

Paying for Growth

Development Charges

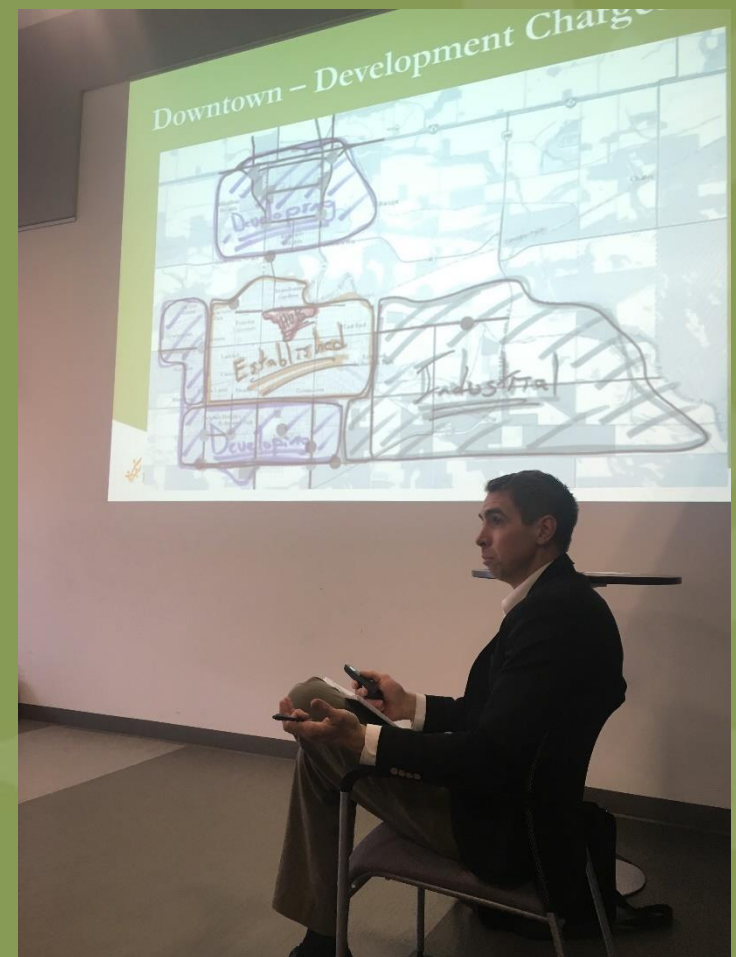
Public Discussion April 3, 2017

Project Update

1. What we have heard
2. How we have responded
 1. Revisit land included in the DC formula
 2. Revisit infrastructure including in the DC formula
3. Revised Development Charges & Options

Consultation Program

- 16 meetings & public events to date
- 10 organizations
- 84 participants
- Survey – March 2017

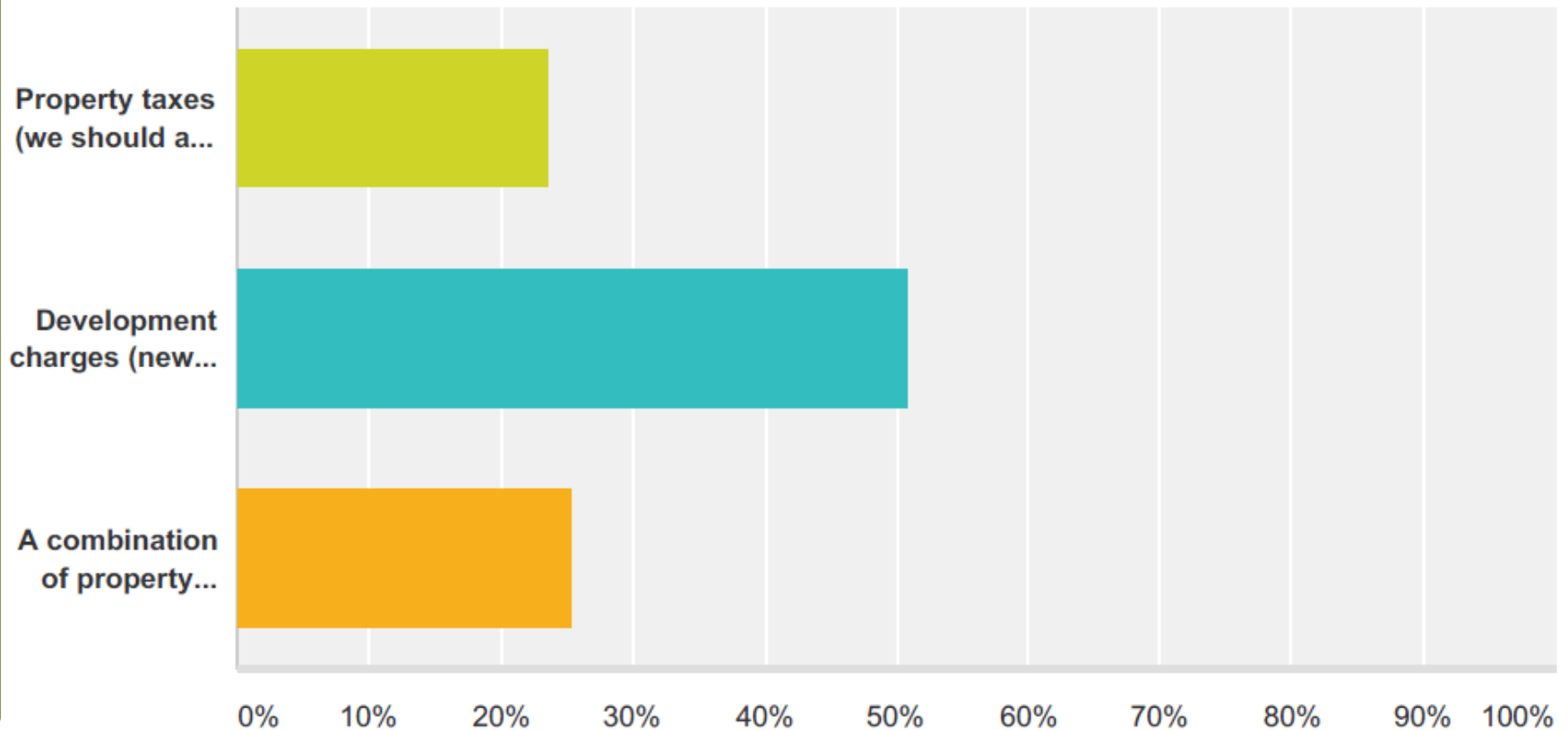


Discussion Themes

- How should the cost of growth be shared?
- Timing of DC & timing infrastructure
- City commitment to build infrastructure
- Inclusion of industrial lands
- Up front capital cost impact on downtown, infill, non-profits, low-income housing
- W and WW treatment
- Chamber independent review by MNP

Q1 How should we pay for new infrastructure required for new growth in the City of Brandon?

Answered: 51 Skipped: 2



How we do we pay for growth now?

Developers

- Development Agreements
 - Negotiated case by case at time of subdivision, zoning or conditional use
 - Require up-front construction of infrastructure

City of Brandon

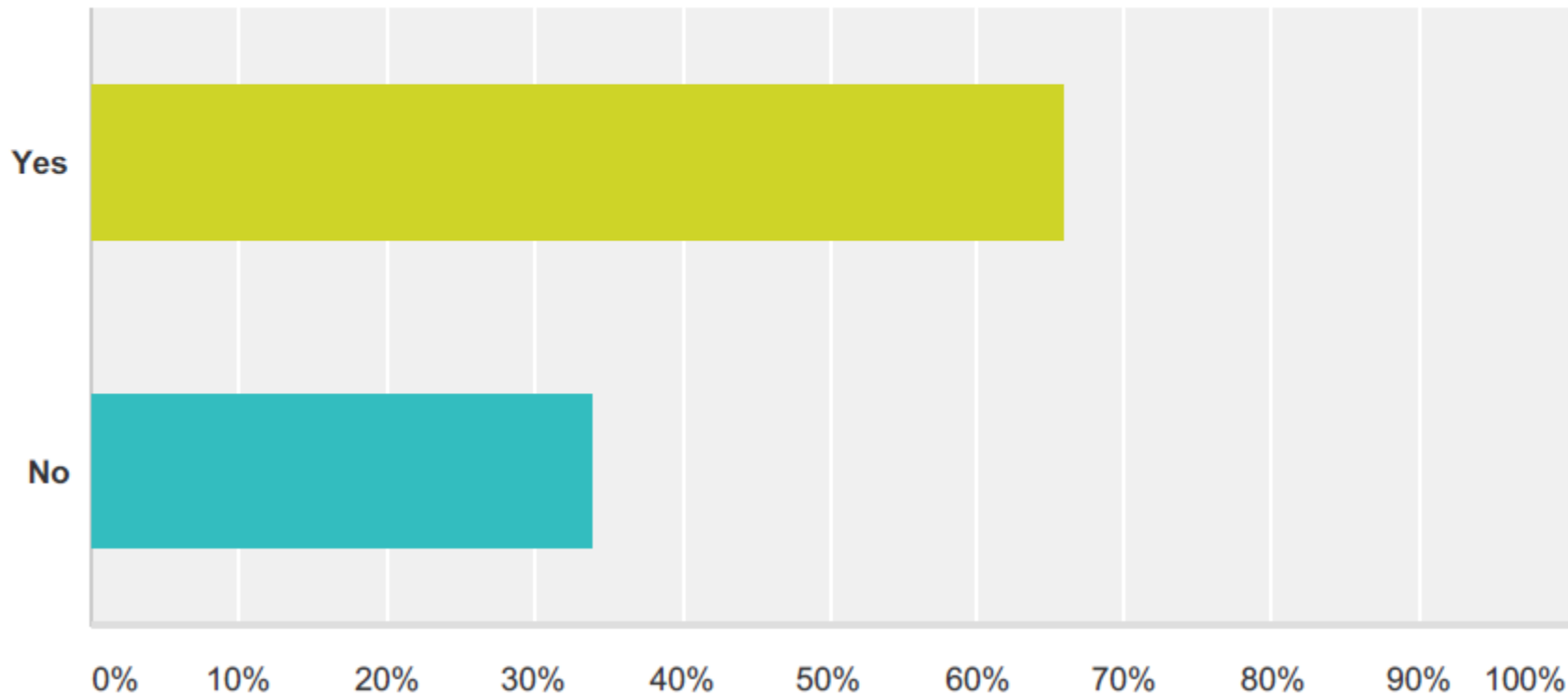
- Property Taxes
 - ex) SE drainage (\$1.8M)
 - Roundabouts on 34th (joint)
- Utility Rates
 - New WWTP
- Government Grants
 - ex) Province – streets (18th, 1st, Victoria, Trans Canada & bridges)

Historical developer contributions

YEAR	CONTRIBUTION	UNITS	CONTRIBUTION PER UNIT
2011	\$ 55,575.92	76	\$ 731.26
2012	\$ 65,004.32	79	\$ 823.35
2013	\$ 306,751.38	264	\$ 1,161.93
2014	\$ 483,621.83	207	\$ 2,336.34
2015	\$ 60,131.48	138	\$ 435.74
2016	\$ 450,000.00	323	\$ 1,393.00
	\$ 1,421,084.93		
Total Units		1,087	
Avg Cost per Unit			\$ 1,307.35

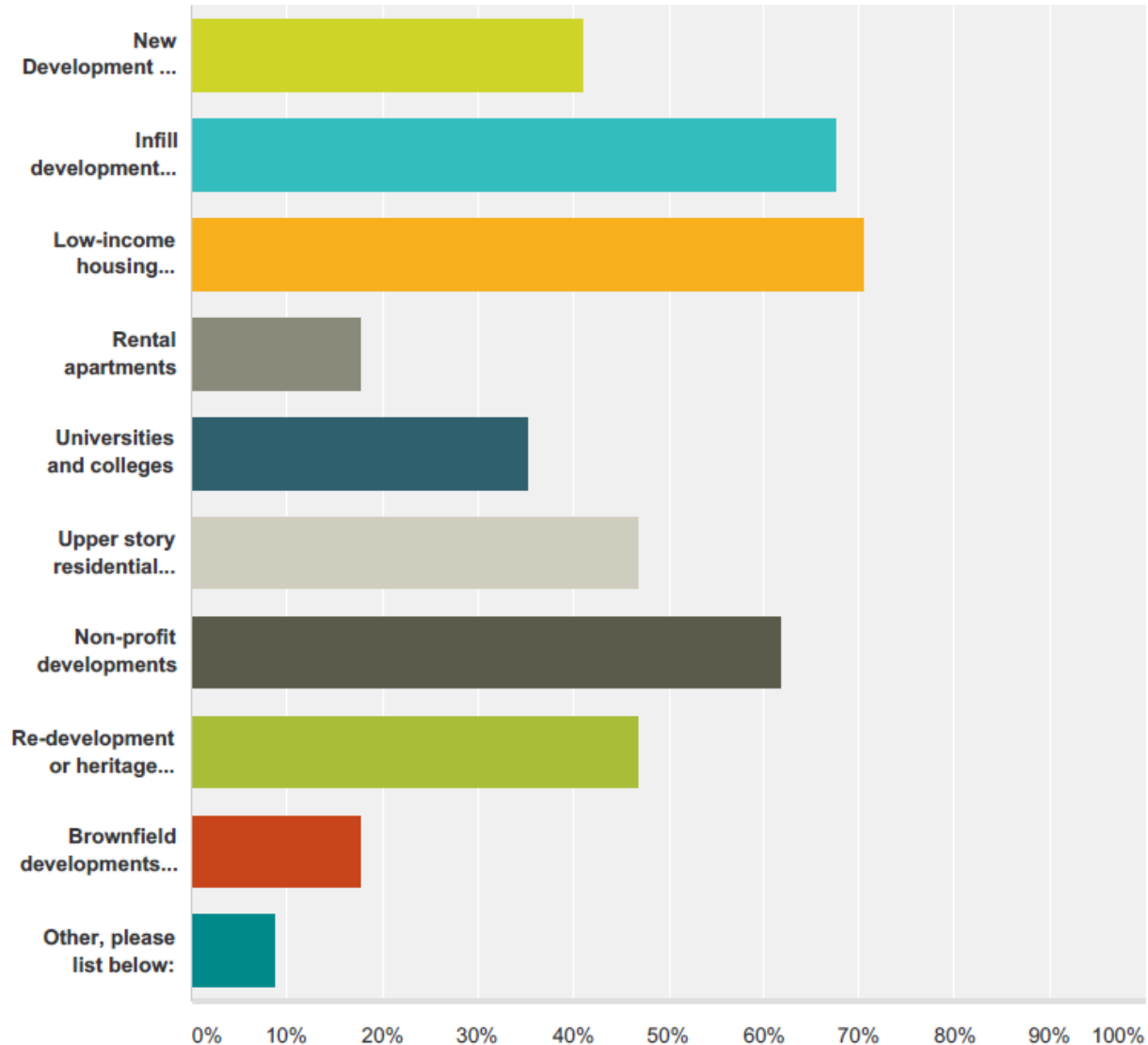
Q2 Should any new developments be exempt from Development Charges?

Answered: 53 Skipped: 0



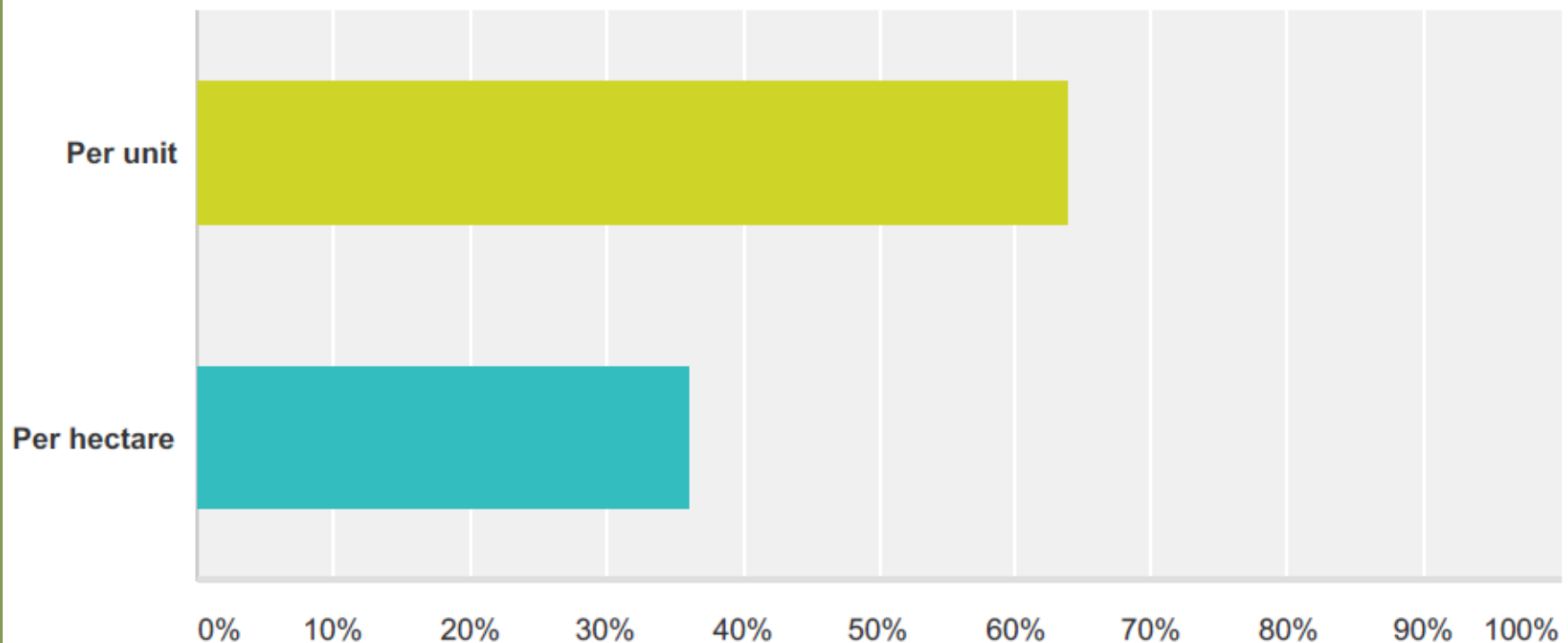
Q3 If you chose "yes", what kind of new development should be exempt from Development Charges

Answered: 34 Skipped: 19



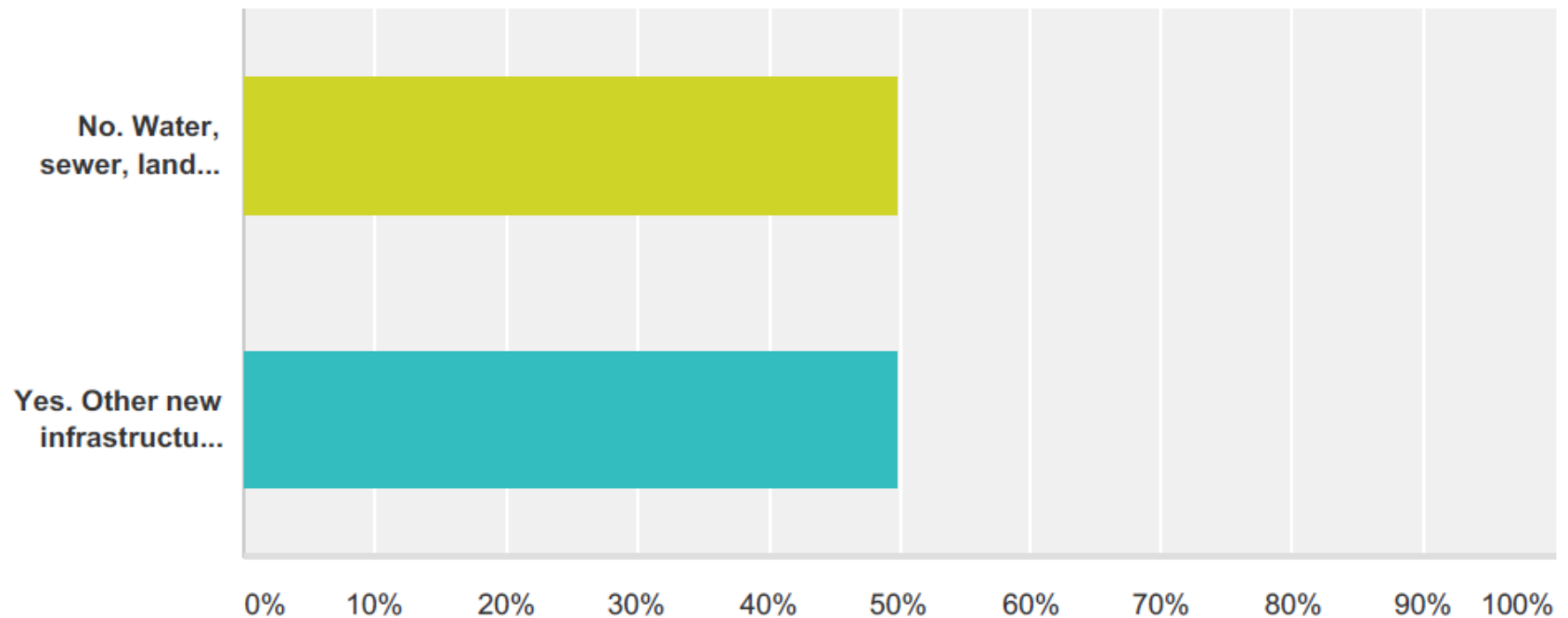
Q4 Should the development charge be charged against each unit (per residential dwelling) or on an area (per hectare) basis?

Answered: 47 Skipped: 6



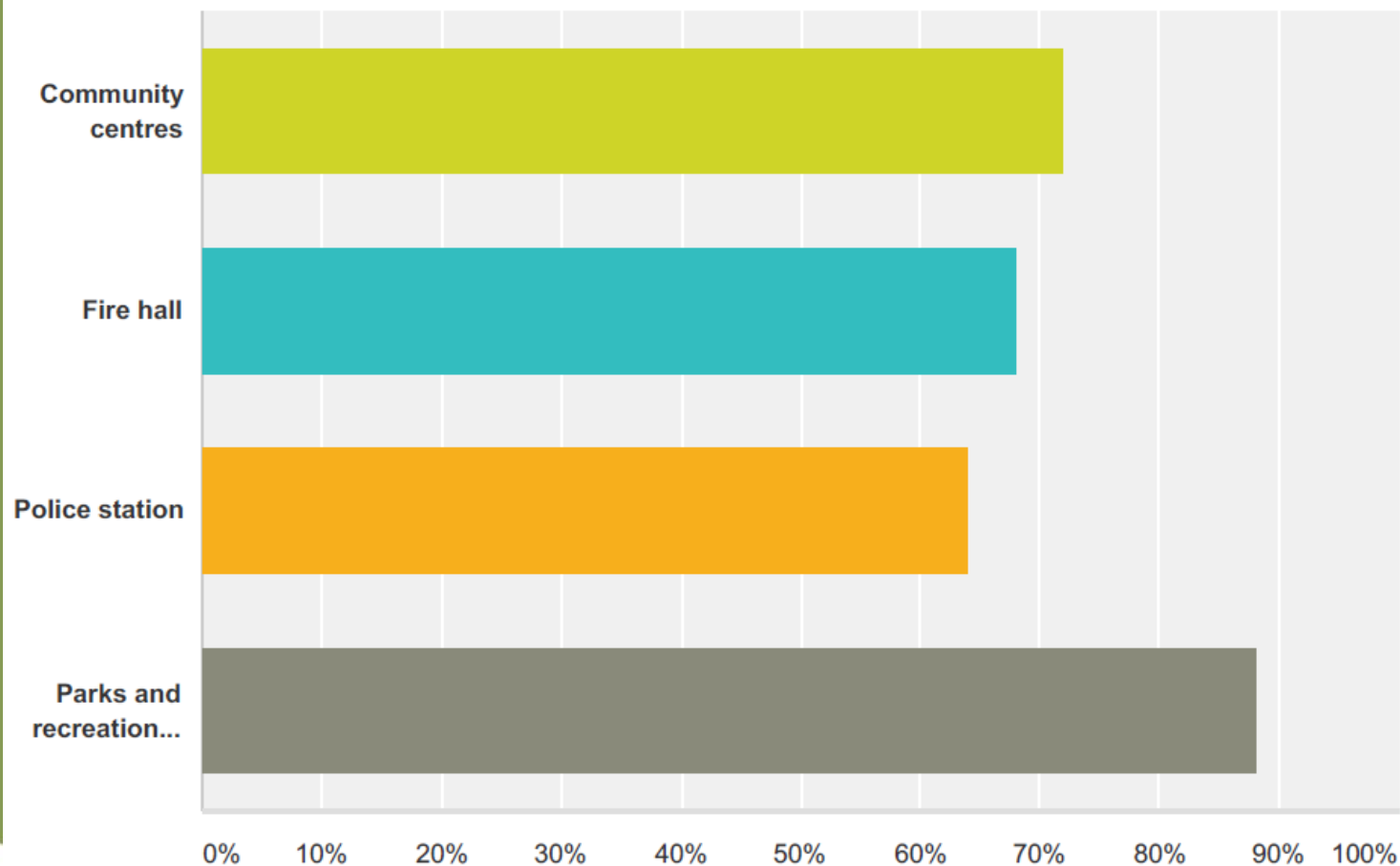
Q5 The current study includes new water, sewer, land drainage and roads in the Development Charge. Should any other infrastructure be included now or in the future?

Answered: 52 Skipped: 1



Q6 If you chose "yes", what other new infrastructure costs should also be supported through Development Charges?

Answered: 25 Skipped: 28



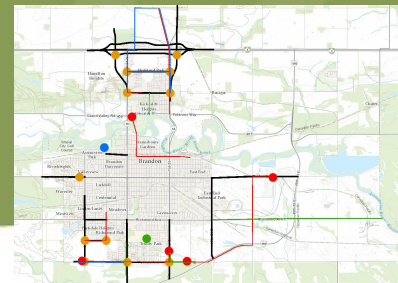
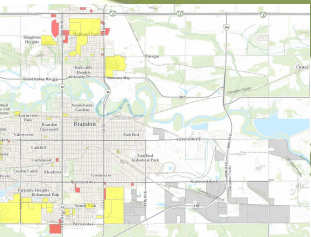
Revised Calculation

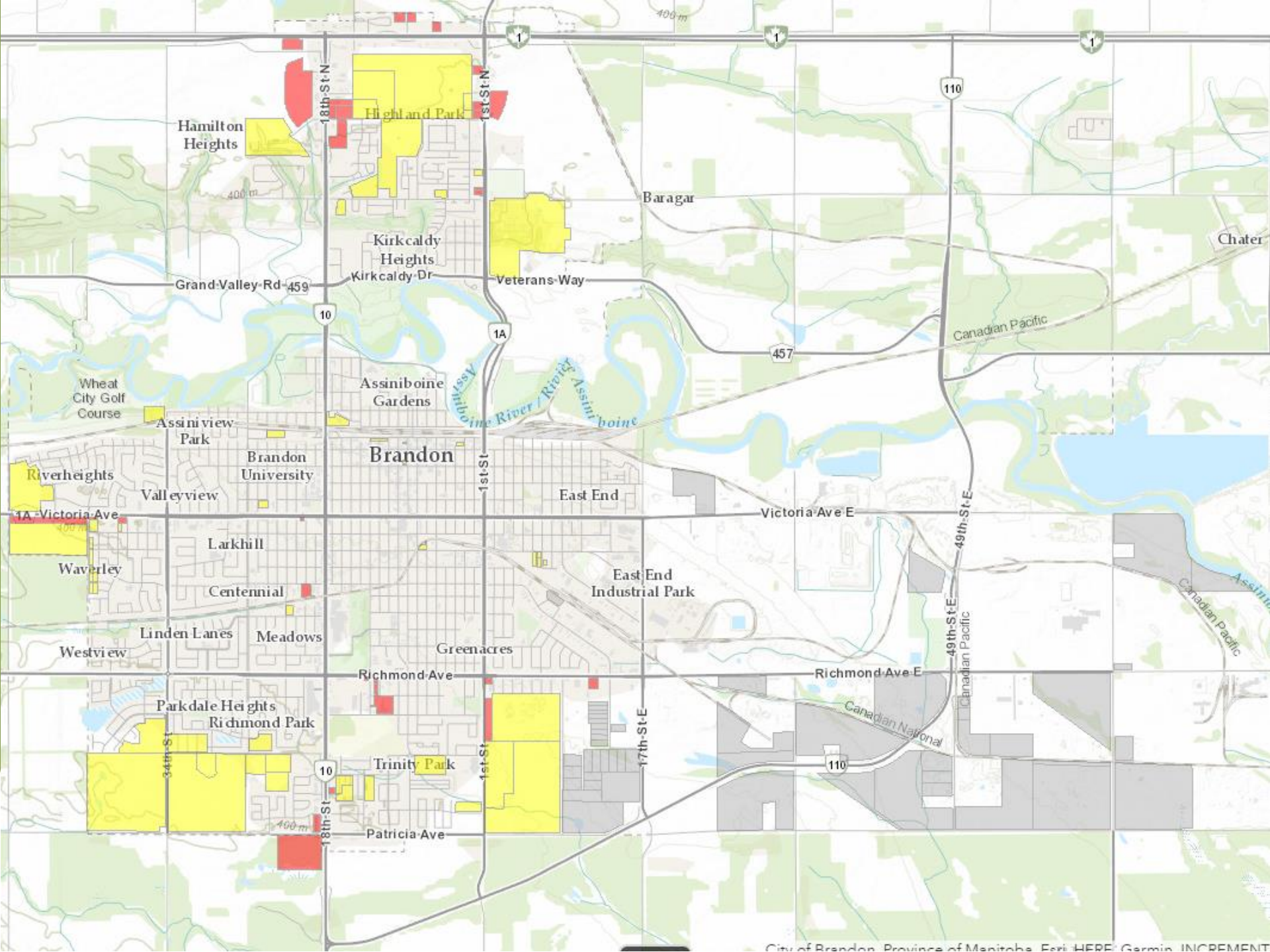
Land

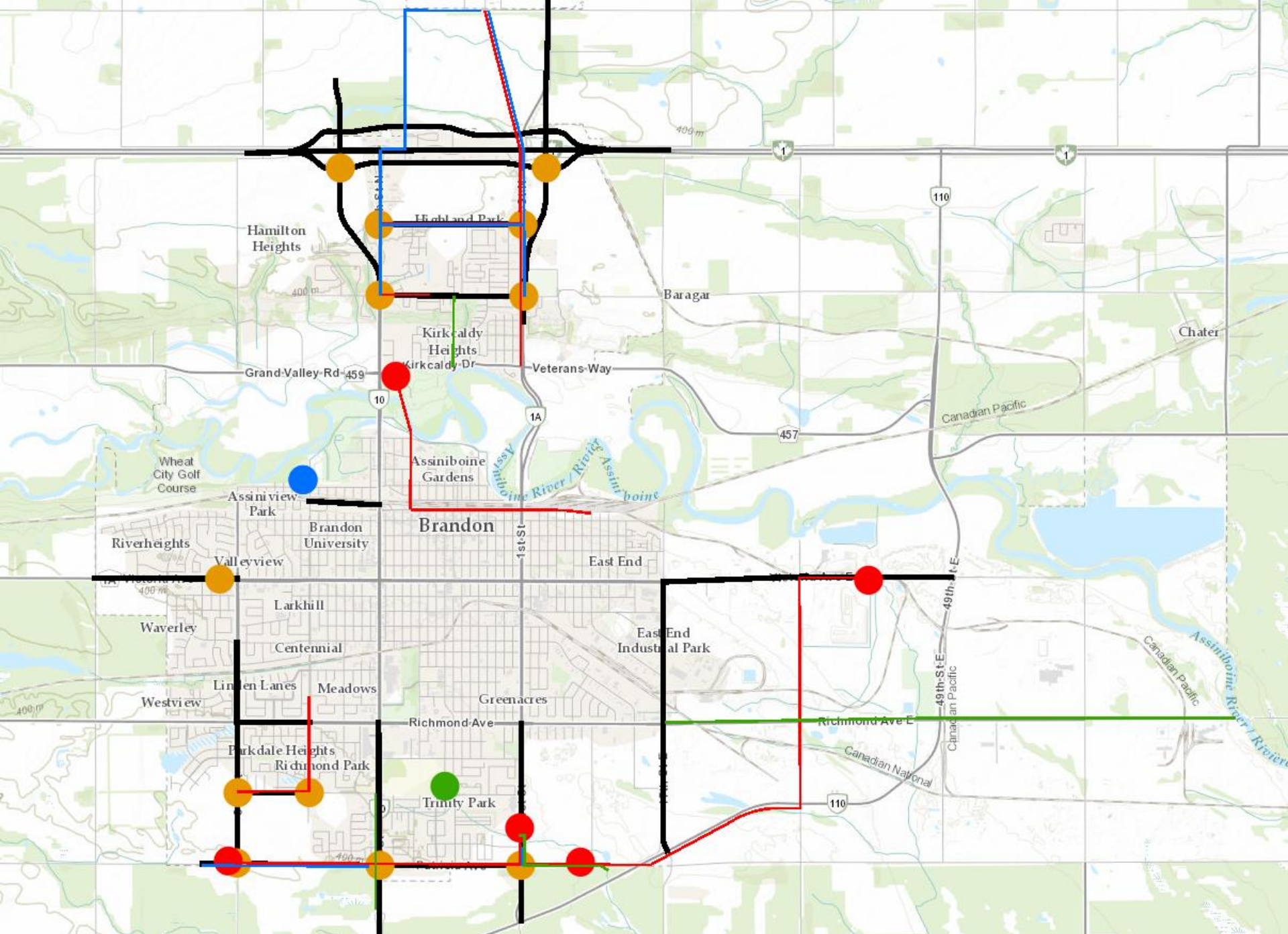
- Remove all lands / units where infrastructure currently exists
- Removed the SE industrial lands
- Institutional lands removed from residential
- Errors & omissions

Infrastructure

- Removed “infill”-related services (Pacific)
- Removed industrial-related infrastructure
- Revised portioning of infrastructure benefit to increase burden on existing lands
- Remove unnecessary improvements







New & Upgraded Land Drainage (3)

Description of Work	Net Capital Cost (\$) Feb. 3/17	Net Capital Cost (\$) April 3/17
Braecrest Dr to Kirkcaldy Dr	\$ 1,620,000	\$ 1,620,000
Outflow for Retention Pond South of Crocus Plains Regional Secondary School	\$ 1,800,000	\$ -
Brandon Cemetary Retention Pond	\$ 300,000	\$ -
18th St (Maryland Ave to Wetland South of Brandon)	\$ 880,000	
Richmond Ave E (17th St E to PTH 110)	\$ 5,760,000	\$ 576,000
Richmond Ave E (PTH 110 to Assiniboine River)	\$ 1,340,000	\$ 134,000
Total	\$ 11,700,000	\$ 2,330,000

Industrial Related Servicing - Industrial Charge under Consideration

New & Upgraded Roads (14)

Description of Work	Standard	Net Capital Cost (\$) Feb. 3/17	Net Capital Cost (\$) April 3/17
PTH No. 1 West Functional	Upgrade to Expressway	\$ -	\$ -
Clare Ave - 1st St N to 18th St N	2LU - Two-Lane Undivided - Minor Collector	\$ 2,805,104	\$ 2,805,104
Braecrest Dr - 1st St N to 18th St N	2LU - Two-Lane Undivided - Minor Collector	\$ 1,718,240	\$ 566,240
Pacific Ave - 18th to 26th St	2LU - Two-Lane Undivided - Minor Collector	\$ 758,164	\$ -
PTH No. 1A - 34th St to 50th St	4LD - Four-Lane Divided - Primary Arterial	\$ 1,284,377	\$ 750,000
Richmond Ave - 26th St to 34th St	4LD - Four-Lane Divided - Arterial	\$ 2,507,594	\$ 1,184,297
Maryland Ave - 26th St to 34th St	2LU - Two-Lane Undivided - Major Collector	\$ 1,412,399	\$ 1,412,399
34th St - Richmond Ave to Maryland	2LU - Two-Lane Undivided		\$ 636,585
34th St - Richmond Ave to Patricia Ave	2LU - Two-Lane Undivided	\$ 2,121,950	\$ 1,060,975
34th St - Richmond Ave to Park Ave	Urban Standard - Arterial	\$ 834,296	\$ 834,296
Patricia Ave - 18th St to 38th St	2LU - Urban Standard - Arterial	\$ 3,086,472	\$ 3,086,472
Patricia Ave - 1st St to 18th St	2LU - Urban Standard - Arterial	\$ 1,987,794	\$ 341,676
PTH No. 10 - Richmond Ave to Commercial South of Patricia Ave	Upgrade to Arterial	\$ -	\$ -
1st St - Richmond Ave to Patricia Ave	2LU - Two-Lane Undivided - Arterial	\$ 1,998,301	\$ 1,235,201
1st St - Patricia Ave to PTH No. 110	2LU - Two-Lane Undivided - Arterial	\$ 277,491	\$ -
17th St E - PTH No. 110 to Victoria Ave E	2LU - Two-Lane Undivided - Minor Collector	\$ 4,981,824	\$ 4,981,824
Victoria Ave E - 17th St E to PTH No. 110	2LU - Two-Lane Undivided - Minor Collector	\$ 4,981,824	\$ 4,981,824
Total		\$ 30,755,830	\$ 23,876,893

Industrial Related Servicing - Industrial Charge under Consideration

New & Upgraded Intersections (12)

Description of Work	Net Capital Cost (\$) Feb. 3/17	Net Capital Cost (\$) April 3/17
Highland Ave & PTH No. 10 (18th St N)	95,000	95,000
Highland Ave & PTH No. 1A (1st St N)	95,000	95,000
Clare Ave & PTH No. 10 (18th St N)	95,000	95,000
Clare Ave and PTH No. 1A (1st St N)	95,000	95,000
Braecrest Dr & PTH No. 10 (18th St N)	150,000	150,000
Braecrest Dr & PTH No. 1A (1st St N)	150,000	150,000
36th St & PTH No. 1A (Victoria Ave)	150,000	150,000
34th St & Maryland Ave	190,000	190,000
26th St & Maryland Ave	190,000	190,000
34th St & Patricia Ave	190,000	190,000
Patricia Ave & PTH No. 10 (18th St)	-	-
Patricia Ave & 1st St	181,000	181,000
Total	\$ 1,581,000	\$ 1,581,000

New Water Pipes (7)

Description of Work	Net Capital Cost (\$) Feb. 3/17	Net Capital Cost (\$) April 3/17
Brandon Municipal Airport to PTH No. 1 (East Connection along existing Easement)	\$ 119,000	\$ 59,500
Brandon Municipal Airport to PTH No. 1 (Looping Connection to 18th St N)	\$ 119,000	\$ 59,500
1st St N - PTH No. 1 to Braecrest Dr	\$ 1,806,250	\$ 2,018,750
18th St N - PTH No. 1 to Braecrest Dr	\$ 1,806,250	\$ 2,018,750
Clare Ave - 1st St N to 18th St N	\$ 2,000,000	\$ 2,000,000
Patricia Ave (Currie Blvd to Brookwood South Access)	\$ 1,300,000	\$ 1,300,000
1st St (Portola Dr to South of Patricia Ave)	\$ 130,000	\$ 65,000
Total	\$ 7,280,500	\$ 7,521,500

New Sewer Pipes & Facilities (10)

Description of Work	Improvement Type	Net Capital Cost (\$) Feb. 3/17	Net Capital Cost (\$) April 3/17
Brandon Municipal Airport to PTH No. 1	Upgrade of Existing	\$ 93,500	\$ 46,750
1st St N - PTH No. 1 to Kirkcaldy Dr	Off-Site	\$ 1,168,750	\$ 1,306,250
Clare Ave - 1st St N to 18th St N	Off-Site	\$ 400,000	\$ 400,000
Braecrest Ave - 18th St N to Pine Ridge Golf Course Internal North/South	Off-Site	\$ 150,000	\$ 150,000
Pacific Ave - 14th St to 1st St	Upgrade of Existing	\$ 2,500,000	\$ 2,500,000
Pacific Ave - 1st St to Douglas St	Upgrade of Existing	\$ 540,000	\$ 540,000
Patricia Ave - 34th St to 1st St Lift Station (Forcemain)	Off-Site	\$ 2,035,000	\$ 2,035,000
1st St along PTH No. 110 to Existing WWTP (Forcemain) (Shared Cost - 75%)	Off-Site	\$ 2,776,125	\$ 2,776,125
Maryland Avenue & 26th Street	Off-Site	\$ 1,330,000	\$ 1,330,000
1st St along PTH No. 110 to Existing WWTP (Forcemain) (Shared Cost - 25%)	Off-Site	\$ 925,375	\$ 925,375
South East of Kirkcaldy Dr & 18th St N Intersection	Lift Station & Forcemain	\$ 1,057,200	\$ 1,057,200
West of 1st street & North of Portola	Lift Station	\$ 1,759,200	\$ 1,759,200
North West of 34th St & Patricia Ave Intersection	Lift Station	\$ 5,000,000	\$ 5,000,000
South West of Patricia Ave & 18th St Intersection	Lift Station	\$ 1,000,000	\$ -
Patricia Ave & Percy St	Lift Station	\$ 5,000,000	\$ 5,000,000
Total		\$ 25,735,150	\$ 24,825,900
Industrial Related Servicing - Industrial Charge under Consideration			

Water Treatment

April 2017

Feb 3 Study

Residential

- **\$508** per unit for low/medium density
- **\$329** per unit for apartments

Commercial

- 0.29 per ft²

Industrial

- 0.12 per ft²

\$20,000,000

Population in 2017	48,000
Population in 2047	60,000
Growth	12,000
Growth (%)	20.00%
Costs	
Upgrade	\$60,000,000
Less Funding (2/3)	-\$40,000,000
City's Portion	\$20,000,000
City's portion attributed to growth (20%)	
	\$4,000,000

Wastewater Treatment

April 2017

Feb 3 Study

Residential

- **\$867** per unit for low/medium density
- **\$561** for apartments

Commercial

- 0.49 per ft²

Industrial

- 0.20 per ft²

\$27,000,000

Population in 2005	46,000
Population in 2035	55,000
Growth	9,000
Growth (%)	16.36%
Costs	
Upgrade	\$79,000,000
Less Funding 2/3)	-\$57,200,000
City's Portion	\$21,800,000
City's portion attributed to growth	\$5,109,375

Net Capital Cost in DC

1. Land drainage
2. Transportation:
 - Roads
 - Intersections
3. Water pipes
4. Domestic sewer pipes
5. Treatment

Feb Report

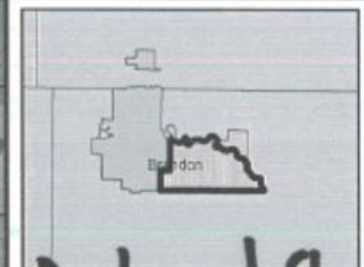
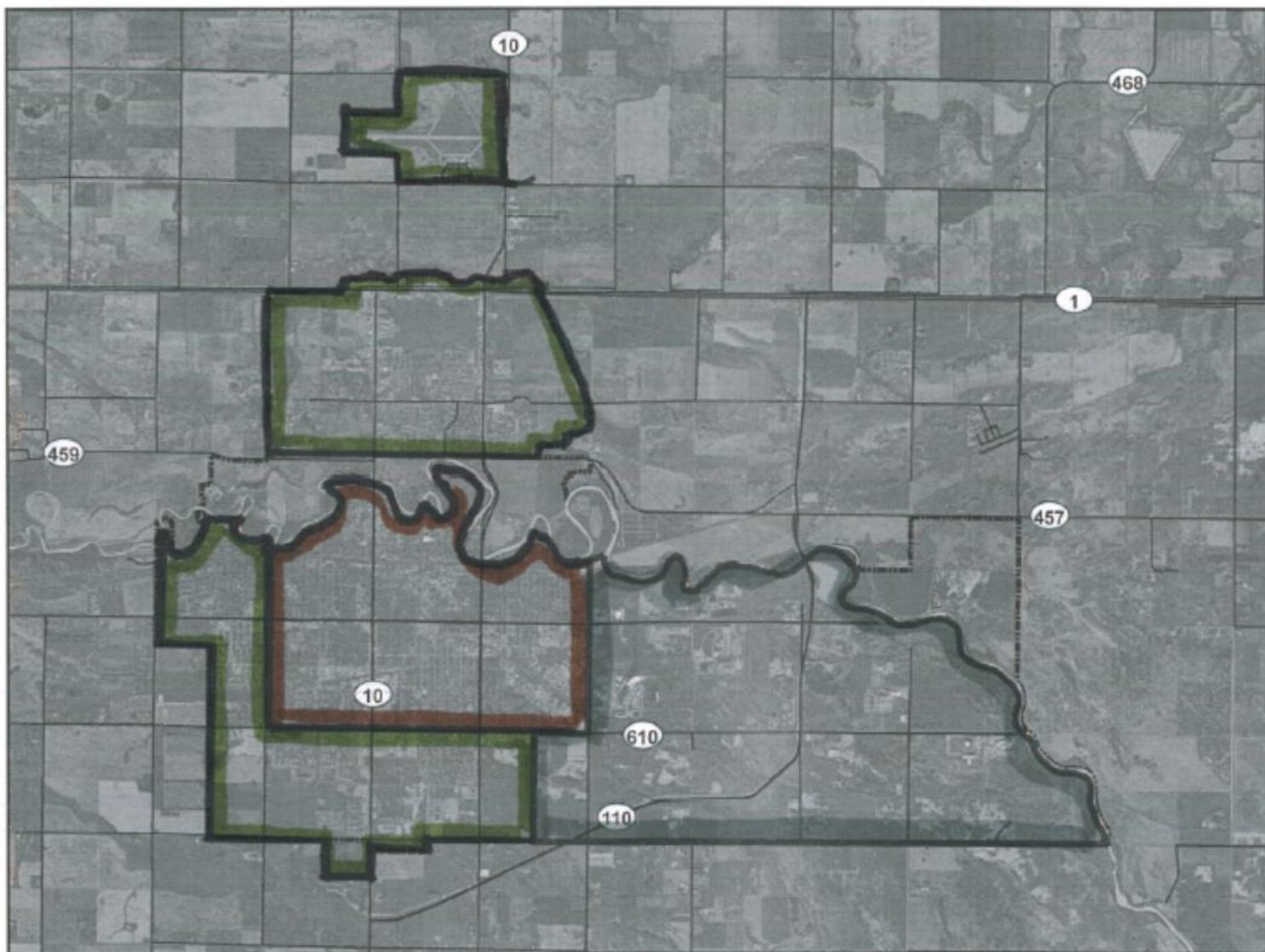
\$ 124,052,480

Revised

\$69,244,668

Sharing the cost of growth

	Gross Costs of Infrastructure Improvements	Less: Expected Grants & Other Revenues	= Net Cost to City	less: Amounts Recovered by Development Charges	= Remainder to be Bourne by Benefiting Areas & Taxpayers
Land Drainage	\$ 10,820,000	\$ -	\$ 10,820,000	\$ 2,330,000	\$ 8,490,000
Water Distribution	\$ 70,060,000	\$ 40,000,000	\$ 30,060,000	\$ 11,521,500	\$ 18,538,500
Domestic Sewer	\$ 117,066,500	\$ 68,553,600	\$ 48,512,900	\$ 29,935,275	\$ 18,577,625
Transportation	\$ 41,663,002	\$ 6,220,120	\$ 35,442,882	\$ 25,457,893	\$ 9,984,990
Total	\$ 239,609,502	\$ 114,773,720	\$ 124,835,782	\$ 69,244,668	\$ 55,591,115
30 Year Annual Cost			\$ 4,161,193		\$ 1,853,037
% Increase in Taxes			9.7%		4.3%



Development Change Industrial Secondary Plan

BASE MAP

- Developing Area
- Established Area
- Industrial Area
- City of Brandon Boundary
- City of Brandon Boundary

0 0.5 1 2 Kilometers
0 0.325 0.65 1.3 Miles



1:70,000

Coordinate System: NAD 83
UTM Zone 14N
Created for the City of Brandon
Created on December 8, 2015



DISCLAIMER: Be advised, this map is for reference purposes only.

Development Charges – Feb 3

Table 6-3
City of Brandon

City-Wide DC Calculation - Option 1 - Differentiated Industrial vs. Commercial/Institutional Charge

Service	Residential DC (per unit)		Non-residential DC (per Sq. Ft.)	
	Low/Medium Density	High Density	Industrial	Commercial/Institutional
City-wide				
Transportation	2,636	1,705	0.60	1.48
Wastewater	2,965	1,918	0.68	1.66
Water	1,102	713	0.25	0.62
Storm Sewer	954	617	0.22	0.54
Total	7,656	4,953	1.75	4.30

Development Charge (DC) Options

1. Infill (including downtown) treatment cost only
2. City-wide DC including industrial lands & infrastructure
3. City-wide DC excluding industrial lands & infrastructure
4. City-wide DC excluding industrial lands & infrastructure based on an area charge

Option 1

Development Charge - Infill

- Water and Wastewater “connection fee” only

City of Brandon Infill DC Calculation				
Service	Residential DC (per unit)		Non-residential DC (per Sq. Ft.)	
	Low/Medium Density	High Density	Industrial	Commercial/ Institutional
Infill				
Wastewater Treatment	405	262	0.09	0.23
Water Treatment	317	205	0.07	0.18
Total	722	467	0.16	0.41

Option 2

City Wide DC – include industrial

City of Brandon
City-Wide DC Calculation

Service	Residential DC (per unit)		Non-residential DC (per Sq. Ft.)	
	Low/Medium Density	High Density	Industrial	Commercial/ Institutional
City-wide				
Transportation	2,176	1,408	0.49	1.21
Wastewater	2,122	1,373	0.48	1.18
Wastewater Treatment	405	262	0.09	0.23
Water	643	416	0.15	0.36
Water Treatment	317	205	0.07	0.18
Storm Sewer	199	129	0.05	0.11
Total	5,862	3,792	1.33	3.27

Option 3

City Wide DC exclude industrial

City of Brandon
City-Wide DC Calculation - No Industrial

Service	Residential DC (per unit)		Non-residential DC (per Sq. Ft.)
	Low/Medium Density	High Density	Commercial/ Institutional
City-wide			
Transportation	1,621	1,049	0.90
Wastewater	2,500	1,617	1.39
Wastewater Treatment	487	315	0.28
Water	787	509	0.44
Water Treatment	382	247	0.22
Storm Sewer	230	149	0.13
Total	6,006	3,886	3.35

Option 4

City-wide DC exclude industrial Area-based charge

City of Brandon
City-Wide DC Calculation - No Industrial

<i>Per unit basis</i>	Residential DC (per unit)		Non-residential DC (per Sq. Ft.)
Service	Low/Medium Density	High Density	Commercial/ Institutional
City-wide			
Wastewater Treatment	499	323	0.29
Water Treatment	391	253	0.22
Total	890	576	0.51

DC per Net Hectare

Service	Net Developable Hectare Charge
Transportation	40,484
Wastewater	62,448
Water	19,652
Storm Sewer	5,738
Total	128,321

Tentative Schedule – Next Steps

2016

Introduce
Project
(January)

Public
Meeting
(November)

February

Background
Study online
(Feb 3)

Stakeholder
meetings

March

Stakeholder
meetings

Public
Meeting
(Mar 8)

Draft policy
options

Industry
follow-up
meetings

April

Informal
Council (Apr
3)

Industry
Advisory
Group (Apr5)

Report Edits

May

Public
Meeting

Council First
Reading

June

Public
Hearing