



City of
Peterborough

To: Members of the General Committee

From: Richard Freymond, Commissioner, Finance & Corporate Support Services

Meeting Date: August 5, 2025

Report: Notice of Public Meeting – Amended Development Charges City-wide Background Study, Report FCSFS25-012b

Subject

A report to advise Council that a public meeting will be held Tuesday, August 5, 2025, at 4:45 pm in Council Chambers to present an Amended City-wide Development Charge Background Study and to hear public delegations.

Recommendation

That Council approve the recommendation outlined in Report FCSFS25-012b, dated August 5, 2025, of the Commissioner, Finance & Corporate Support Services as follows:

That Report FCSFS25-012b, advising Council that a public meeting will be held on August 5, 2025, at 4:45 pm in Council Chambers to present the Amended City-wide Development Charge Background Study and to hear public delegations, be received.

Executive Summary

- The City-wide Development Charge By-law 24-081 was passed on December 2, 2024, came into effect on January 1, 2025, and establishes City-wide development charges for municipal services.

- On June 9, 2025, Council approved Report IPGACP25-012- Sanitary Master Plan, dated June 2, 2025, and the associated Sanitary Capital Investment Plan. The updated growth-related costs of the sanitary capital program are lower than those included in the original City-wide Development Charges Study, dated September 6, 2024.
- Since the passage of By-law 24-081, the City has received grants which reduce the net cost of certain growth-related capital projects.
- The proposed amended rate for the City-wide DC residential rate (Singles and Semis) to take effect September 2, 2025, would be 3.3% less than the current rate (\$70,953 to \$68,604) and the non-residential rate will be 4.2% lower (\$268.61 to \$257.29).
- It is proposed that a by-law be passed to reflect the reduction in City-wide development charges for growth-related infrastructure.
- The **Development Charges Act** stipulates that a development charge background study and public meeting be a prerequisite to any by-law amendment. For this amendment, the original background study, as amended, may be used to satisfy this requirement up to one year of its release (September 6, 2025). However, Council is still required to hold at least one public meeting.
- This report provides notice to Council that a public meeting will be held on Tuesday, August 5, 2025, in Council Chambers where Hemson Consulting Ltd. will present the Amended Development Charges Background Study and public delegations will be received.
- A follow-up report will be presented at the August 25, 2025, General Committee meeting that will recommend changes to the City-wide Development Charges rates.
- The final City-wide Development Charges By-law which amends the rates will be presented at the September 2, 2025, Council meeting for approval.

Background

Development Charges (DCs) have been levied in the City since 1999. Historically, DC by-laws had a five-year term, which has been extended to ten years following recent amendments to the **Development Charges Act**, 1997 (DCA). The DC background study process and ensuing rates fulfill several ongoing key objectives:

- to ensure that growth continues to pay for itself so that the burden arising from development-related capital costs does not fall on existing residents in the form of higher taxation and user fees;
- to provide the appropriate level of DC capital funding for infrastructure required by ongoing development in the City, informed by Council-approved service levels and Master Plans; and

- to ensure that the resulting rates are fair and equitable to all stakeholders; and do not act as an unnecessary disincentive to growth occurring in the City.

Report FCSFS24-023, dated October 28, 2024, summarized the original City-wide DC Background Study and comments from public delegations. On December 2, 2024, By-law 24-081, which imposes City-wide DCs for municipal services, was passed. It came into effect on January 1, 2025.

On June 9, 2025, Council approved Report IPGACP25-012- Sanitary Master Plan (SMP), dated June 2, 2025, and the associated Capital Investment Plan. The estimated development-related capital costs in the SMP are lower than the preliminary estimates that were incorporated into the City-wide Development Charges Background Study dated September 6, 2024. It is prudent to align the SMP and the DC Background Study capital programs and the associated rates. In addition, the City has received notification of various capital grants that offset the cost of development-related infrastructure.

The amended Background Study reflects two changes to the DC Capital Program:

1. **Sewage Services** - a reduction of \$48,566,390 in development-related capital costs as a result of the approved Sanitary Master Plan, 2025;
2. **Services Related to a Highway** - a reduction of \$6,268,142 in development-related capital costs due to the receipt of capital grants for the following projects:
 - a. R10 - Charlotte St Park to Water – Storm and Sanitary Sewers \$11,359,152 Disaster Mitigation Adaptation Fund (DMAF) federal grant
 - b. R39 Towerhill/Fairbairn intersection improvement \$3,750,000 Housing Enabling Core Services (HECS) provincial grant
 - c. R7 Lansdowne St. Rehab (Park to Otonabee River) \$2,250,000 Ontario Community Infrastructure Fund (OCIF) provincial grant
 - d. R4 Brealey Drive – Lansdowne to Sherbrooke \$4,200,000 Ontario Community Infrastructure Fund (OCIF) provincial grant

No other changes have been made to the Background Study. The development forecast and historical inventories remain unchanged. The resultant rate changes do not impact the General Services (Development Related Studies, Library Services, Fire Services, Police Services Emergency Medical Services, Recreation, Parks, Transit, Waste Management and Long-term Care). Only the Engineered Services, which include Services Related to a Highway and Sewage Services, are impacted.

August 5, 2025 Public Meeting

A public meeting will be held on Monday, August 5, 2025 at 4:45 pm in the City Council Chambers during which Hemson Consulting Ltd. will present the Amended Development Charges (DC) City-wide Background Study (Amended Background

Study), attached as Appendix A, and the proposed DC By-law, attached as Appendix B. Members of the public will have an opportunity to make presentations to Council concerning the proposed amended City-wide Development Charges.

The Study has been undertaken in compliance with the provisions of the DCA and its regulation (Ontario Regulation 82/98). The DCA stipulates that before amending a DC by-law, Council shall undertake a formal background study and hold at least one public meeting. The original DC Background Study, as amended, was released on September 6, 2024, and remains valid for one year. The Amended Background Study was available as of June 12, 2025, via the City's website. Notice of the public meeting was posted to the City's website on July 10, 2025 and appeared in the Peterborough Examiner on July 12, 2025. A draft version of the by-law was made available on the City's website on July 21, 2025, two weeks prior to the August 5, 2025 public meeting.

Council is not required to make any final decisions during the public meeting or give direction to staff. Council can ask questions of presenters for clarification. A staff report will be presented at the August 25, 2025, General Committee meeting, setting out the final recommendations and the proposed by-law. The City-wide DC By-law, in its final form, will then be presented to the September 2, 2025, Council meeting for approval. The amended by-law must be passed prior to the one-year anniversary of the publication of the original DC Background Study which is September 6, 2025.

Amended Study Complies with the Act

The Amended Study has been undertaken in compliance with the provisions of the DCA and its regulation including amendments that came into force through the **More Homes, More Choice Act, the COVID-19 Economic Recovery Act, the More Homes Built Faster Act, and the Cutting Red Tape to Build More Homes Act.**

Development Related Capital Program - Engineered Services

The capital forecast incorporates those projects identified to be related to development anticipated to 2051. It is not implied that all of these costs are to be recovered from new development by way of development charges. Portions of the capital forecast may be related to replacement of existing facilities, shares of projects that benefit the existing population, or development anticipated to occur beyond the 2025–2051 planning period. Of the \$1.94 billion capital costs related to engineered services, \$894.1 million will be recovered through the proposed development charges.

The gross capital cost of engineered services which includes Services Related to a Highway and Sewage Services is \$1.94 billion. The original DC Background Study included \$2.00 billion, the difference being \$64,246,000. This reflects the Sewage Services capital program cost reduction from \$386.3 million to \$322.1 million. The DC Eligible Cost is reduced by \$48,566,390.

The Services Related to a Highway gross cost of \$1.6 billion remains unchanged. However, with the receipt of \$21,559,152 capital grants, the DC Eligible cost has been reduced from \$678.3M to \$672.1M for a reduction in DC Eligible cost of \$6,268,142.

**Table 1
Summary of Development-Related Capital Program for Engineering Services**

General Services	Development-Related Capital Program (2025-2034)				
	Net Municipal Cost	Replacement & Benefit to Existing	Available DC Reserves	Post-2034 Benefit	Total DC Eligible Costs for Recovery
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Development-Related Studies	\$ 4,055.6	\$ 950.0	\$ -	\$ -	\$ 3,105.6
Library Services	\$ 21,725.0	\$ 7,098.7	\$ -	\$ 10,000.0	\$ 4,626.3
Fire Services	\$ 61,810.8	\$ 6,879.8	\$ 862.8	\$ 47,541.6	\$ 6,526.7
Police Services	\$ 82,209.5	\$ 33,340.0	\$ 222.7	\$ 45,559.1	\$ 3,087.7
Emergency Medical Services	\$ 1,107.0	\$ -	\$ -	\$ -	\$ 1,107.0
Recreation	\$ 129,500.0	\$ 24,315.0	\$ 5,155.7	\$ 64,523.4	\$ 35,505.9
Parks	\$ 31,655.2	\$ 10,125.5	\$ 1,727.0	\$ 7,015.6	\$ 12,787.2
Transit Services	\$ 31,694.3	\$ 10,056.6	\$ 1,878.9	\$ -	\$ 19,758.8
Waste Management	\$ 10,176.8	\$ -	\$ 139.8	\$ 8,730.0	\$ 1,307.0
Long-Term Care	\$ 52,907.8	\$ 41,126.0	\$ -	\$ 9,164.6	\$ 2,617.2
TOTAL - GENERAL SERVICES (2025-2034)	\$ 426,842.1	\$ 133,891.6	\$ 9,986.9	\$ 192,534.2	\$ 90,429.3

Engineered Services	Development-Related Capital Program (2025-2051)				
	Net Municipal Cost	Replacement & Benefit to Existing	Available DC Reserves	Post-2051 Benefit	Total DC Eligible Costs for Recovery
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Services Related To A Highway	\$ 1,595,742.3	\$ 798,226.7	\$ 16,133.3	\$ 109,301.9	\$ 672,080.5
Sewage Services	\$ 322,061.2	\$ 100,062.0	\$ -	\$ -	\$ 221,999.2
TOTAL - ENGINEERED SERVICES (2025-2051)	\$ 1,917,803.5	\$ 898,288.7	\$ 16,133.3	\$ 109,301.9	\$ 894,079.6

TOTAL GENERAL & ENGINEERED SERVICES	\$ 2,344,645.58	\$ 1,032,180.34	\$ 26,120.19	\$ 301,836.10	\$ 984,508.96
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Proposed Rates

As shown in Table 2, the proposed amended rate for the City-wide DC residential rate (Singles and Semis) to take effect September 2, 2025, would be 3.3% (\$70,953 to \$68,604) less than the current rate and the non-residential rate will be 4.2% (\$268.61 to \$257.29) lower.

**Table 2
Current and Proposed Residential City-wide DC Rates to Take Effect September 2, 2025**

Service	Residential A	Residential A	Difference in Charge	
	Singles & Semis Current Charge	Singles & Semis Calculated Charge		
Development-Related Studies	\$579	\$579	\$0	0%
Library Services	\$1,224	\$1,224	\$0	0%
Fire Services	\$1,397	\$1,397	\$0	0%
Police Services	\$661	\$661	\$0	0%
Emergency Medical Services	\$230	\$230	\$0	0%
Recreation	\$10,195	\$10,195	\$0	0%
Parks	\$3,369	\$3,369	\$0	0%
Transit Services	\$3,658	\$3,658	\$0	0%
Waste Management	\$271	\$271	\$0	0%
Long-Term Care	\$655	\$655	\$0	0%
Subtotal - General Services	\$22,239	\$22,239	\$0	0%
Services Related To A Highway	\$37,410	\$36,975	(\$435)	-1%
Sewage Services	\$11,304	\$9,390	(\$1,914)	-17%
Subtotal - Engineered Services	\$48,714	\$46,365	(\$2,349)	-5%
TOTAL CHARGE PER UNIT	\$70,953	\$68,604	(\$2,349)	-3%

Table 3 provides a comparison of the current and calculated rates for both the City-wide charge and Area Specific Development Charge to take effect September 2, 2025, assuming the proposed rate decrease is approved.

**Table 3
Current and Proposed City-wide and Area Specific DC Rates September 2, 2025**

Development Charges by Growth Area	Charge per Unit Residential A - Singles & Semis			
	Calculated 2024 City-wide Uniform plus Area Charge	Current City-wide Uniform plus Area Charge	Difference in Charge	
			\$	%
1 Jackson	\$73,562	\$75,911	(\$2,349)	-3%
2 Carnegie East	\$82,476	\$84,825	(\$2,349)	-3%
3 Carnegie West	\$78,347	\$80,696	(\$2,349)	-3%
4 Lily Lake	\$76,473	\$78,822	(\$2,349)	-3%
5 Chemong - East	\$81,039	\$83,388	(\$2,349)	-3%
6 Chemong - West	\$83,596	\$85,945	(\$2,349)	-3%
7 Liftlock	\$82,116	\$84,465	(\$2,349)	-3%
8 Coldspring	\$80,179	\$82,528	(\$2,349)	-3%
9 City-Wide Dev. Area	\$68,604	\$70,953	(\$2,349)	-3%

City-Wide Uniform Charge	Charge per Square Metre of Gross Floor Area			
	Calculated 2024 Charge	Current Charge	Difference in Charge	
			\$	%
Total Charge	\$257.29	\$268.61	(\$11.32)	-4%

Bill 17 Implications

Bill 17, the **Protect Ontario by Building Faster and Smarter Act, 2025**, was introduced in the Provincial legislature on May 12, 2025. If passed, the Bill would amend the DCA so that municipalities would no longer be required to undertake a background study or hold a public meeting when amending a DC by-law, if the amendment would solely:

- Decrease one or more DC rates (as is the case with the City’s proposed amendment).
- Repeal a provision to index DCs;
- Amend an indexing provision that provides for a DC not to be indexed.

Given the uncertainty about when Bill 17 might be enacted, and the pressing need to pass the City’s DC amendment in advance of the expiry of the City’s original DC Background Study on September 6, 2025, it is recommended that the City continue with the amendment process set out in this report.

Strategic Plan

Strategic Pillar: Governance & Fiscal Sustainability

Strategic Priority: Support a culture of continuous improvement, safety, and innovation to enhance cost-effective delivery of City programs and services.

Passing a new City-wide Development Charge by-law will reflect current capital funding requirements for development-related capital works to facilitate development within the City.

Engagement and Consultation

The Development Charges Public Meeting is intended to provide an opportunity for the public to provide comment on the amended DC Background Study and proposed rates.

Budget and Financial Implications

There are no budget and financial implications of receiving this report. A report will be presented to the August 25, 2025, General Committee containing specific recommendations stemming from the Amended Development Charge Background Study which will address any issues that may arise during the August 5, 2025, public meeting.

Conclusion

The recently adopted Sanitary Master Plan and the receipt of certain capital grants has reduced the development-related costs in the City's capital program. The DC Background Study has been amended, resulting in lower development charges. It is proposed that a new City-wide Development Charge By-law be passed to reflect the reduction in City-wide development charges for growth-related infrastructure.

This report provides notice to Council that a public meeting will be held on Monday, August 5, 2025, in Council Chambers where Hemson Consulting Ltd. will present the Amended Development Charges Background Study undertaken by the City and public delegations will be received.

A further report will be presented at the August 25, 2025, General Committee meeting that will recommend changes to the City-wide Development Charges rate. The City-wide Development Charges By-law, in its final form, will then be presented at the September 2, 2025, Council meeting for approval.

Attachment

Appendix A: Draft 2024 Amended Development Charges City-wide Background-Study
Appendix B: Draft City-wide Development Charges By-law

Submitted by,

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