



Staff Report

Report Title: Statement of Development Charges and Interest Rate Policy

Prepared By: Jodi MacArthur, Treasurer

Department: Treasury

Date: Apr. 4, 2022

Report Number: TR-2022-04-30

File Number: C11 TRE22

Attachments: 2021 Statement of Development Charges, Draft Interest Rate Policy

Recommendation:

That the Township of Huron-Kinloss Committee of the Whole hereby approves Report Number TR-2022-04-30 prepared by Jodi MacArthur, Treasurer AND receives the 2021 Statement of Development Charges AND FURTHER approves the Interest Rate Policy AND FURTHER authorizes the appropriate by-law coming forward.

Background:

The Development Charges Act require an annual statement of funds be provided.

Recent amendments to the Act provide for rate freeze and deferrals for certain types of development. In the absence of amendments to the associated regulations, municipalities have implemented their own interest rate policies.

Discussion:

The annual statement shows a total of \$610,414.77 in development charges were collected during 2021 for the specific eligible services within the geographic areas defined in By-Law 2019-133. Total interest earned was \$2,178.80, resulting in a grand total of \$612,593.57 to offset growth related projects.

The proposed interest rate policy was developed in consultation with the County; although they decided not to implement development charges at this time. The other municipalities in Bruce County that have development charges have determined that having consistency across the County was the best approach in the event there are any affected developments before the Province amends the development charges regulations.

Financial Impacts:

Development charges are an effective alternative revenue source to meet demand for increased services related to growth. The principle is that growth pays for growth so that the burden is not on existing taxpayers or water and wastewater system users.

Strategic Alignment / Link:

Not Applicable; legislative requirement

Respectfully Submitted By:

Jodi MacArthur, Treasurer

Approved By:

Mary Rose Walden, Chief Administrative Officer