresidential buildings' is used to index the infrastructure projects included in the development charges.

Type of building	Non-residential buildings				
Geography ²	Q2 2021	Q1 2022	Q2 2022	Q1 2022 to Q2 2022	Q2 2021 to Q2 2022
	Index, 2017=100				
Toronto, Ontario (map)	119.9	134.2	140.3	4.5	17.0

Source: Statistics Canada: [Table 18-10-0135-02 Building construction price indexes, percentage change, quarterly](#)

Financial:

Phased Development Charges in the Mitchell Settlement Area

	Jan 1, 2023 to Dec 31, 2024	Jan 1, 2024 to Sept 3, 2024
Single Detached	\$10,701.77	\$10,701.77
Semi Detached	\$10,701.77	\$10,701.77
Multiple Units and Townhouses	\$9,171.68	9,171.68
Apartments	\$7,861.80	\$7,861.80

Rural Service Area

	Until Dec 31, 2022	Effective Jan 1, 2023
Single Detached	\$1,287.10	\$1,505.91
Semi Detached	\$1,287.10	\$1,505.91
Multiple Units and Townhouses	\$1,104.32	\$1,292.05
Apartments	\$945.47	\$1,106.20

Attachments:

N/A