

## Response to Developers' Questions

Town held industry consultation on April 12. After the meeting, staff received questions from Spotlight Development Inc. and Briarwood Development Group. Below are the questions and our responses.

### **Response to Spotlight Development Inc.**

**Question 1:** How the DC bylaw will help with providing affordable housing?

**Answer:** The DC by-law is a growth funding tool under the Development Charges Act based on the principle that “growth pays for growth”. Affordable Housing is an eligible service for recovery from DCs and is included in section 2 (4) of the Act. However, there are no capital projects included in the Town’s 2022 DC By-law for recovery as the majority of this service lies with the Region. There are policies in the Act as well as the Town ([link to Town’s Deferral Policy](#)) in assisting affordable housing developments such as deferral of DC rate payments (both the statutory deferral and the Town’s own policy). Additionally for charitable or non-profit organizations there are reduced deferred or waived DCs and other fees in accordance with the Town’s Corporate Policy: Alternative Fees & Charges for Charities and Non-profit Organizations. Of note, the Town’s CBC Strategy does include some cost associated with delivering affordable housing but is scoped to the Town’s share of costs (e.g. DC exemption grant, planning application fees and etc.).

- a. Does the Town intend to charge interest on deferred DC’s for housing projects that would essentially make them not affordable through finance charges?

**Answer:** The Town does not currently levy interest on deferred DCs under Section 26.1 of the Act. The Town may introduce a policy at a later date at Councils discretion. If that is the case, it would likely mirror the policy of the Region where developments that enter into deferral agreements with the Region and Town under the existing policies, there would be no interest rate applied. However, this too is at the discretion of Town Council.

**Question 2:** How does the DC bylaw dovetail with any future CBC bylaw that may be coming into fruition. It can be difficult to comment on one bylaw without understanding the larger goal of fees and charges.

**Answer:** The DC by-law and CBC by-law are being updated in tandem so as to ensure there is no overlap of project costs being funded from both revenue sources. The CBC By-law is now available on the Town’s website ([link](#)) but generally speaking the CBC

Strategy covers the way in which the rate would be structured (4% of land value at the time of building permit).

**Question 3:** Can you help me understand the purpose of increasing DC's for the improvement of existing parks and recreation citywide? It would seem that there are other avenues that this can be secured by the Town, in particular in certain neighbourhoods where development is set to occur or could occur on the basis of need within the neighbourhood.

**Answer:** The Town's capital program with respect to parks is based on the capital budget as well as the Town's Recreation Playbook (Town of Newmarket Recreation Master Plan 2015-2025) and in consultation with Town staff. Other avenues or funding tools include Sections 42/51 of the Planning Act (Parkland Dedication), property taxes, grants and etc. S42 / 51 of the Planning Act which deals with parkland dedication or cash-in-lieu do not overlap with the needs identified in the DC Study. Those provisions in the Planning Act deal largely with the acquisition of land (which is ineligible under the DCA). Other tools like property taxes are used for other costs including operating, asset management and the non-DC eligible portions of the DC capital program. The Town has included park development in the CBC Strategy as well recognizing that intensification and more dense developments require a higher level of service in urban parks (e.g. more amenities, public leisure space etc.).

### **Response to Briarwood Development Group**

**Question 1:** The revised DCs, if approved by Council would come into effect on July 1, 2022?

**Answer:** The rates are anticipated to come into force on June 13, 2022.

**Question 2:** For residential apartments units of less than 700 sf, the DCs would go from \$12,256 to \$13,109/unit?

**Answer:** The current small apartment rate as noted on the Town's website is \$13,010 (link) and is proposed to increase to \$13,109 per unit which is an increase of about 1%.

**Question 3:** For residential apartments units greater than 700 sf, the DCs would go from \$17,158 to \$18,353 per unit?

**Answer:** The current rate in force for large apartments is \$18,213 and is proposed to increase to \$18,353 an increase of about 1%.