

Industry Stakeholder Meeting #2

DC Study, CBC Strategy, Parkland Analysis & By-laws & Market Sensitivity Analysis



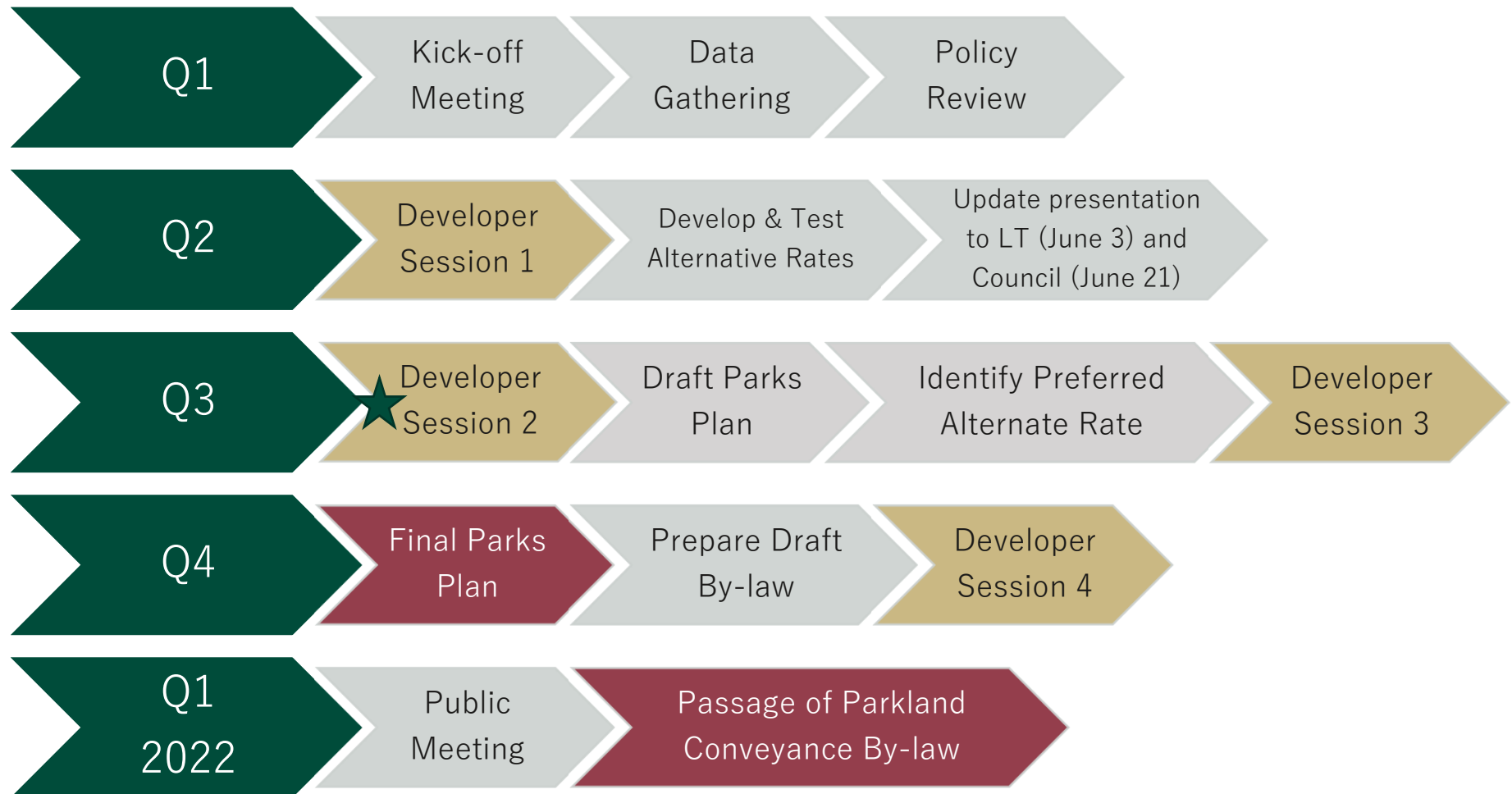
CITY OF MISSISSAUGA
Wednesday, July 7th 2021



Discussion Topics

- Introductions
- Parkland Conveyance By-law & Parks Plan Review
- Parks Key Dates
- Questions/Discussion on Parks Items
- *5 Minute Break*
- DC Background Study Update
 - Draft Industrial FSW Discussion (Cushman & Wakefield)
- Community Benefits Charges Strategy Update
- DC/CBC Discussion
- DC/CBC Key Dates
- Closing Remarks

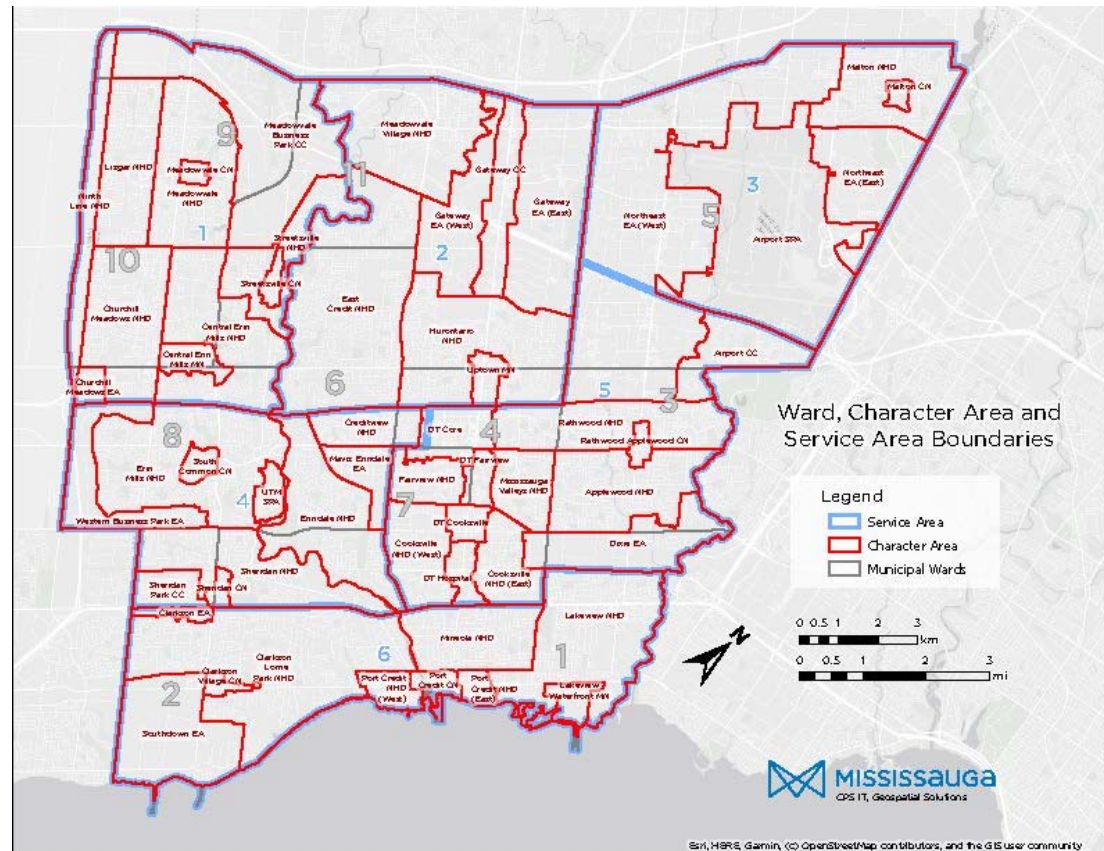
Parkland Conveyance Project Timeline



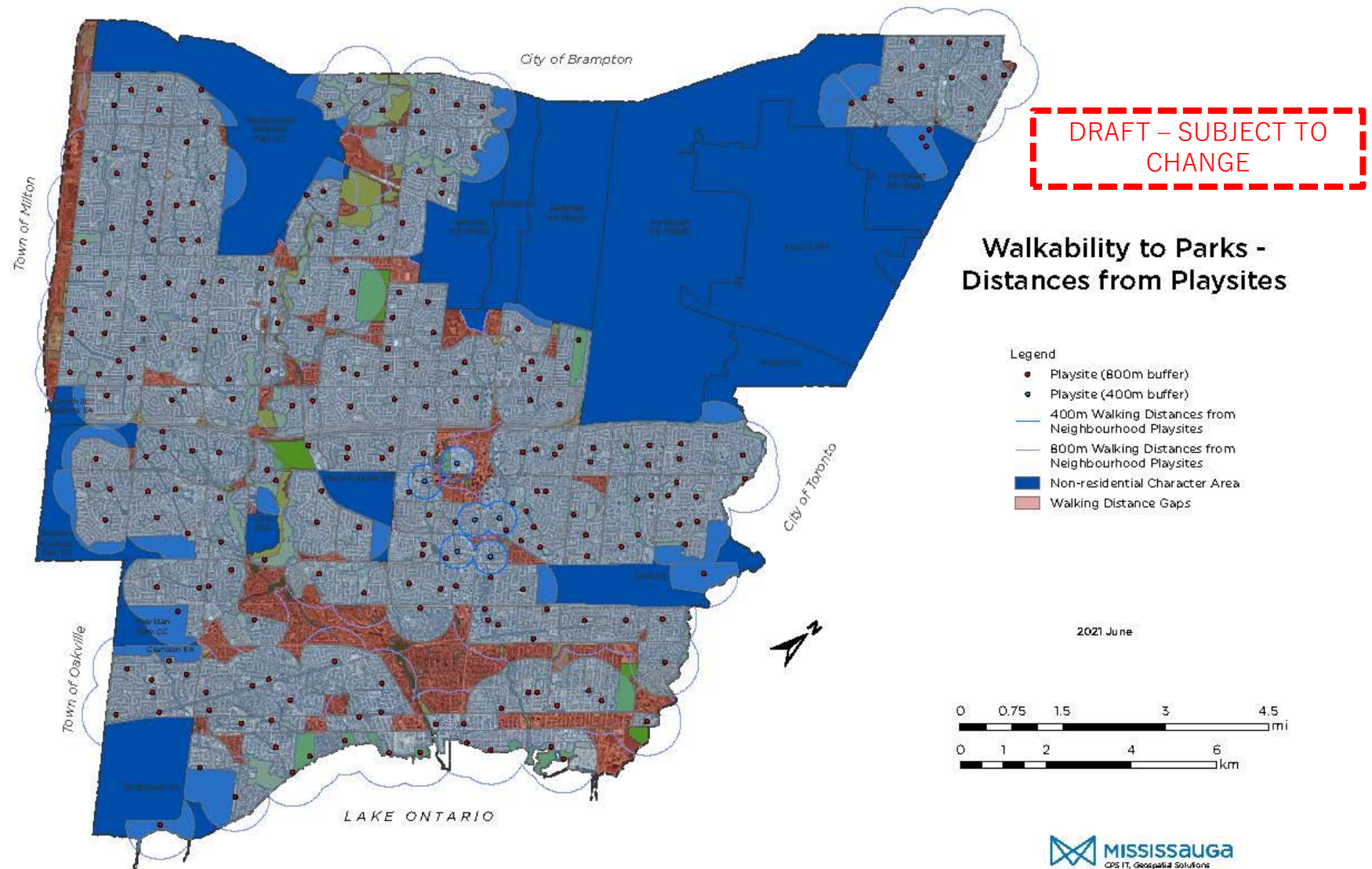
Updated Parks Plan Mapping: Growth Areas

DRAFT – SUBJECT TO CHANGE

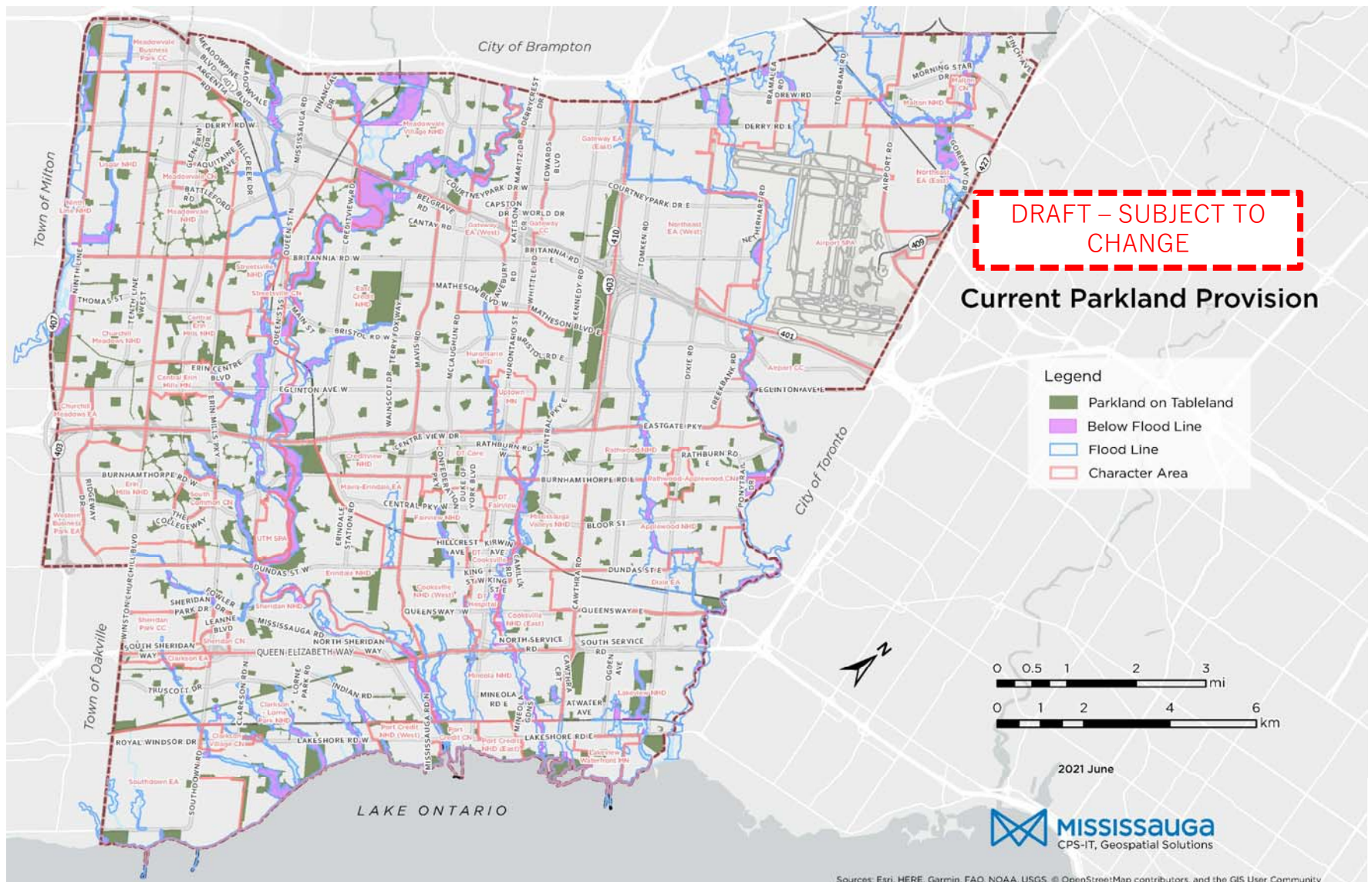
- Continuing with assessment of Character Area service levels per Future Directions
- Refining needs and targets for by-law justification via updated geomatic analysis



Updated Parks Plan Mapping: Accessibility



Updated Parks Plan Mapping: Current Parkland Provision

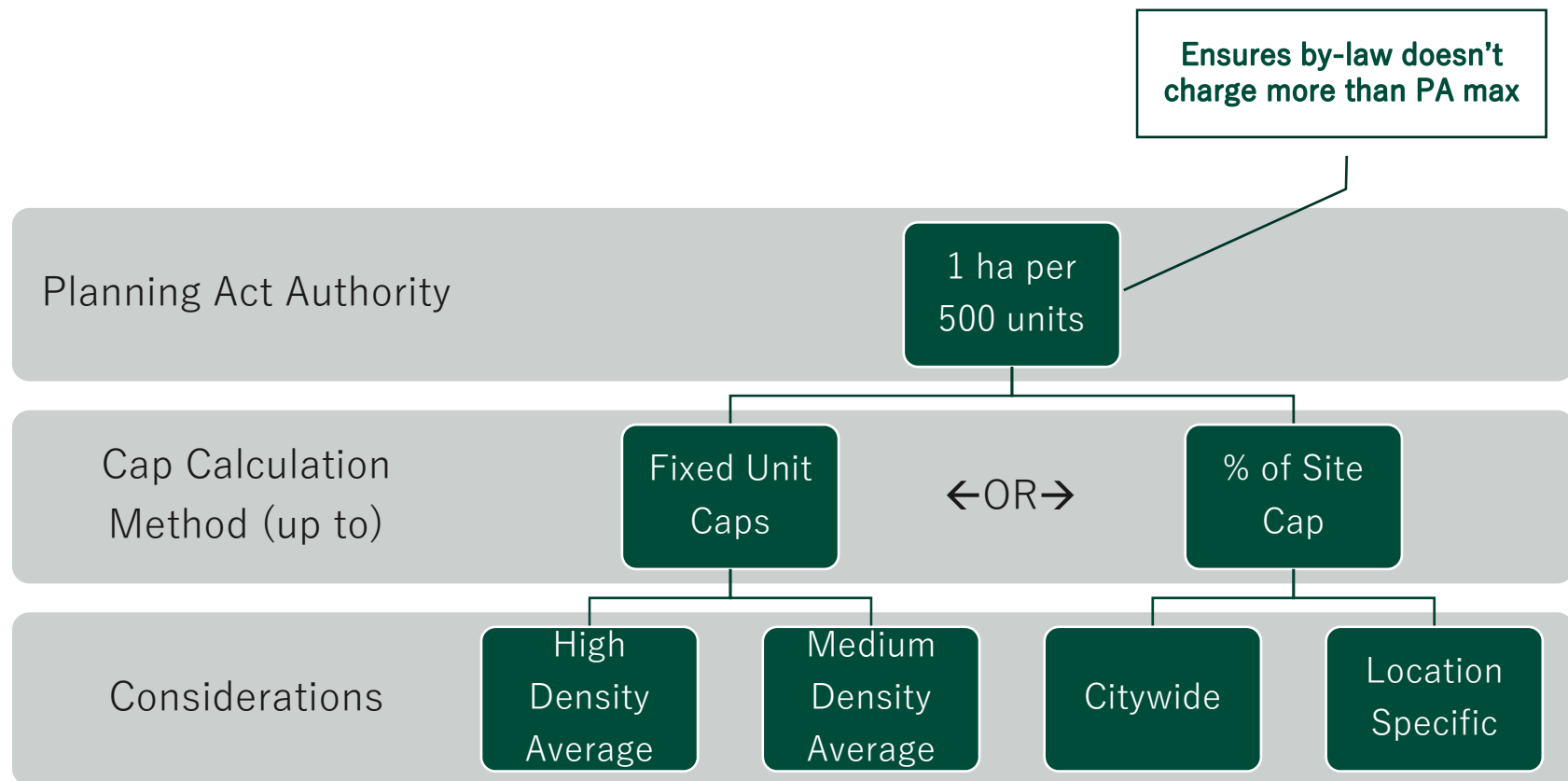


School Board Consultation

- Presented to all four public school boards June 14th to 16th
- Initial feedback:
 - Boards are supportive of shared use agreements for school and municipal facilities
 - Similar challenges in acquiring land for schools in high growth areas – joint planning for parks and schools would be beneficial



New Policy Approach Options



Parkland Policy Next Steps

- Move forward with testing of different development sites under both policy options
- Preparation of draft Parks Plan
- Identify preferred alternate policy rate



Parkland Discussion

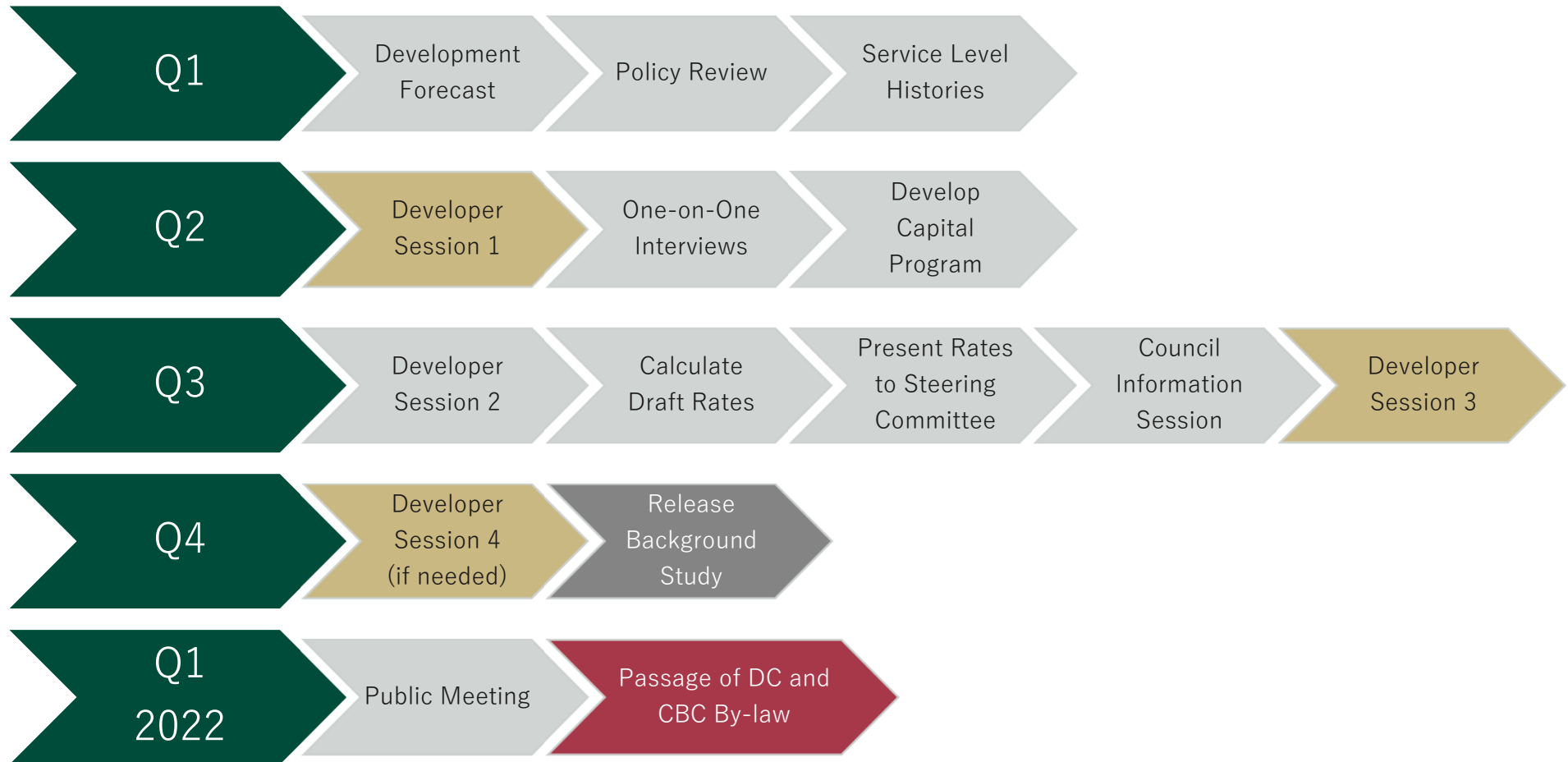
Break (5 Minutes)

DC Study Background

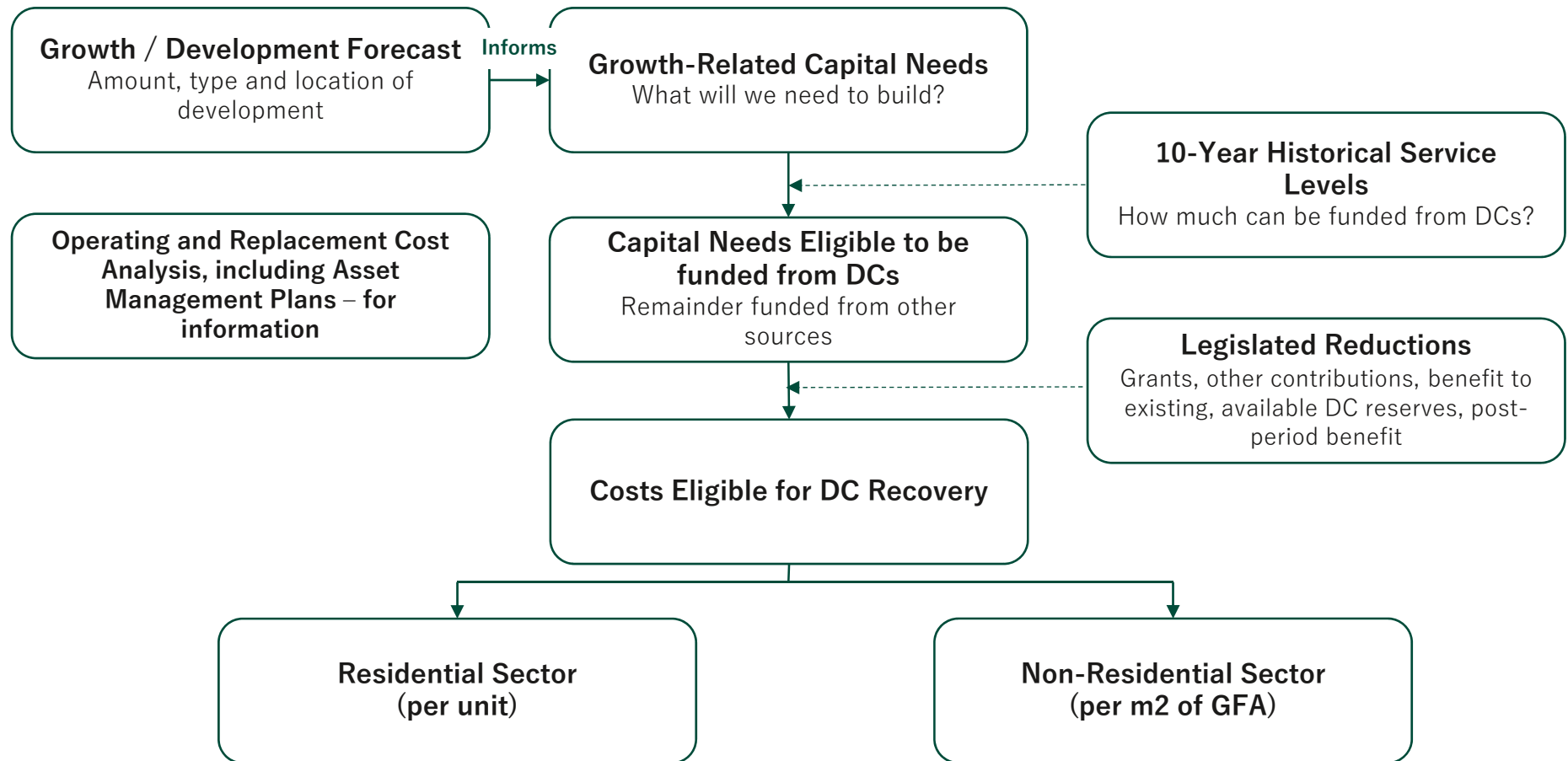
- Council passed Development Charges By-law No. 0096-2019 on June 19th, 2019 that imposed rates for the following services:
 - General Government
 - Development-Related Studies
 - Library
 - Fire
 - Recreation and Park Development
 - Transit
 - Public Works
 - **Parking**
 - Living Arts Centre (LAC) Debt
 - Roads and Related
 - Stormwater Management
- By-law No. 0096-2019 will expire on June 19th, 2024
- Due to legislative changes, the City is looking to update the by-law in advance of expiry

Note: Service denoted in **red** is no longer eligible for recovery through DCs.

DC/CBC Project Timeline



Development Charges Study Process



Development Forecast

- Based on new Schedule 3 targets to 2051 as presented to General Committee on March 31

Mississauga	2016	2031	2041	2051
Total Population*	748,000	852,300	920,000	995,000
Employment	477,000	537,600	565,000	590,100
Occupied Households	240,000	277,200	313,600	343,500

* Census population will be used in the DC Study which excludes census undercount

**Place of work employment (which excludes work at home) will be used in the DC Study

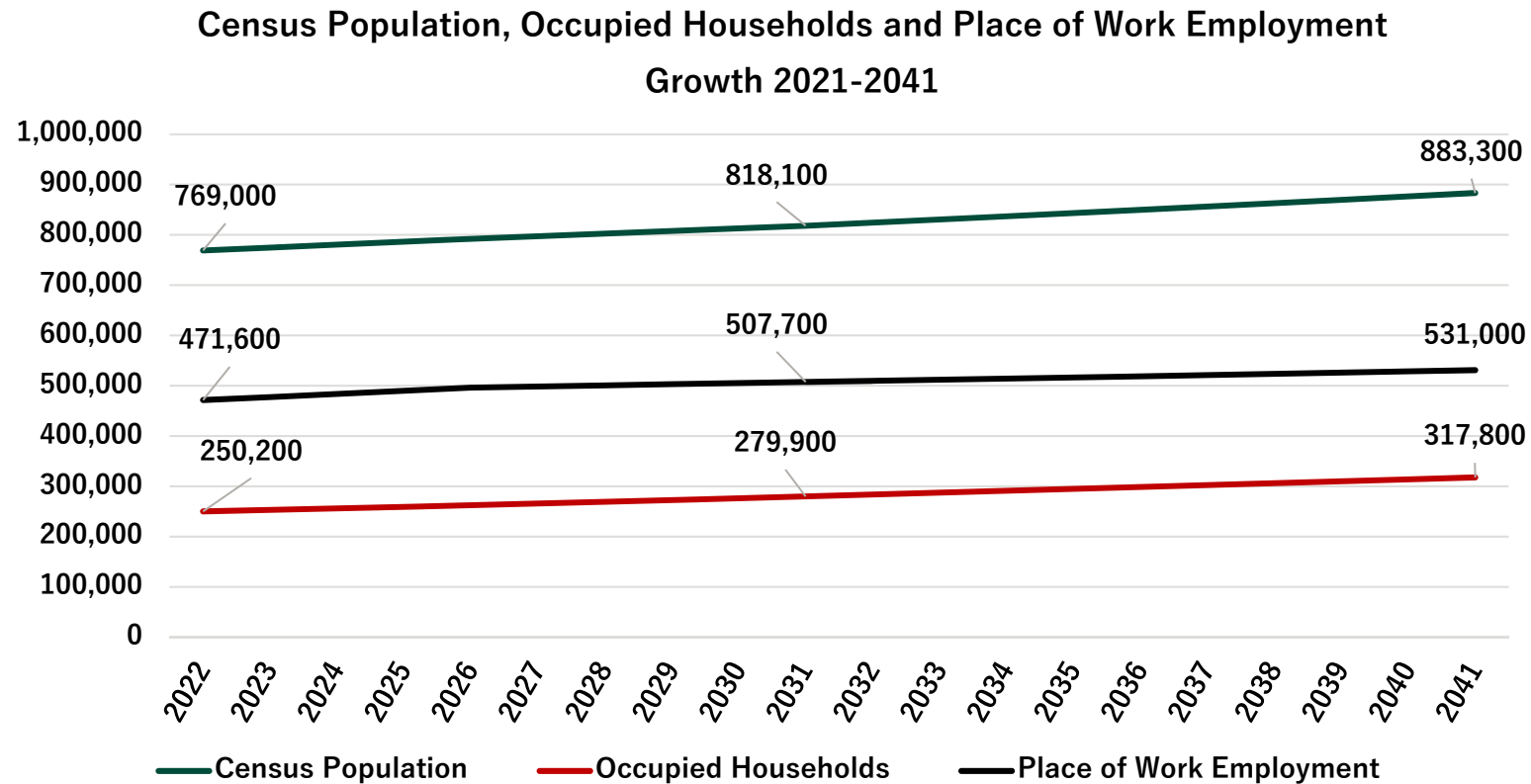
- Development forecast planning horizon to align with capital budget
 - 2041 for Transportation services
 - 2031 for all other services (10 year)

Development Forecast – Historical Development 2012-2021

Year	Census Population	Occupied Households	Average Household Occupancy	Place of Work Employment	Activity Rate
2011	713,440	234,590	3.04	434,590	60.9%
2021	763,300	247,180	3.09	465,650	61.0%
<i>Growth (#)</i>	<i>49,860</i>	<i>12,590</i>		<i>31,060</i>	
<i>Growth (%)</i>	<i>7%</i>	<i>5%</i>		<i>7%</i>	

- City has experienced relatively strong residential and non-residential growth over the last 10-years
- The difference in the rate of population and household growth relates to changes in occupancy (declining household size across all units)
- New units have a higher occupancy than existing units

Development Forecast – 2022-2031 and 2022-2041



Based on Region of Peel MCR work (informed by comments received by City staff)

Industrial Floor Space per Worker Review

- Review of industrial FSW assumptions based on more recent industrial building permits (2010-2019)
- Generally lower FSW in smaller buildings and higher FSW in larger buildings
- The review has concluded that an industrial FSW of 130m² is a rational figure to assume, representing an average industrial building
- Adjustment to be made by Hemson to account for No Fixed Place of Work will result in lower FSW for the DC Background Study
- Consultation and review are ongoing

DRAFT Historical Service Level Summaries

Service	2012-2021 Average Service Level	Pop or Pop & Emp Growth	Measure	DRAFT Maximum Allowable Funding Envelope
By-Law Enforcement	\$83.84	96,890	Population & Empl	\$8.12 million
Library Services	\$550.73	54,800	Population	\$30.18 million
Fire Services	\$436.39	96,890	Population & Empl	\$42.28 million
Recreation & Parks Development	\$6,102.47	54,800	Population	\$334.42 million
Public Works Services	\$226.10	96,890	Population & Empl	\$21.91 million
Roads and Related	\$6,278.19	185,370	Population & Empl	\$1,163.79 million

Note: Transit, Dev. Related Studies and LAC debt do not require an LOS analysis. Stormwater LOS is currently underway.



General Services Capital Program Gross Costs (\$000s)

Services	Gross Cost (\$000s)*
By-law Enforcement	\$3,772.0
Development-Related Studies	\$12,150.0
Library	\$79,832.2
Fire	\$98,226.0
Recreation & Parks Development	\$425,120.6
Living Arts Centre Debt	\$822.6
Total	\$619,923.4

Public Works, Transit and Roads and Related services programs are being developed and will be presented at subsequent meetings.

Note: the draft gross costs above include the costs related to statutory deductions such as grants, subsidies, other contributions, benefit to existing shares or shares to be funded from other growth-related sources (e.g. CBC Strategy).

* Reflects Council endorsed costs, additional projects and costs are under review.

Summary of Key Capital Projects

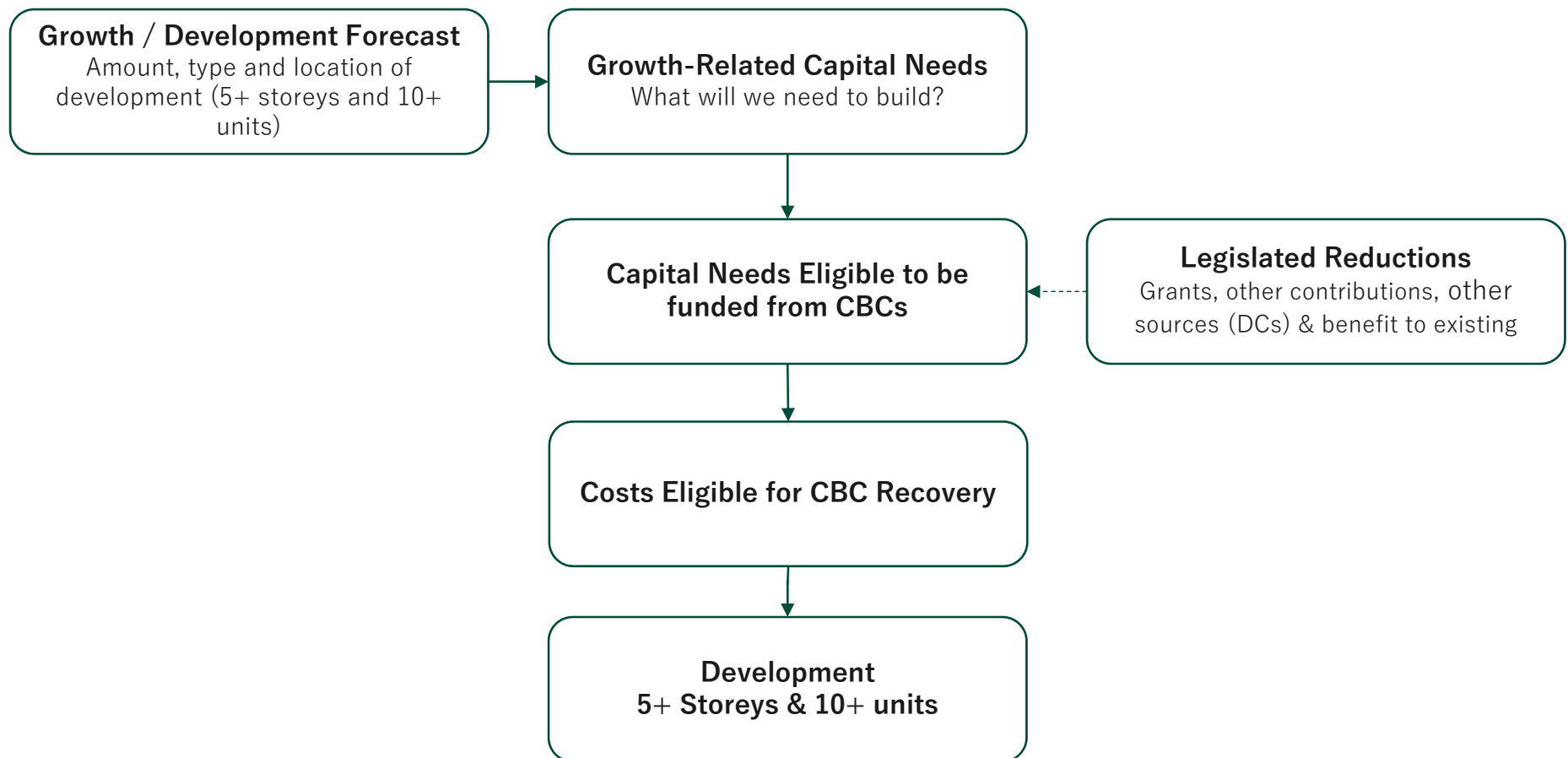
Service	Gross Cost (\$Millions)	Max Funding Envelope (\$Millions)	Major Capital Projects
By-law Enforcement	\$3.77	\$8.12	<ul style="list-style-type: none"> Recovery of Negative Reserve Balance - \$3.77M
Development -Related Studies	\$12.15	N/A	<ul style="list-style-type: none"> Special Planning Studies – 2022-2031 - \$4.75M Municipal Growth Management – 2022-2031 - \$3.0M Strategic Waterfront Implementation – 2022-2031 - \$2.9M
Library Services	\$79.83	\$30.18	<ul style="list-style-type: none"> Central Library Redevelopment – 2022 - \$26.5M Construction of Sheridan Library – 2026 - \$15M Design and Construction of Cooksville Library – 2029 - \$14.4M
Fire Services	\$98.23	\$42.28	<ul style="list-style-type: none"> Fire Station 126 – 2026 - \$15M Fire Station 127 – 2026-2030 - \$15M New Fire Truck and Equipment for Station 126 & 127 – 2026 & 2030 - \$2.2M each

Summary of Key Capital Projects

Service	Gross Cost (\$Millions)	Max Funding Envelope (\$Millions)	Major Capital Projects
Recreation & Parks Development	\$425.12*	\$334.42	<ul style="list-style-type: none"> • Park Development - Lakeview Village – 2024 - \$106.0M • South Common CC Renovation – 2022-2026 - \$55.5M • Cooksville Community Centre Design and Construction – 2028-2031 - \$40.0M • Carmen Corbasson CC Expansion – 2022-2025 - \$39.3M • Burnhamthorpe CC Expansion – 2022-2024 - \$25.2M • Northwest Sports Park Phase 2B Park Development – 2022 - \$13.1M • Additional park development costs to be added as Parkland Conveyance Study is completed
Living Arts Centre (LAC) Debt	\$0.82*	N/A	<ul style="list-style-type: none"> • Recovery of outstanding debt

* Costs to be updated based on outstanding debt recovery amounts.

CBC Strategy Process



Planning Act: Community Benefits Charges (CBCs)

- Height/density “bonusing” under s.37 of Planning Act now gone
- Replaced by CBC for growth-related capital—can overlap with DCs
- In-kind contributions permitted (credits given)



CBCs – Legislative Basics

- Imposed by by-law (no term limit)
- Only local municipalities can charge
- Can only be levied against higher density development
 - 5 or more storeys and 10 or more residential units
- Requires a “strategy”
- Legislation does not prescribe CBC rate structure

Regulation sets cap at **4%** of land value the day before a building permit is issued

What Can Community Benefits Charges Fund?

- Can recover any “growth related” capital cost
 - No prescribed list of eligible services
- Initial considerations:
 - Projects currently funded under s.37
 - Parking (no longer DC eligible)
 - Parkland development
 - Active Transportation
 - Eligible DC services (no overlap with DCs)
 - Parkland acquisition (no overlap with s.42)
 - Public Art
 - Other services (Housing etc.)

Community Benefits Charges – Approach to Capital Forecast

- CBC funding to focus on:
 - Urban parks
 - Active transportation
 - Public Realm (including Public Art)
 - Housing
 - Other services to be considered
- Capital Strategy
 - Build-off of the DC capital project lists
 - Will look to identify specific projects for CBC funding
 - Developing capital program for non-DC services – such as public art
 - Housing – City currently uses s.37 to obtain housing contributions and looking to include in the CBC Strategy

Community Benefits Charges – Other Considerations

- Legislative tests – nexus/demand test
 - CBC Strategy will address legislative tests
 - Will vary by service and project
- Other funding sources
 - Possibility that projects will appear in both the DC Study and the CBC Strategy
 - Will ensure there is no double counting
- In-kind contributions
 - To be discussed in the CBC Strategy
 - Referenced in the CBC By-law
- How to reflect geographic variations in land values and needs?

DC / CBC Policy Review Update

- Policy Options have been presented to Leadership Team on the following Key Policy Areas:
 - Rate Structure
 - Small unit breakpoint proposed to remained unchanged at 700 sq.ft.
 - Non-statutory exemptions including accommodations for seniors, affordable housing initiatives etc.
 - Redevelopment and conversion credit policy
 - Use of securities for non-residential developments
- No industry feedback has been received to date
- Continued review of DC by-law policies; update to be presented in subsequent meetings
 - Not anticipating significant changes

Next Steps

- Publicly release information as it becomes available for comment:
 - Complete Development Forecast
 - Changes as a result of the Policy Review
 - Detailed Historical Service Levels
 - Capital Programs
 - Calculated DC Rates
 - Updated Alternative Rate Methodology
 - Parks Plan

Discussion

Key Dates

- Next Development Industry Meetings:
 - September 2021
 - November 2021
- DC & CBC Report anticipated publication date:
 - December 2021
- Anticipated passage by Council:
 - February 2022

Closing Remarks