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File No. 23351

VIA EMAIL ONLY

December 7, 2023

Jodi MacArthur, Treasurer Township of Huron-Kinloss 21 Queen Street, Box 130 Ripley, ON N0G 2R0

Re Development Charge Update 2024

The Township of Huron-Kinloss is seeking a cost estimate to undertake a Development Charge Background Study in advance of the expiration of the current Development Charge By-law. Prior to implementing a new By-law, the Development Charge Act requires the completion of a background study. Under the Act, a background study must document forecasted growth, capital works and growth-related projects included in the calculation of development charges, potential development charge amounts, and service areas. The calculations must follow the methodology outline in the Act. The completion of the background study also includes a public review component.

In the time since the last Background Study was completed, there have been a number of amendments to the Development Charges Act. Given the magnitude of these changes, we recommend a 'development charge refresher' workshop for staff. We will provide an overview of development charges to Council as part of a council workshop with BMROSS staff in March. Lisa Courtney, who has over 10 years of experience working with municipalities on development charges will lead the refresher session.

BMROSS has a well-established understanding and methodology for completing development charge background studies. We have worked with numerous municipalities, including Huron-Kinloss, to implement development charges since 1991. Our process incorporates staff early in the process, with a focus on building an understanding of the background study process and development charges – what types of projects can be collected for and how much can be collected. We also review required growth and capital works forecasts with staff to identify projects that can be included within development charges. Where development charges are new, or changing significantly, we recommend a kitchen-table style meeting with representatives of the local development industry to discuss issues and the overall philosophy of the charges. We find this enhanced consultation reduces the likelihood of objections or appeals to the By-law.

We have developed a cost estimate for budget purposes. The cost estimate includes a number of meetings with staff as well as a public meeting, as required under the Act. The estimated cost is \$25,000 + HST. You should also allow for advertising of the public meeting and passage of the By-law, as set out in the Act. Unfortunately, the cost of the background report and By-law preparation is no longer recoverable through development charges.

It is our understanding that staff would like to have a new By-law in place in the summer of 2024. To meet this timeline, the work on the background study should start as soon as possible. We recommend staff begin reviewing and identifying potential projects for inclusion in the development charges.

Should you have any questions, please feel free to call.

Yours very truly

B. M. ROSS AND ASSOCIATES LIMITED

Per CIP, RPP Lisa J. C ntney, M nvironmental lanner

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