

To: Mayor McKenzie & Members of Council
From: Wendy McMurray, Treasurer
Subject: Development Charges Annual Adjustment
Date: May 16, 2022

Recommendation:

That the Council of the Municipality of West Perth approves a 8.8% increase to Development Charge rates in accordance to By-Law 63-2019 section 75; and,

That the approved rates come into effect on July 1, 2022.

Purpose:

To request approval from Council to index West Perth's Development Charges pursuant to the annual adjustment provision in the 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(2020) is 8.8%. The building type 'Non-residential buildings' is used to index the infrastructure projects included in the development charges.

Type of building	Non-residential buildings [622]				
Geography ²	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
	Index, 2017=100				
Toronto, Ontario (map)	111.1	111.9	112.1	114.2	119.9

Source: Statistics Canada. [Table 18-10-0135-01 Building construction price indexes, by type of building](#)

Financial:

Phased Development Charges in the Mitchell Settlement Area

	Jan 1, 2022 - June 30, 2022	July 1, 2022 - Dec 31, 2022	Jan 1, 2023 - Dec 31, 2024	Jan 1, 2024 - Sept 3, 2024
Single Detached	\$7,332	\$7,977.22	\$ 9,146.82	\$ 9,146.82
Semi Detached	\$7,332	\$7,977.22	\$ 9,146.82	\$ 9,146.82
Multiple Units and Townhouses	\$6,186	\$6,730.37	\$7,839.04	\$7,839.04
Apartments	\$5,302	\$5,768.58	\$6,719.49	\$6,719.49

Rural Service Area

	Until June 30, 2022	Effective July 1, 2022
Single Detached	\$1,183	\$1,287.10
Semi Detached	\$1,183	\$1,287.10
Multiple Units and Townhouses	\$1,015	\$1,104.32
Apartments	\$869	\$945.47

Attachments:

N/A