



Memorandum

Date: November 5th, 2019

To: Council

From: Mayor Letham

Re: Proposed Direction for New Development Charges By-Law-Incenting Job Creators

Recommendation:

That the November 5th, 2019 memorandum from Mayor Letham regarding a **proposed direction for new Development Charges By-law-Incenting Job Creators**, be received;

That the proposed development charges by-law be revised to reflect a full development charges exemption for industrial development;

That the proposed development charges by-law be revised to reflect a full development charges exemption for the first 2,500 square metres of gross floor area for any single commercial development;

That staff report to Council in Q4 of 2021 with a financial update on development charges and the results of these incentives, including additional non-residential floor space and jobs achieved; and

That staff provide Council an interim update in Q4 of 2020 on the future “community benefits charge” and any resulting adjustments that may need to be made to the above-noted business incentives.



Rationale:

The City of Kawartha Lakes continues to invest heavily in growth inciting projects and has so, for over ten years. The foundational investments of the municipality and the required critical infrastructure are now in place to realize that growth. Historically, we have not been realizing that potential growth. Non-residential growth has been minimal over the past 5 years and we have an opportunity, with the new development charges by-law, to implement some aggressive incentives to help create jobs, and increase the non-residential portion of our tax base. The more commercial and industrial businesses we can grow, the more jobs created, the larger the tax base resulting in less pressure on our existing residential taxes and water and waste water rates. Add to that, the resultant influx of young workers with families to our community to help fill these jobs. Increased revenues from taxation can then be invested back into population supporting assets and infrastructure.

In every business, there comes a time when investments in the future must be made. That time is now as the interest in our community is increasing for residential and non-residential opportunities. These incentives will help stimulate job growth without jeopardizing our financial future. Any potential revenue not realized by offering these incentives will be more than made up for through increased taxation. Residential growth will naturally benefit as the demand increases for attainable housing in our community. As these incentives are being offered through a policy, Council can review their impact by end of 2021 and make adjustments if necessary.