City of Peterborough

To:	**Members of the General Committee**
From:	**Sandra Clancy, Director of Corporate Services**
Meeting Date:	**April 16, 2018**
Subject:	**Report CPFS18-012 Development Charges Amendment Study – Final Recommendations**

Purpose

A report to recommend amendments to existing City-wide General Services and the City-wide Engineered Services Development Charges By-laws for the period April 30, 2018 to December 31, 2019.

Recommendations

That Council approve the recommendations outlined in Report CPFS18-012 dated April 16, 2018, of the Director of Corporate Services, as follows:

That a separate by-law be passed to impose amendments to the City-Wide General Services Development Charge By-law 14-134 and the City-Wide Engineering Services Development Charge By-law 14-135, with a term covering April 30, 2018 to December 31, 2019.

Budget and Financial Implications

Staff estimate the net development charge revenue impacts to the City will be nil as the revenue loss arising from the multi-residential exemption will be offset by the removal of the industrial exemption. However, with the shortage of industrial land available, the 2018 Capital Budget includes a provision of $1.3 million for residential conversion and intensification (2018 Capital Budget reference 7-1.06), some of which will be used to make the Development Charges Reserve whole.

Additional Property taxation revenue generated as a result of the multi-residential development could be in the range of $150,000 to $300,000 per year.

Background

The Development Charges Amendment Study is in response to Report PLPD17-044, Conduct Background Study to consider Exemption of Development Charges for "Schedule J" Lands for Residential/Mixed Use Developments and Removal of Industrial Zoned Land Exemption dated September 25, 2017.

Council directed Staff to take the necessary steps to have a City-wide Development Charges Background Study prepared to:

a) Assess the exemption of Development Charges for "Schedule J" – Central Area Lands of the Official Plan for residential developments with a minimum of 15 apartment units, and mixed-use developments with a minimum of 1,000 square metres of commercial floor space and 15 residential apartment units; and

b) Assess the impact of removing the Development Charge exemption for Industrial zoned land within the City.

Study Complies with the Act and Steering Committee Established

The Study has been undertaken in compliance with the provisions of the **Development Charges Act, 1997** (DCA) and its regulation (Ontario Regulation 82/98). A Development Charges Steering Committee was established to oversee the study and includes representatives from the Peterborough & the Kawarthas Home Builders Association. The Committee includes:

- Director of Planning and Development Services;
- Director of Utility Services;
- Director of Corporate Services;
- Manager of Financial Services;
- Manager of Planning;
- Manager of Infrastructure Planning;
- John Milne, representative from the PKHBA;
- Paul Dietrich, representative from the PKHBA;
- Andrew Mirabella of Hemson Consulting Ltd, and
- Craig Binning of Hemson Consulting Ltd.

Current DC Amendment Study Scope

No change to the City's development-related capital program would result from the implementation of the proposed amendment. In addition, no recalculation of the City's development charges is required to implement the proposed amendment as neither the development forecast nor the capital program is proposed to be changed. The one proposed amendment is that the current Development Charges Bylaws #14-134 and Bylaw 14-135 be amended to include the following exemptions for "Schedule J":

i. Residential developments with a minimum of 15 units

ii. Mixed-use developments that contain a minimum of 15 apartment units and a minimum of 1,000 square metres of commercial gross floor area will be exempt from the payment of development charges based on the following rules:

a. The first 15 apartment units and the first 1,000 square meters of commercial gross floor area will be exempt;

b. Each additional apartment unit, beyond the first 15 units is eligible for exemption; and

c. Each additional 67 square meters of commercial gross floor area beyond the initial 1,000 square meters must be matched with a residential unit to be eligible for exemption.

This will encourage revitalizing of the Central Area and result in lower development charges, however the increased development is predicted to assist the City in meeting its obligations under the **Places to Grow Act** and increase annual property taxes by $150,000 to $300,000.

In addition, the proposed amendment also includes the removal of the current industrial exemption throughout the City. This will result in industrial development being subject to development charges. The revenues collected will offset the proposed exemption within Schedule J.

The draft Background Study contemplated industrial uses within the Cleantech Commons land continuing to be exempt and that industrial development occurring outside the Cleantech Commons land would be subject to a development charge, however upon further reflection, staff suggest that a transitional provision be included in the bylaw, whereby any industrial lands currently under discussion with City administration for the purposes of being acquired, or the sale transaction has not yet been finalized, or a building permit has not been issued, regardless of location, be exempt. All other industrial lands, not grandfathered under this transitional provision, would be subject to development charges, including those lands in Cleantech Commons.

Chart 1 provides the current development charge rates as of January 1, 2018 and is presented for illustrative purposes only.

Chart 1
DC Rates as of January 1, 2018

Planning Area		Residential Charge Per Unit		
		Residential A - Total Charge	Residential B - Total Charge	Residential C - Total Charge
C1	C2	C3	C4	C5
	City-Wide Dev. Area	$22,183	$17,624	$12,910
	Growth Areas			
1.	Jackson	$25,226	$20,246	$14,694
2.	Carnegie East	$27,679	$22,363	$16,133
3.	Carnegie West	$26,178	$21,068	$15,253
4.	Lily Lake	$28,911	$23,423	$16,854
5.	Chemong East	$29,358	$23,809	$17,117
6.	Chemong West	$32,234	$26,289	$18,802
7.	Liftlock	$29,390	$23,837	$17,135
8.	Coldspring	$25,817	$20,757	$15,040
	Average	$27,442	$22,157	$15,993

Non-Residential Development Charge

All Areas of The City	Non-Residential Charge ($/sq.m)
Total City-Wide Uniform Charge	$88.02

February 5, 2018 Statutory Public Meeting

The City held a public meeting on February 5, 2018 in accordance with Section 12 of the **Development Charges Act** during which Hemson Consulting Limited presented the Development Charges (DC) Background Study (the Study) and proposed DC by-laws (attached as Appendix A).

Presentations were made by representatives from both the Peterborough & The Kawarthas Home Builders Association Inc. (PKHBA) and Reimagine Peterborough to Council concerning the proposed new Development Charges. Copies of their presentations are attached to this Report as Appendix B and C respectively.

The PKHBA acknowledge that the amendments being contemplated will encourage density in the Central Area and will be key in meeting intensification targets as set out by the Province and thus are supportive of the amendment.

Reimagine Peterborough are supportive of the amendments, however, their presentation contained a number of recommendations for further consideration. The following provides a response to the recommendations outlined in the submission by Reimagine Peterborough dated February 5, 2018:

Recommendation 1: Cleantech Commons to remain exempt from Industrial DCs - boundaries should be defined in text or in a map

Response: As described above, between the time of the Background Study being written and the public meeting on February 5, 2018, staff changed their recommendation to a transitional provision being included in the bylaw, whereby any industrial lands currently under discussion with City administration for the purposes of being acquired, or the sale transaction has not yet been finalized, or a building permit has not been issued, regardless of location, be exempt. All other industrial lands, not grandfathered under this transitional provision, would be subject to development charges, including those lands in Cleantech Commons with the exception of the inaugural tenant. A list of these properties has been included in the By-law.

Recommendation 2: Broaden representation on Steering Committee

Response: Traditionally, representatives from the development community represented by the Peterborough and Kawartha Home Builders Association and City staff from various City Departments along with the Consultant, make up the composition of the Steering Committee. For the next DC Background Study slated for mid 2019, staff will expand the Steering Committee by two additional seats by issuing a call to interested stakeholders.

Recommendation 3: Heritage and Arts: the incentive may have implications for the protection of cultural heritage in the Schedule J Planning Area

Response: Staff are aware of the potential and will work closely with the Arts Culture and Heritage Division, in ensuring that existing policies regarding preservation of historic structures and landscapes are followed.

Recommendation 4: Environmental Measures: the lowering of program requirements could be incorporated where environmental features beyond the requirements of the Building Code are included in the development

Response: A primary purpose of the proposed amendment to the By-law is to provide an incentive for intensification and redevelopment in the Schedule J Planning Area. In doing so, the environment is already benefiting. In addition, there are incentives in place through the Central Area Community Improvement Plan Programs to assist with Brownfield locations.

Recommendation 5: Timing of Final staff Report – make publicly available two weeks before the scheduled March 26, 2018 General Committee meeting that will consider the changes

Response: Based on current internal review processes, the Report will be available to the public on Thursday, March 22, 2018, which is one day earlier than recent past procedures allowed. Final Council approval will take place on April 30, 2018, giving several weeks for consideration by various stakeholders.

Transitional Provision – List of Lands that may be Exempt from Industrial Development Charges

As noted above, staff are recommending that a transitional provision be included in the bylaw, whereby any industrial lands currently under discussion with City administration for the purposes of being acquired, or the sale transaction has not yet been finalized, or a building permit has not been issued, regardless of location, be exempt. All other industrial lands, not grandfathered under this transitional provision, would be subject to development charges, including those lands in Cleantech Commons.

The premise of the transitional provision is simply to acknowledge that the sale transaction, or discussions to date, should the sale transaction have yet to take place, would have been based on the premise that DCs, should the property ultimately be used for industrial purposes, would have been exempt from DCs.

To eliminate any ambiguity as to which properties the grandfathering clause would apply, staff propose that a list of properties be included with the By-law (attached to this Report as Appendix D).

In the event the City should retain ownership of any of the industrial lands currently under discussion, then the exemption from DCs would no longer be applicable.

Summary

The recommended changes to the existing Development Charges By-laws will encourage the revitalization of the Central Area and assist the City in meeting its obligations under the **Places to Grow Act**.

Submitted by,

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Attachments:

Appendix A	City of Peterborough Development Charges Amendment Study HEMSON Consulting Ltd.
Appendix B	Peterborough & The Kawarthas Home Builders Association Inc.
Appendix C	Planning for Affordable Growth – Submission by Reimagine Peterborough dated February 5, 2018
Appendix D	List of Industrial Lands

Appendix A

City of Peterborough
Development Charges Amendment Study
HEMSON Consulting Ltd.

Development Charges Amendment Study:
Residential Apartment Exemption and
Removal of Exclusion of Industrial Zoned Land

City of Peterborough

City-wide General Service Charges By-Law 14-134
City-wide Engineering Service Charges By-Law 14-135

HEMSON Consulting Ltd.

March, 2018

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I Introduction

Development charges are imposed against land to pay for increased capital costs required because of increased needs for services arising from development. In 2014, the City of Peterborough retained Hemson Consulting Ltd. to undertake a development charges background study to establish city-wide development charges for the City. The City of Peterborough (Council) passed development charges By-Law 14-134 (City-wide General Service Charges) and By-Law 14-135 (City-wide Engineering Service Charges) under section 2(1) of the *Development Charges Act, 1997* (DC Act) and both By-Laws took effect January 1, 2015.

In September 2017, Council directed staff to amend its existing development charges by-laws, By-Law 14-134 and By-Law 14-135, to exempt development charges for "Schedule J" - Central Area Lands of the Official Plan for:

i. Residential developments with a minimum of 15 units

ii. Mixed-use developments that contain a minimum of 15 apartment units and a minimum of 1,000 square metres of commercial gross floor area will be exempt from the payment of development charges based on the following rules:

   a. The first 15 apartment units and the first 1,000 square meters of commercial gross floor area will be exempt;

   b. Each additional apartment unit, beyond the first 15 units is eligible for exemption; and

   c. Each additional 67 square meters of commercial gross floor area beyond the initial 1,000 square meters must be matched with a residential unit to be eligible for exemption.

Staff were also directed to review the amendment of the exemption of Industrial zoned land from development charges. Under the proposed amendment, industrial development would be subject to a development charge (DC). Staff suggest that a transitional provision be included in the bylaw, whereby any industrial lands currently under discussion with City administration for the purposes of being acquired, or the sale transaction has not yet been finalized, or a building permit has not been issued, regardless of location, be exempt. The list of properties that will continue to be exempt from the payment of an industrial development charge is outlined in Schedule A of this study. All other industrial lands, not grandfathered under this transitional provision, would be subject to development charges, including those lands in CleanTech Commons.

Staff Report PLPD17-044, Conduct Background Study to Consider Exemption of Development Charges for "Schedule J" Lands for Residential/Mixed Use Developments and Removal of Industrial Zoned Land Exemption, Planning and Development Services, September 2017, here after referred to as “Staff Report”, outlines staff response to Council’s request.

Sections 10 (1) and 19 (1) of the DC Act require that before passing an amendment to a development charge by-law, Council must complete a development charge background study. The purpose of this DC Amendment Study is to meet the requirements of the DC Act and this study can be used as the basis for passing the proposed by-law amendments. It is important to note that this amendment has no effect on the Development Charge rates currently imposed by the City and all components of the City’s 2014 Background Study remain unchanged.

The report is organized as follows:

Section II presents a summary of the 2014 DC Background Study and By-laws.

Section III presents the proposed By-law changes.

Section IV summarizes the development charges by-law amendment process.

II Summary of 2014 DC Background Study

The DC Act requires that a development charges background study include estimates of the anticipated amount, type and location of development, calculations of development charges for each service to which the development charge by-law would relate, and an examination of the long-term capital and operating costs for capital infrastructure required for each service. These requirements have been met and described below.

A. Amount, Type and Location of Development

Section III of the 2014 City-wide Development Charges Background Study provides details of the anticipated, amount, type and location of development, for which development charges can be imposed. Table 1 below, contained within the 2014 DC study, provides a summary of the development potential throughout the City. Over the ten-year planning period (2015-2024), the City is anticipated to grow by 4,863 new households and 2,828 employees. The planning period for Engineered Services (to 2031) will see an addition of about 8,400 household units and nearly 4,800 employees.

Table 1
Summary of Residential and Non-Residential Development Forecast

Development Forecast	2014 Estimate	General Services Planning Period 2015 - 2024		Engineered Services Planning Period 2015 - 2031	
		Growth	Total at 2024	Growth	Total at 2031
Residential					
Occupied Dwellings	34,695	4,863	39,558	8,403	43,098
Population					
Census	80,777	9,438	90,215	17,678	98,455
Population In NewDwellings		*12,472*		*21,639*	
Non-Residential					
Employment	46,982	2,828	49,810	4,792	51,774
Non-Residential Building Space (sq.m.)		197,600		338,428	

B. Calculation of the Development Charges

Table 2 and 3 below summarize the total development charges recoverable share of costs included in the calculation of the charge for all city-wide services considered in the 2014 DC Background Study. The gross cost of the City's development-related capital forecast for general services amounts to $162.29 million and provides for a wide range of infrastructure expansions. As shown in Table 2, of the $162.29 million, approximately $26.01 million has been identified as eligible for recovery through development charges over the 2015–2024 planning period.

For City-wide Engineered Services (Table 3), the total gross cost of the capital program amounts to $379.46 million and about $110.28 million of the total capital program is to be recovered from DCs over the 2015 to 2031 period. Table 2 and 3 below have been extracted from the 2014 DC Background Study.

Table 2
Summary of DC Eligible Capital Costs – City-wide General Services

Service	Gross Cost ($000)	DC Recoverable 2015-2024 ($000)
Library Services	$12,043.3	$2,984.4
Fire Services	$9,018.0	$3,226.1
Police Services	$2,150.0	$4.1
Recreation	$40,500.0	$7,990.6
Parks	$10,880.0	$4,326.1
Public Works	$16,497.2	$1,661.1
Parking	$30,000.0	$2,522.2
Transit	$30,464.2	$1,916.2
General Government	$741.8	$475.3
Affordable Housing	$10,000.0	$900.0
Total – 10-Year General Services	**$162,294.5**	**$26,006.0**

Table 3
Summary of DC Eligible Capital Costs - City-wide Engineered Services

Service	Gross Cost ($000)	DC Recoverable 2015-2031 ($000)
Roads and Related Servicing	$370,830.5	$101,649.3
Sewage Treatment	$8,631.6	$8,631.6
Total – Engineered Services	**$379,462.1**	**$110,280.9**

It should be noted that no change to the City's development-related capital program would result from the implementation of the proposed amendment. Therefore, based on the development related capital program, Tables 4 and 5 below summarize the schedule of development charges as calculated and contained in the 2014 DC Background Study for residential and non-residential services respectively. Furthermore, the current 2018 DC rates, as illustrated in Table 6, are different from those shown in the 2014 Study as the City's development charges have been adjusted annually in accordance with the Statistics Canada Quarterly Construction Price Statistics.

Table 4
Residential Development Charges by Unit Type (1) - Summary of Calculated City-wide Rates

Service	Residential A Singles & Semis	Residential B Other Multiples	Residential C Apartments
General Government	$95	$75	$55
Library Services	$775	$616	$451
Fire Services	$646	$513	$376
Police Services	$1	$1	$0
Recreation	$1,998	$1,587	$1,163
Parks	$1,124	$893	$654
Public Works	$342	$272	$199
Parking	$446	$354	$260
Transit Services	$350	$278	$204
Affordable Housing	$208	$166	$121
Subtotal General Services	**$5,985**	**$4,755**	**$3,483**
Roads and Related	$13,580	$10,788	$7,904
Sewage Treatment	$935	$743	$544
Subtotal Engineered Services	**$14,515**	**$11,531**	**$8,448**
Total Charge Per Unit	**$20,500**	**$16,286**	**$11,931**

Table 5
Non-Residential Development Charges - Summary of Calculated City-wide Rates

Service	Charge per Square Metre
General Government	$0.52
Library Services	$0.00
Fire Services	$3.51
Police Services	$0.01
Recreation	$0.00
Parks	$0.00
Public Works	$1.86
Parking	$2.44
Transit Services	$1.91
Affordable Housing	$0.00
Subtotal General Services	**$10.25**
Roads and Related	$66.46
Sewage Treatment	$4.62
Subtotal Engineered Services	**$71.08**
Total Charge Per Square Metre	**$81.33**

Table 6
City-wide Development Charges (2018)

	Single and Semi-Detached	Other Multiples (more than 2)	Apartments	Non-Residential
City-wide Total	$22,183	$17,624	$12,910	$88.02m²

No recalculation of the City's development charges is required to implement the proposed amendment, as neither the development forecast nor the capital program is proposed to be changed. The one proposed amendment will result in lower development charges for some land uses. The removal of the industrial exemption for all areas except for the locations identified in Schedule A of this study will result in all other industrial development being subject to development charges.

C. Long-Term Capital and Operating Costs

As identified in the 2014 DC Study, the City's net operating costs are estimated to increase by $4.39 million (by 2024). Increases in net operating costs will be experienced as new facilities and equipment are added.

As no change to the City's development-related capital program would result from the implementation of the proposed amendments, the effect of the amendments on the City's long term operating costs is anticipated to be nil. The first amendment would result in the exemption of residential apartment developments of a minimum 15 apartment units and mixed-use developments with a minimum of 15 apartment units and a minimum of 1,000 square meters of commercial floor space. The second amendment would result in the removal of the exemption of industrial land use development charges from the current by-laws except for those properties identified in Schedule A. Implementing the proposed amendments may result in lower development charge collections and the foregone revenue will need to be offset from other non-development charge revenues, largely property taxes and utility rates.

D. Amendments will impact DC Revenue

As per the City's Staff Report, approximately 1,080 units will meet the minimum unit requirements (15 apartment units). The result will be $13.5 million in exemptions over a 25-year period, plus exemptions for developments that meet the minimum mixed-use development (non-residential portion) size of 1,000 square metres of commercial space. However, it is unlikely that the City will reach the target of 70 plus units per year as historically it has averaged below 20. Annually this development would generate an additional $150,000 to $300,000 in tax revenue each year. (City of Peterborough, 2017)

According to the Staff Report, the City has had an annual average of less than 20 new apartment units. For the purpose of the analysis, we have assumed the proposed exemption will result in additional apartment construction, equal to 30 to 40 units per year. Based on 40 apartment units a year, development charge revenue loss will be $500,000 a year or $1 million over the remaining two-years of the current development charge by-law.

As per the City's Staff Report, on average, the City has been selling six acres (2.4 hectares) of industrial land per year. With a floor area ratio of 23 per cent, this equates to approximately 6,000 square metres in building area, which will result in approximately $500,000 per year, in new development charge revenue.

If both proposed amendments are implemented, it is estimated that the net development charge revenue impacts to the City will be nil, as the revenue loss arising from the apartment exemption will be offset by the removal of the industrial exemption.

III Proposed By-Law Amendment

Section 3 in the City's current By-Law 14-134 and 14-135, deal with "Lands Affected" to which the by-laws relate. Sub-section (a) provides for development charges to be imposed uniformly against all lands within the City.

Under Section 20 Subsections (a-f) for exemptions from payment of development charges for:

> Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to:
>
> (a) a hospital governed by the Public Hospitals Act, R.S.O 1990, c. P. 40;
>
> (b) a place of worship, or a cemetery or burial ground;
>
> (c) Trent University or Sir Sandford Fleming College;
>
> (d) a farm building;
>
> (e) lands, buildings or structures located within the Commercial Core Sub-Area and the Waterfront Commercial Sub-Area of the Central Area, as depicted on Schedule J of the Official Plan of the City;
>
> (f) the redevelopment of any building or structure, which is located within the Central Area, as depicted on Schedule J of the Official Plan of the City, and which exists as of January 1, 2005.

The proposed amendments to the by-laws would add the following exemptions to the above list of exemptions:

> (g) creating a minimum of fifteen apartment dwelling units, which is located within the Central Area, as depicted in the Official Plan of the City;
>
> (h) mixed-use development located in the Central Area, as depicted in the Official Plan of the City, that contains a minimum of 15 apartment units and a minimum of 1,000 square metres of commercial gross floor area will be exempt from the payment of development charges based on the following rules:

i. The first 15 apartment units and the first 1,000 square meters of commercial gross floor area will be exempt;

ii. Each additional apartment unit, beyond the first 15 units is eligible for exemption; and

iii. Each additional 67 square meters of commercial gross floor area beyond the initial 1,000 square meters must be matched with a residential unit to be eligible for exemption.

To ensure clarity of the by-laws, a definition for apartment buildings is proposed to be added in the Definition Sections:

"apartment building" means a residential building or the residential portion of a mixed use building or structure, consisting of more than 3 dwelling units, which dwelling units have a common entrance to grade.

"mixed use development or structure" means a building or structure containing a residential and nonresidential use other than a home occupation;

Section 17. (b) of the by-laws would be amended to read as follows:

(b) Development charges in respect of industrial uses of lands, buildings or structures shall not be payable during the term of this By-law for only those lands identified in Schedule D.

Lastly, the by-laws be amended to include a new "Schedule D" identifying the "List of Industrial Lands" which will continue to be exempt from the payment of industrial development charges. For reference purposes, this list is included as Schedule A to this report (identified as Schedule D in the by-law).

The following definitions are provided for reference purposes:

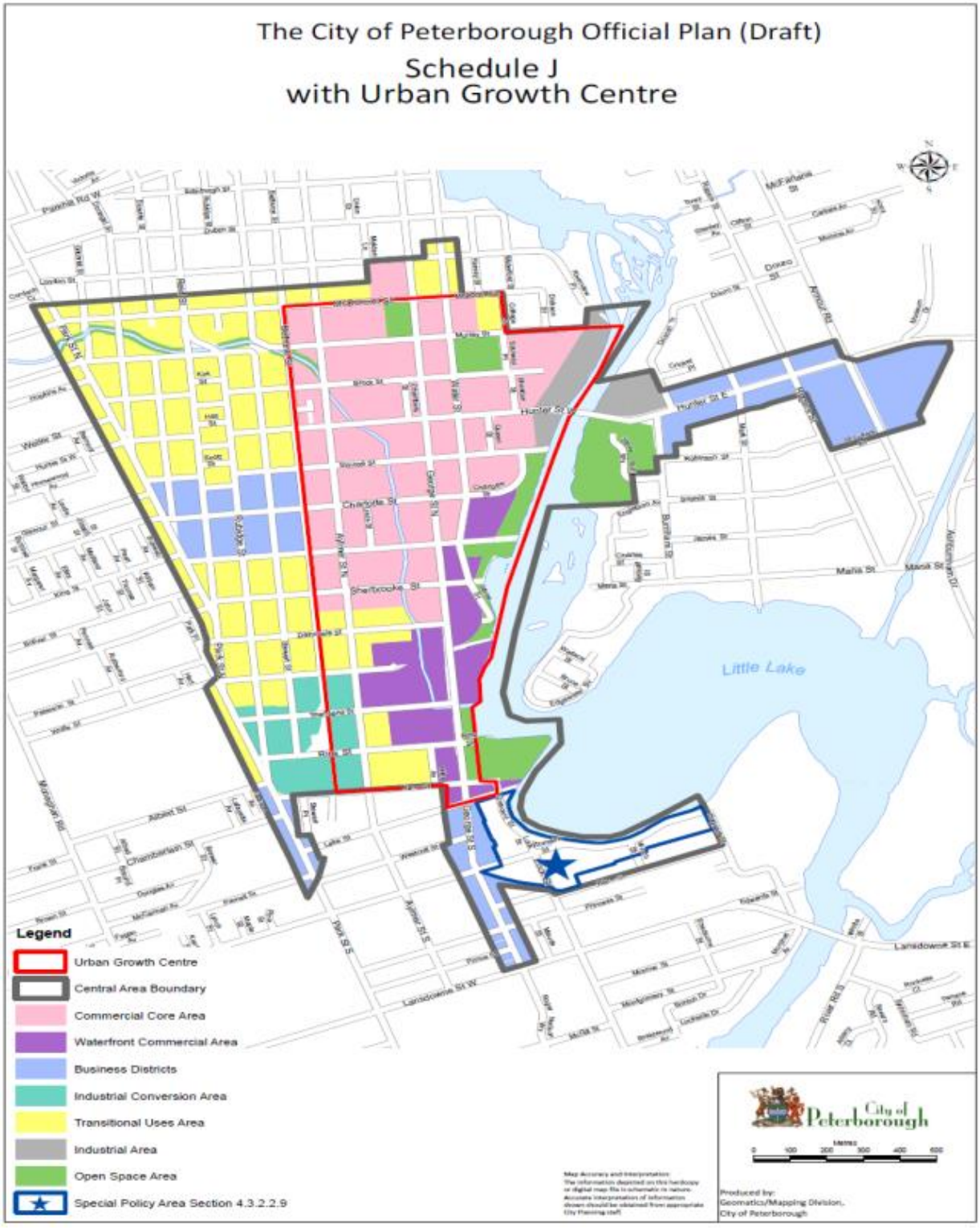
"Residential Use" development as defined in the by-law shall mean land, buildings, or structure or portions thereof used, designed or intended to be used as living accommodation for one or more individuals.

"Commercial Use" development as defined in the by-law shall mean lands, buildings, or structures or portions thereof used or designed or intended to be used for a purpose which is classified as Group A (restaurant and licensed beverage establishment only, Group C (hotel and motel only), Group D or Group E, major occupancy, pursuant to the Ontario Building Code.

"Industrial Use" means lands, buildings or structures or portions thereof used or designed or intended to be used for a purpose which is classified as a Group F, major occupancy, pursuant to the Ontario Building Code;

A map of the Central Area, currently Schedule J of the Official Plan, is illustrated in Figure 1 for reference purposes.

Figure 1



IV Process to Amend the Existing By-Law

The DC Act allows a municipality to amend an existing development charge by-law. Section 19 of the DC Act sets out the requirements related to this procedure:

> 19. (1) Sections 10 to 18 apply, with necessary modifications, to an amendment to a development charges by-law other than an amendment by, or pursuant to an order of, the Ontario Municipal Board.
>
> 19. (2) In an appeal of an amendment to a development charges by-law, the Ontario Municipal Board may exercise its powers only in relation to the amendment.

Further to Section 19(1), the requirements of Sections 10 to 18 of the DC Act are summarized as follows:

- s.10 complete a development charges background study;
- s.11 development charges by-law [amendment] must be passed within one year of the completion of the background study;
- s.12 hold at least one public meeting prior to passage of by-law [amendment] (the background study must be available at least sixty days prior to the by-law passage);
- s.13 must give notice of passage of by-law [amendment] within 20 days of the by-law being passed. The notice must identify the last day for appealing the by-law;
- s.14 anyone may appeal the by-law [amendment] to the Ontario Municipal Board (OMB);
- s.15 outlines the duties of the Clerk if an appeal is received;
- s.16 outlines role and powers of the OMB if an appeal is received;
- s.17 effective date of OMB repeals and amendments is the day the by-law [amendment] came into force; and
- s.18 outlines rules governing the giving of refunds under an OMB order.

In simple terms, to amend a development charges by-law a municipality must go through the same public process associated with enacting a development charges by-law. It needs to complete a background study outlining the purpose and rationale for the amendment. This report serves as the background study required under s.10 of the DC Act.

A municipality also has to hold a public meeting on the amendment, having provided three weeks' notice of the meeting, and has to have made the background study available for sixty days prior to the passage of the by-law.

Section 19(2) of the DC Act is important because it allows for an amendment to an existing by-law to be passed without exposing the unaltered portions of the by-law to appeal. When amending a development charges by-law, only the sections of the by-law amended or added are subject to appeal and consideration by the OMB.

A. City Has Met DC ACT Requirements

The City is proposing to hold a public meeting under s.12 of the DC Act on February 5th, 2018. Notice of the public meeting will be published in a newspaper of general circulation three weeks prior to the meeting. This study together with the draft by-law amendment, were made available prior to the public meeting.

It is our opinion that all DC Act requirements for passing the proposed amendment have been met. Therefore, should no objections to the proposed amendment be received before or at the public meeting, Council could consider passing the amendment after the public meeting.

Schedule A - List of Industrial Lands

Municipal Address	Legal Description
260 Jameson Drive	Part of Lots 7 and 8, Concession 10, Geographic Township of North Monaghan, now in the City of Peterborough, designated as Part 2 on 45R-15514
400 Plastics Road	Part of Lot 24, Concession 13 Otonabee, Parts 1 & 2, 45R3232, S/T R344189, S/T S14790 as assigned by R413382; Peterborough City
390-400 Pido Road	Part of Lot 24, Concession 13 Otonabee, being Parts 1, 2 and 3 on 45R-10309 and Parts 7 and 8 on 45R-4518, S/T S14790, as assigned by R413382; Peterborough City
Unassigned Municipal Address	Approximately 7 acres at the north-west corner of the intersection of Pioneer Road and the anticipated main entrance into the Trent Research and Innovation Park
2000 Technology Drive	Part of Lot 26, Concession 12, Otonabee, designated as Part 1 on 45R-16429, Peterborough
1820 Fisher Drive	Part of Lots 7 and 8, Concession 10, Geographic Township of North Monaghan, now in the City of Peterborough, being designated as Parts 1 and 2 on 45R-16416
1850 Technology Drive	Part of Lots 25 and 26, Concession 12, designated as Part 1 on 45R-16538; Peterborough, reserving a safe-access easement over said Part 1 for the benefit of the owners of Part 2 on 45R-16538
1900 Technology Drive	Part of Lots 25 and 26, Concession 12, designated as Part 2 on 45R-16538; Peterborough, together with a safe-access easement over Part 1 on 45R-16538
280-290 Jameson Drive	Part of Lot 7, Concession 10, formerly in the Township of North Monaghan, now in the City of Peterborough, being designated as Parts 1, 2, 3 and 4 on 45R-16240 and Part 2 on 45R-16452
1991, 1987, 1951 Fisher Drive	Part of Lot 8, Concession 10 (North Monaghan), being designated as Parts 1, 2, 3 on 45R-14192 and Parts 2 and 3 on 45R-14882; Peterborough
1821 Fisher Drive	Part of Lots 7 and 8, Concession 10, designated as Part 1 on 45R-15729, formerly in the Township of North Monaghan, now in the City of Peterborough and Part of Lots 7 and 8, Concession 10, designated as Part 2 on 45R-15729, formerly in the Township of North Monaghan, now in the City of Peterborough
2100 Technology Drive	Part of Lot 26, Concession 12, Otonabee designated as Part 2 on 45R 16429; Peterborough

Appendix B

Peterborough & The Kawarthas Home Builders Association Inc.

Peterborough & The Kawarthas
Home Builders Association Inc.

494 The Parkway, Unit #2
Peterborough, Ontario K9J 7L9
T: (705) 876-7604 F: (866) 816-0102
E-mail: info@pkhba.com
www.pkhba.com

To: Mayor and Council, City of Peterborough

From: Peterborough and the Kawarthas Home Builders Association

Date: Monday, February-05-18

Re: Development Charges Amendment Study: Residential Apartment Exemption

PKHBA as well as the OHBA and CHBA, our provincial and national association bodies respectively, are generally supportive of the implementation of development charges where it can be shown that growth is paying for growth.

That said, Development Charges do increase the cost of a development project and the housing it provides and can play a negative role in the ability of developers and builders to bring a project to market. In areas where the City has identified increased density or more development as a community need, reducing or eliminating Development Charges is an effective tool in ensuring that need is met.

In the case of the Central Area identified in the Official Plan of the City, increasing density will be key in meeting intensification targets set out by the Province, and in building the type of walkable, liveable community that we all want to see in Peterborough. Exempting multi-residential and mixed-use developments from Development Charges, as outlined in the proposed changes to the by-law, will remove one of the many barriers to bringing these developments to life in the Central Area.

PKHBA wishes to thank Council and City Staff for their forward thinking approach to this issue. In future, we look forward to seeing this approach taken with regards to other areas requiring intensification such as along major transportation and transit corridors.

We are always happy to provide local insight and information into new home construction and professional renovation issues in the area and look forward to further strengthening the relationship between the City and PKHBA as we work together to provide safe, healthy, durable, efficient and affordable housing in our community.

Appendix C

Planning for Affordable Growth – Submission by Reimagine Peterborough dated February 5, 2018

From: Michelle Collins Gallant [redacted]
Date: Mon, Feb 5, 2018 at 4:33 PM
Subject: Reimagine's Comments: Report CPFS18-007 re: Development Charges Amendment Study
To: Jeffrey Humble <[redacted]

Hi Jeff,

I'm planning to speak tonight on behalf of Reimagine Peterborough regarding staff report CPFS18-007 re: the Development Charges Amendment Study. Below are my speaking notes.

Thanks,
Michelle

Thank you for the opportunity to speak this evening on behalf of Reimagine Peterborough; we are a volunteer citizens group with an expanding network of participants, and we are honoured to work with the City and community members to enhance public engagement in shaping a vibrant, sustainable, and resilient future for our City.

We acknowledge that we meet here in Nogojiwanong on the traditional territory of the Michi Saagiig [Mississauga] Anishinaabe.

I am speaking this evening to staff report CPFS18-007 and the accompanying Hemson Development Charges Amendment Study [that removes the industrial lands exemption and provides an exemption for 15 or more residential units and mixed use in the Schedule J area of the downtown]

Reimagine Peterborough supports the proposed development charges changes for several reasons:
◦ it will foster more intensification in the downtown, as required in the Growth Plan that sets various planning targets for the city
◦ it will support incentives for mixed uses downtown, thus continuing the “mainstreet” pattern of small scale commercial on the ground floor and upper storey residential uses –
◦ the removal of the industrial zoning exclusion will foster increased densities for new and redeveloped industrial areas in the city, thus reducing future service infrastructure and operational costs
◦ the combined elements of the proposed changes will likely be revenue neutral in the near term, or nearly so

While redevelopment of the downtown is to be supported, Reimagine recommends that this process also needs to, in the words of the Growth Plan, “Protect What is Valuable”, and foster “social equity”, “high quality compact built form”, “an attractive and vibrant public realm” and “mitigate and adapt to climate change” [Growth Plan, sections 2.2.1.4 and 4]. This must be done by integrating diverse objectives and avoiding unintended and adverse consequences.

Reimagine Peterborough thus has some further suggestions for the proposed development charges changes:

◦ the Cleantech Commons area at Trent University: this area will remain exempt from industrial DCs; however, nowhere in the proposed By-law is there a definition of the exact scope or boundaries of this area; this area should be defined in text or in a map schedule to the By-law

◦ the DC Steering Committee: In response to last summer's DC study, Reimagine Peterborough had requested that future DC studies include a broader representation of the community than just the Homebuilders Association; certainly, they should be there, but so should others since the alternative to DCs is, primarily, property taxes which affect us all; again, this was not done in this study, and we would ask that Council direct that future studies include a broader public membership

◦ Heritage and Arts: this incentive is intended to foster rehabilitation and redevelopment of downtown buildings, as well it should; however, experience tells us that this may have implications for the protection of our cultural heritage and the availability and affordability of artists' residences, studios and other gathering spaces; thus, we recommend that the By-law and program administration may explore the following:

▪ before implementing the incentive, Council should study and list heritage structures and landscapes within the Schedule J area; there is a need to identify heritage features before redevelopment takes place, and maintain the attractive character of the downtown; such an approach is supported in the Provincial Policy Statement [sections 1.7.1 and 2.6] and in the Growth Plan [section 4.2.7] for the “identification, wise use and management of cultural heritage resources”

▪ in the program criteria, requirements and approval of applications: the incentive should prioritize and direct developers towards vacant and brownfield locations

▪ all applications for the incentive could be first reviewed and recommended by the City's Arts and Heritage Manager, and possibly by PACAC and ACHAC to ensure their views are incorporated before being approved

▪ the application for the incentive could require questions on the impact of

redevelopment on artists, art spaces and the arts community in the downtown

◦ Environmental measures: the lowering of program requirements could be incorporated where the proponent enhances energy efficiency, energy generation, rooftop gardens and other environmental features beyond the requirements in the Building Code; environmental factors could be reflected in the amount of the incentive, the eligibility of other incentives, or other DC measures, such as reducing the threshold for qualification to below the minimum of 15 units and 1,000 square meters of commercial space – proposed paragraphs (g) and (h); city staff and Hemson could perhaps provide a suggested approach and wording

◦ finally, given these suggestions and that this is the only scheduled public meeting on this proposal, we request that the final staff report with the recommended By-law and discussion be made publicly available at least two weeks before the scheduled March 26, 2018 Council meeting that will consider these changes

· In conclusion, Reimagine Peterborough commends planning and corporate services staff for developing this incentive for intensification and redevelopment of the downtown

· this will help revitalize our downtown and central areas, meet our Growth Plan requirements, and stimulate economic investment and renewal

· we further encourage staff, the consultants and Council to incorporate provisions to protect and enhance the city's heritage, artists, and natural environment

· the DC process could include a wider selection of community members on the Steering Committee and an updated report in March, before approving this worthwhile program

Reimagine Peterborough takes a strong interest in planning for a vibrant economic and sustainable future for our city; we look forward to further collaborations with the city. Thank you for this opportunity this evening, and I would welcome any questions.

Appendix D

List of Industrial Lands

Appendix D - List of Industrial Lands

Municipal Address	Legal Description
260 Jameson Drive	Part of Lots 7 and 8, Concession 10, Geographic Township of North Monaghan, now in the City of Peterborough, designated as Part 2 on 45R-15514
400 Plastics Road	Part of Lot 24, Concession 13 Otonabee, Parts 1 & 2, 45R3232, S/T R344189, S/T S14790 as assigned by R413382; Peterborough City
390-400 Pido Road	Part of Lot 24, Concession 13 Otonabee, being Parts 1, 2 and 3 on 45R-10309 and Parts 7 and 8 on 45R-4518, S/T S14790, as assigned by R413382; Peterborough City
Unassigned Municipal Address	Approximately 7 acres at the north-west corner of the intersection of Pioneer Road and the anticipated main entrance into the Trent Research and Innovation Park
2000 Technology Drive	Part of Lot 26, Concession 12, Otonabee, designated as Part 1 on 45R-16429, Peterborough
1820 Fisher Drive	Part of Lots 7 and 8, Concession 10, Geographic Township of North Monaghan, now in the City of Peterborough, being designated as Parts 1 and 2 on 45R-16416
1850 Technology Drive	Part of Lots 25 and 26, Concession 12, designated as Part 1 on 45R-16538; Peterborough, reserving a safe-access easement over said Part 1 for the benefit of the owners of Part 2 on 45R-16538
1900 Technology Drive	Part of Lots 25 and 26, Concession 12, designated as Part 2 on 45R-16538; Peterborough, together with a safe-access easement over Part 1 on 45R-16538
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