



February 8, 2024

**Mayor David West and Members of Council**

City of Richmond Hill  
225 East Beaver Creek Rd.  
Richmond Hill, ON  
L4B 3P4

Sent via email to [clerks@richmondhill.ca](mailto:clerks@richmondhill.ca).

**RE: City of Richmond Hill  
Special Council Meeting | February 13, 2024**

**Item # 5.1 - SRCFS.24.003 - 2024 Development Charges Update**

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BILD has received Item 5.1 - SRCFS.24.003, the 2024 Development Charges Update, as presented on the February 13th Special Council agenda. As your community building partner and on behalf of our York Forum, BILD appreciates the opportunity to review and provide subsequent comments on this work.

We would also like to express our appreciation to City staff for the consultations conducted to date. Our discussions have proven to be productive and valuable.

To facilitate BILD's review of the Development Charges Background Study, we engaged the services of Daryl Keleher from Keleher Planning and Economic Consulting (KPEC) to assess it. These findings and outstanding questions on behalf of BILD can be found in Attachment 1, which we hope to discuss further prior to final adoption.

Thank you once again for allowing us the opportunity to provide our comments. As always, please do not hesitate to contact the undersigned for any further discussions or clarifications.

Kind regards,

**Victoria Mortelliti, MCIP, RPP.**

Senior Manager, Policy & Advocacy

CC: BILD York Forum Members  
Daryl Keleher, Keleher Planning and Economic Consulting (KPEC)  
Ilan Treiger, City of Richmond Hill

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*The Building Industry and Land Development Association is an advocacy and educational group representing the building, land development and professional renovation industry in the Greater Toronto Area. BILD is the largest home builders' association in Canada, and is affiliated with the Ontario Home Builders' Association and the Canadian Home Builders' Association. It's 1,300 member companies consists not only of direct industry participants but also of supporting companies such as financial and professional service organizations, trade contractors, as well as manufacturers and suppliers of home-related products.*

January 30, 2024

Memorandum to: Victoria Mortelliti  
BILD

From: Daryl Keleher, MCIP, RPP, Principal  
Keleher Planning & Economic Consulting Inc.

Re: Richmond Hill DC / ASDC Review  
Our File: P1082

Keleher Planning & Economic Consulting Inc. was retained by BILD to review the DC background studies prepared for the City of Richmond Hill to update their City-wide DC rates and the Area-Specific DC (ASDC) rates.

### Changes to DC Rates

The City-wide DC rates are proposed to increase by 54% per single-detached unit (SDU), and between 43% and 58% for other residential dwelling types. The non-residential DC rates are proposed to increase by 41% for Retail uses and 55% for Non-Retail uses. The various service-specific DC rates are each increasing from a low of 44% (Engineering Services) to a high of 93% (Fire).

*Figure 1*

### Current and Proposed City-Wide DC Rates, City of Richmond Hill

DC Service	Proposed DC		Change	% Change
	Current DC Rates	Rates		
Engineering Services	\$ 11,024	\$ 15,885	\$ 4,861	44%
Public Works	\$ 1,258	\$ 1,849	\$ 591	47%
Fire Protection Services	\$ 671	\$ 1,297	\$ 626	93%
Parks and Recreation Services	\$ 13,648	\$ 22,750	\$ 9,102	67%
Library Services	\$ 1,964	\$ 3,169	\$ 1,205	61%
Growth Studies	\$ 545	\$	\$ (545)	-100%
Total per SDU	\$ 29,110	\$ 44,950	\$ 15,840	54%
Multiples	\$ 23,832	\$ 37,372	\$ 13,540	57%
Apartments >700SF	\$ 19,854	\$ 28,387	\$ 8,533	43%
Apartments <700SF	\$ 12,753	\$ 20,151	\$ 7,398	58%
Retail (\$/m2)	\$ 126.19	\$ 177.60	\$ 51.41	41%
Non-Retail (\$/m2)	\$ 92.11	\$ 142.62	\$ 50.51	55%

Source: Watson & Associates, City of Richmond Hill DC Study

## QUESTIONS AND COMMENTS

- 1) Can a list of projects comprising the City's DC Commitments (totalling \$49.15 million as per Table 4-2) be provided to ensure no double counting with the projects included in the DC study's capital project listing?

### Public Works

- 2) What is the basis for the 10% BTE deduction for the "North Operations Yard Expansion and Retrofit" project? What proportion of the costs are related to the 'retrofit' versus the expansion?
- 3) The 2021 DC Study included \$785,000 for "Various Vehicles", which has been increased to \$5.52 million in the 2023 DC Study – what is the rationale for the 600% increase in need for vehicles? The amount included in the Public Works DC is over and above the \$6.03 million in "Various Vehicles" included in the Parks & Recreation DC (which was only \$1.11 million in the 2019 DC Study).
- 4) What is the basis for the replacement cost for the Truck Wash facility increasing from \$190/sf in the 2019 DC Study to \$770/sf in the 2023 DC Study?

### Parks & Recreation

- 5) What are the "Other Deductions" for the various parkland development projects?
- 6) What is meant by projects that include the label of "Park Enhancements", such as project #1, 2, 5, 6, etc. What works are proposed to be done in a park enhancement?
- 7) Can a breakdown of costs included in the \$39.2 million David Dunlap Observatory Park, and a rationale for the 23% BTE allocation made?
- 8) What is included in the \$233 million cost for the North Leslie Community Centre?
- 9) What is the basis for the 8% BTE deduction for "Russell Tilt Park Revitalization"?
- 10) There are numerous park projects listed as "Local Parks" (projects 15, 18, 19, 22, etc.) – are these costs exclusive of types of costs classified as local costs under the City's local service policies?
- 11) The LOS analysis shows "Passive Open Space" with a development cost of \$1,117,000/acre, which is higher than the development costs for Local Parks (\$404,000/acre), Community Parks (\$362,000/acre) and Destination Parks (\$353,000 to \$888,000/acre).

Can the City provide a detailed breakdown for how the \$1,117,000/acre cost for Passive Open Space was calculated? By comparison, the cost/acre in the 2019 DC Study was \$493,700, making the 2023 DC Study values a 126% increase. This cost increase is substantially higher than the increases seen in other parkland development categories, which range from 2% to 45% increases since the 2019 DC Study.

Figure 2

**Changes to Value of Parkland Development, City of Richmond Hill DC Study**

	2019 DC Study	2023 DC Study	Change	% Change
Passive Open Space	\$ 493,700	\$ 1,117,000	\$ 623,300	126%
Local Parks	\$ 278,600	\$ 404,000	\$ 125,400	45%
Community Parks	\$ 354,600	\$ 362,000	\$ 7,400	2%
Destination Parks - Other	\$ 248,600	\$ 353,000	\$ 104,400	42%
Destination Parks - Lake Wilcox	\$ 623,900	\$ 888,000	\$ 264,100	42%
Linear Parks	\$ 248,600	\$ 305,000	\$ 56,400	23%

Source: KPEC based on City of Richmond Hill DC Studies

12) What is the basis for the substantial increase in replacement costs for the Recreation Facilities listed on page B-10 compared to the 2019 DC Study, as summarized and sampled in the table below – many of the changes to building value range upwards of 180% or higher, while values that include land value range from a decline of 62% to moderate increases of 6%, 15% and 43%, suggesting that underlying land values have declined significantly.

Figure 3

**Changes to Replacement Value of Recreation Facilities, City of Richmond Hill, 2019-2023**

	Square Footage	2019 DC Study		2019 DC Study		% Change	
		Building Value	Value/SF with Land	Building Value	Value/SF with Land	Building Value	Value/SF with Land
Richvale CC	19,298	\$ 444	\$ 1,763	\$ 1,300	\$ 1,507	193%	-15%
Bayview Hill CC	34,600	\$ 414	\$ 1,056	\$ 1,300	\$ 1,507	214%	43%
Spruce Ave Community Hall	5,000	\$ 260	\$ 1,076	\$ 362	\$ 591	39%	-45%
Lions Hall	5,470	\$ 243	\$ 1,558	\$ 339	\$ 591	40%	-62%
Lake Wilcox Community Hall	2,500	\$ 271	\$ 1,140	\$ 770	\$ 977	184%	-14%
Elgin West CC	21,100	\$ 450	\$ 1,298	\$ 1,300	\$ 1,507	189%	16%
Rouge Woods CC	28,700	\$ 428	\$ 1,419	\$ 1,300	\$ 1,507	204%	6%
Langstaff Discovery Centre	23,010	\$ 424	\$ 467	\$ 1,300	\$ 1,507	207%	223%
Oak Ridges CC	60,655	\$ 524	\$ 855	\$ 1,300	\$ 1,507	148%	76%

Source: KPEC based on City of Richmond Hill DC studies

13) The LOS inventory for Recreation Facilities includes three meeting rooms from condominium buildings, including Signature Tao (8763 Bayview), Xpressions Condo (9471 Yonge) and The Beverly Hills Condo (9251 Yonge) – what is the basis for including these in the LOS inventory – does the City own or lease these spaces?

**Library**

14) When does the City anticipate having a Library Master Plan completed to identify the specific growth-related capital needs?

15) The 2019 DC Study identified \$12.3 million in capital costs for a “Central Library Addition” and \$8.7 million for a Richmond Hill Centre Branch, with each having a BTE allocation, and the latter having a PPB allocation for a net amount included in the DC of \$12.7 million. By contrast, the 2023 DC Study provides no specifics, and includes \$44.0 million in the DC rate calculations.

Assuming that the same library projects are embedded in the 2023 DC Study and similar deductions would apply, have the project costs for the Central Library Addition and Centre Branch increased by 246% since 2019?

**Roads**

- 16) Why has the cost of the Highway 404 Overpass north of 16<sup>th</sup> Avenue increased from \$2.3 million in the 2019 DC Study (project #32) to \$22.8 million in the 2023 DC Study (project #32)?
- 17) What is the basis for the increase in Land Acquisition from \$26.9 million in the 2019 DC Study to \$135 million in the 2023 DC Study?
- 18) Do any of the projects from #1 to 20 include land acquisition assumptions in the project costs?
- 19) Can the City provide details on the recent trends in land acquisition costs incurred by the City over the past 5 years?
- 20) Can the City provide details on the quantity of land conveyed to the City via Planning Act dedication over the past 5 years?
- 21) What costs are included in the \$78 million in “AT Bridges” included in projects 39 to 49?
- 22) What is the nature of “York Region Boulevard Improvements” which are included at a cost of \$107.1 million?
- 23) What is the difference between project #38 “Sidewalks on Collector Roads” with a cost of \$20.3 million and the \$10.5 million “Sidewalk Program” (project #53)?
- 24) What is the basis for the value assigned to collector roads, which have increased from 172% to 181% since the 2019 DC Study, while arterial roads and industrial collector roads have increased 59% to 61%?
- 25) Can a breakdown be provided that shows the proportion of the LOS inventory values per km of road that relate to underlying land value?

Figure 4

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**Changes to Per Kilometre Value of Roadways, City of Richmond Hill DC Study**

	2019 DC Study	2023 DC Study	Change	% Change
2-Lane Collector	\$ 13,698,440	\$ 37,200,000	\$ 23,501,560	172%
4-Lane Collector	\$ 15,242,149	\$ 42,900,000	\$ 27,657,851	181%
Industrial Collector	\$ 16,622,149	\$ 26,500,000	\$ 9,877,851	59%
Arterial	\$ 19,834,514	\$ 31,900,000	\$ 12,065,486	61%

Source: City of Richmond Hill 2019 and 2023 DC studies

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- 26) Understanding that the project costs are fully allocated to PPB and BTE, can details for the five “Structures” projects be provided to understand what is included in the \$60 million cost for each?

- 27) What is the rationale for the 0% BTE applied to the two Highway Overpass projects - #32 north of 16<sup>th</sup> Avenue and #33 north of Major Mackenzie, given that each would appear to provide a key link for already established communities on both the east and west sides of Highway 404?
- 28) The Intersection Improvement projects appear to have two types of projects – some at \$799,500 per intersection (projects 21 and 22) and others at \$520,000 per intersection (projects 23, 24, and 25). What is the reason for the difference in project costing?
- 29) What is the rationale for the 20% BTE applied to both the East Beaver Creek Road and West Beaver Creek Road segments (each from Leslie to Highway 7)? What is the nature of these projects?

### **Wastewater / Water**

- 30) In Table 5-4, can an explanation be provided for how the value in the “Existing Pipe Related to BTE” column is greater than 100%?
- 31) In Table 5-4, can an explanation be provided for how the value in the “% of Pipe Cost Related to Upsizing” be a negative value (-35%) for project WW-10?
- 32) How is the cost per metre of the new 600mm pipe WW-10 less than the cost for the 450mm pipe?
- 33) Can the detailed information regarding expected useful life and year of replacement data used to calculate the amounts in the column titled “Total Cost of Existing Pipe” be provided for both Tables 5-4 and 5-5?
- 34) The costing for 250mm pipes in Table 5-5 varies from \$4,240/m (project W6.2), \$2,961/m (project W7.1), \$2,765/m (W9.1). Similarly, the costs for the 150mm pipes vary from \$1,368/m to \$2,102/m. What is the rationale for the variable unit costs?
- 35) What is the difference between projects 11.2 and 11.3, both of which are 300mm watermains, each located on “Yonge Street East Side north of Clarissa Dr.” – is the one that is ‘new’ twinning the one that is being replaced? A similar issue appears in projects 14.1/14.2/14.3.

### **Population, Household and Employment Forecasts**

- 36) The forecast PPU based on Schedule 7 show the calculated 25-year historic average, which is then adjusted, resulting in a 25-year forecast of PPUs by unit type. The effect of these adjustments is fairly minimal and was also limited in its effect in the 2019 DC Study for all unit types. However, for apartment units in the 2023 DC Study, the adjustment is significant – can the rationale for the scale of the adjustment be provided?