

$$\frac{\text{Growth Infrastructure}}{\text{Growth}} = \text{Development Charges}$$

- Prepare a Background Study
 - ✓ How many years of growth should be included
 - ✓ Establish numerator
 - ✓ Establish denominator

Example

$$\frac{\$100,000,000}{100,000 \text{ houses}} = \$1000 \text{ per house}$$

Numerator

$$BTE^* (25\%) \left| \frac{\$100,000,000}{100,000 \text{ houses}} \right| PPB^* (25\%)$$

BTE* = Benefit to Existing Community.

PPB* = Benefit to Growth after 20 years.

Numerator with BTE/PPB

$$\frac{\$50,000,000}{100,000 \text{ houses}} = \$500 \text{ per house}$$

20 year cycle



Avoiding Problems

- Keep the Numerator and Denominator up to date

Problems

Costs rise 25%; Growth slows 25%:

$$\frac{\$62,500,000}{75,000 \text{ houses}} = \$833 \text{ per house}$$

Shortfall in DC collections:

$$\$500 - \$833 = \$333 \text{ per house}$$

Staying on Track

GMIS

Typical DC Reserve Structure



A diagram showing the typical DC Reserve Structure. It consists of three blue rectangular boxes with white borders. Two boxes are positioned side-by-side at the top, labeled 'water' and 'storm'. A third box is centered below them, labeled 'roads'.

water

storm

roads

DC Structure with UWRF

water

storm

roads

UWRF – storm
roads water

Typical DC Reserve Structure

water

storm

roads

Future Steps – 2014 DC

- Finalize DC Policies. (Aug – Oct 2013)
- Bring to Council preliminary list of servicing projects with timing. (Dec 2013)
- Finalize DC Background Study, rate calculation, and DC By-law. (Jan – Jun 2013)