

MOTION
For Development Charges Policy
Oakville Chamber of Commerce
Board of Directors Meeting
25 January 2008

Introduction/Background

1. Definition of Development Charges:
Charges imposed under the *Development Charges By-law* against land in certain circumstances if the development of the land would increase the need for services (from Halton Region Glossary).
2. Purpose of Development Charges:
is to recover the growth-related costs associated with the capital infrastructure need to service new development.
3. Both the Regional Government of Halton and the Town of Oakville collect development charges, however the current new DC policy and bylaw is only for the Region.
4. We are only commenting on Industrial/Commercial/Institutional (ICI) Development Charges, not Residential Development Charges.
5. Our Participation:
 - a. We have attended the meetings of the Region's Development Charges Advisory Committee (DCAC),
 - b. Reviewed and analyzed reports and background materials provided,
 - c. Participated in a workshop with representatives of other Chambers and Economic Development staff from the four municipalities within Halton.
 - d. We have a representative on the DCAC – Silvio Guglietti, Gen Mgr of Melrose Investments.
6. The most important decision Regional Council has to make relates to “discounts” to the Development Charges, i.e. if any reductions to charges will be allowed and how they can be applied.
7. Currently, Oakville and Halton have the highest development charges in the GTA.

Notes:

- In 1999 Industrial, Commercial and Institutional (ICI) represented 15.35% of Oakville's taxable assessment and in 2006 it was 13.44%, a reduction of 12.44% over 7 years.
- Oakville has highest Development Charges with or without discounts, within the GTA and within Halton.
- Total annualized costs before DC rate discounts, for Industrial class properties in Oakville, are highest in GTA as well as Hamilton, Brantford, Guelph, Cambridge, Waterloo, Kitchener and Barrie.
- With discounts, Oakville is the 3rd most expensive place, behind Mississauga and Hamilton.
- Commercial annualized costs are in the upper middle position.

Motion

The **Mission** of the Oakville Chamber of Commerce is to foster a healthy economic environment for Oakville. We believe that for economic, environmental and social health a liveable and sustainable community must have a balance between residential and employment land use.

Whereas;

There is a need to attract and retain enough industrial and commercial businesses to balance both the tax base and the needs of residents for local employment opportunities;

There is ever increasing competition from other municipalities to attract desirable businesses to their communities;

Businesses pay significantly higher property taxes and use fewer services than residents. This, along with the economic, environmental and social benefits of having businesses located locally, more than offsets the cost of industrial and non-retail commercial business development;

Development Charges are a factor in a business' decision whether to locate in or remain in Halton;

Development Charges are one of the few financial tools available to regional and local governments to attract and retain businesses;

Therefore;

the Oakville Chamber of Commerce recommends that the Region of Halton and the Town of Oakville employ Development Charge Discounts as a tool within an overall Economic Development strategy to encourage industrial and non-retail commercial businesses to locate and remain in Halton.

Approved: January 25, 2008