



# 2019 Development Charges

## What are Development Charges? (DCs)

A fee charged by the City to recover growth related capital costs associated with residential and non-residential growth. Development charges do not pay for operating costs or infrastructure renewal.

Growth costs are recovered to:

- build new infrastructure supporting growth
- pay down existing debt for past growth works
- avoid taxpayers paying for costs that serve growth

Development charges assist in financing capital projects required to meet the increased need for services resulting from growth and development. They may only be used for the purpose for which they are collected.

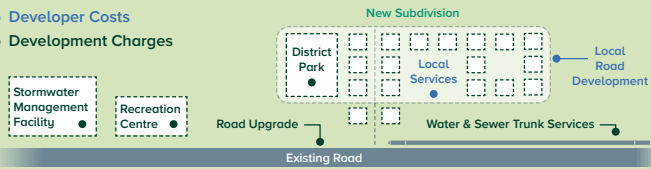
## Development Types

- Residential
- Institutional
- Commercial
- Industrial

Development charges are required for the construction of new buildings and expanded buildings. They are collected at the building permit stage.

## How We Pay for a Growing City

- Developer Costs
- Development Charges



## Residential

Draft 2019 Development Charge Rates

Service Component	Single & Semi Detached (per dwelling unit)	Multiples/ Row Housing (per dwelling unit)	Apartments with < 2 Bedrooms (per dwelling unit)
<b>Existing City Services</b>			
Roads	\$15,332	\$10,369	\$6,781
Wastewater	3,818	2,582	1,689
Stormwater	6,897	4,665	3,051
Water Distribution	1,624	1,099	719
Fire	103	69	45
Police	525	355	232
Corporate Growth Studies	533	360	236
Library	127	86	56
Parks & Recreation	3,530	2,387	1,561
Transit	236	160	104
<b>BASE RATE</b>	<b>\$32,725</b>	<b>\$22,132</b>	<b>\$14,474</b>
<b>Additional City Services</b>			
Water Supply	6	4	3
Waste Diversion	227	154	101
Operation Centres	272	184	120
<b>TOTAL RATE</b>	<b>\$33,230</b>	<b>\$22,473</b>	<b>\$14,698</b>

Subject to rounding

## Impact of Change on Jan. 1, 2019 Rates



## Non-Residential

Draft 2019 Development Charge Rates

Apartments with >= 2 Bedrooms (per dwelling unit)

Commercial (per square metre of floor space)

Institutional (per square metre of floor space)

Industrial (per square metre of floor space)

\$9,189	\$158.30	\$96.64	\$66.81
2,288	24.75	14.01	48.24
4,134	64.16	38.90	69.78
974	18.57	11.54	17.95
62	0.81	0.43	0.07
314	3.52	1.77	0.34
319	4.08	2.48	2.07
76	-	-	-
2,116	-	-	-
141	2.69	1.36	0.58
<b>\$19,613</b>	<b>\$276.88</b>	<b>\$167.13</b>	<b>\$205.84</b>
4	0.06	0.04	0.03
136	-	-	-
163	2.42	1.47	1.03
<b>\$19,916</b>	<b>\$279.36</b>	<b>\$168.64</b>	<b>\$206.90</b>



## Why are rates changing?

The City is currently conducting a Development Charges Background Study to review growth related capital projects needed to accommodate London's growth. This information is used to update the Development Charge By-law and development charge rates at least every five years as required under the Ontario Development Charges Act.

## Why are there three additional services in the draft 2019 Development Charge Rates?

Due to continued growth, there are greater demands and needs being placed on the City.

Council requested three additional services be reviewed as part of the 2019 Development Charges Background Study:

- Operation Centres**  
Need for expanded maintenance facilities to service the growing city.
- Waste Diversion**  
New facilities and programs required to divert waste and recover resources.
- Water Supply**  
Growth costs associated with Master Plan updates for the Lake Huron & Elgin Area Primary Water Supply Systems.



FEBRUARY

25

Development Charges Background Study & By-law Available

MARCH

25

Public Participation Meeting at Strategic Priorities & Policy Committee (SPPC)

MAY

6

Review & Deliberations of the Background Study & By-law at SPPC

MAY

7

Council Approval

Learn more at [getinvolved.london.ca](http://getinvolved.london.ca)

Contact Development Finance  
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