

THE CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

STAFF REPORT

DATE: April 8, 2025

TO: Committee of the Whole

FROM: Kathy Davis, Director of Corporate Services, Treasurer, Deputy CAO

SUBJECT: **Consultant Report - 2025 Development Charges Background Study Update**

RECOMMENDATION:

THAT Committee of the Whole recommend that Council receive as information the findings presentation from Watson and Associates related to the 2025 Update to the Development Charges Background Study.

BACKGROUND:

As part of the Municipality's MM2048 planning, "How we Fund" includes the review and update of Development Charges, as applicable. In 2023, Council passed By-Laws 23-081 to 23-088 representing updates to Development Charges to that point in time.

Since those updates, two major master plans have been completed: the Water and Wastewater Master Plan, and the Transportation Master Plan. Both of these plans contain significant updates to planning and associated time horizons. As such, it was determined that the applicable bylaws, being By-Law 23-081 for services related to a highway, By-Law 23-087 for wastewater services, and By-Law 23-088 for water services required updating.

At the time of the 2023 study, growth related studies were excluded, however, in 2024 Bill 185 restored the eligibility to use development charge levies to fund growth related studies; as such the 2025 update will include these eligible studies.

Finally, in December of 2024 Council directed staff to enter into an agreement with the County of Lanark for a Childcare expansion project, and some of the costs related to building a new facility are also eligible to be funded through development charges. By-Law 23-08x is therefore also eligible for updating.

As detailed on the Municipality's web site: [How We Fund - Mississippi Mills](#), Development Charges (DCs) play an important part in how growth related infrastructure is financed. Each new house, commercial centre, educational facility, and/or industrial site requires infrastructure and servicing (e.g. watermains, sewers, stormwater ponds, fire stations, road improvements, etc.) in order to function efficiently and effectively. DCs

are fees that are paid by new development to fund growth related infrastructure and services constructed throughout the Municipality.

In Ontario, the Provincial government regulates the setting of DC rates through the Development Charges Act (DCA). The purpose of DCs is to collect funds from new development to finance capital works supporting current and future growth.

The DC Background Study is intended to forecast the Municipality's future residential and non-residential growth determining infrastructure needs and costs. This information is used to calculate the amount of money that new development needs to pay in order to support growth related infrastructure and services.

DISCUSSION:

On the basis of the [2023 DC Study](#), the Municipality updated its DC bylaws in 2023. The following rates were applicable for January 1, 2024 and January 1, 2025:

After review of the [Transportation Master Plan](#), the [Water and Wastewater Infrastructure Master Plan](#), estimates for costing for growth related studies, and Childcare expansion plans, Watson & Associates have completed their preliminary work related to the 2025 updates to the DC Background Study, and propose to present their findings to Committee of the Whole.

Following this presentation, other key dates include:

- April 9, 2025 – posting of DC Background Study and findings on the Municipality's web site
- May 6, 2025 – Public Meeting as prescribed by the DCA
- June 3, 2025 – presentation of the proposed By-laws to Committee of the Whole
- June 17, 2025 – presentation of the proposed By-laws to Council for approval
- July 1, 2025 – effective date of new By-laws

OPTIONS:

Option A: That the presentation provided by Watson & Associates be received as information.

FINANCIAL IMPLICATIONS:

The findings of this study and the resulting By-law will provide financial support for future development in Mississippi Mills. Watson & Associates will provide detailed information related to their findings and proposed changes to Development Charges effective July 1, 2025.

STRATEGIC PLAN

Development Charges support many services within the community, including Library, Child Care, Fire, Roads and Transportation, Recreation and Parks, and Water & Wastewater. This Study and the resulting By-law will influence the following pillars:

- Safe & Sustainable
- Welcoming & Inclusive, Active & Healthy Community
- Sustainable Financial Stewardship

PUBLIC ENGAGEMENT

In accordance with the Development Charges Act, a Public Meeting is proposed to be held on May 6, 2025. Notice of the meeting will be distributed at least 20 days prior to the meeting date.

SUMMARY:

This report summarizes the background and financial implications related to the 2025 Updates to the Development Charges Background Study. It additionally introduces consultants Watson & Associates and the presentation of their findings to the Committee of the Whole.

A 2025 Update is required to ensure continued financial compliance and future stability for the Municipality and community.

Respectfully submitted by,

Reviewed by:

Kathy Davis,
Director of Corporate Services, Treasurer

Ken Kelly
CAO