



2020 Development Charges Background Study

Town of Gananoque

For Public Circulation and Comment

November 24, 2020

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Table of Contents

	Page
1. Introduction.....	1-1
1.1 Purpose of this Document.....	1-1
1.2 Summary of the Process.....	1-1
1.3 Changes to the Development Charges Act, 1997: More Homes, More Choice Act (Bill 108) the Plan to Build Ontario Together Act (Bill 138), and the COVID-19 Economic Recovery Act (Bill 197)	1-3
2. Anticipated Development in the Town of Gananoque.....	2-1
2.1 Requirement of the Act	2-1
2.2 Basis of Population, Household and Non-Residential Gross Floor Area Forecast	2-1
2.3 Summary of Growth Forecast	2-2
3. The Approach to the Calculation of the Charge	3-1
3.1 Introduction	3-1
3.2 Services Potentially Involved	3-1
3.3 Increase in Need for Service.....	3-2
3.4 Local Service Policy.....	3-7
3.5 Capital Forecast.....	3-7
3.6 Treatment of Credits	3-8
3.7 Classes of Services	3-9
3.8 Eligible Debt and Committed Excess Capacity	3-9
3.9 Existing Reserve Funds	3-10
3.10 Deductions.....	3-10
3.11 Municipal-wide vs. Area Rating.....	3-13
3.12 Allocation of Development	3-13
4. Development Charge Eligible Cost Analysis by Service	4-1
4.1 Service Levels and 10-Year Capital Costs for Municipal-Wide D.C. Calculation	4-1



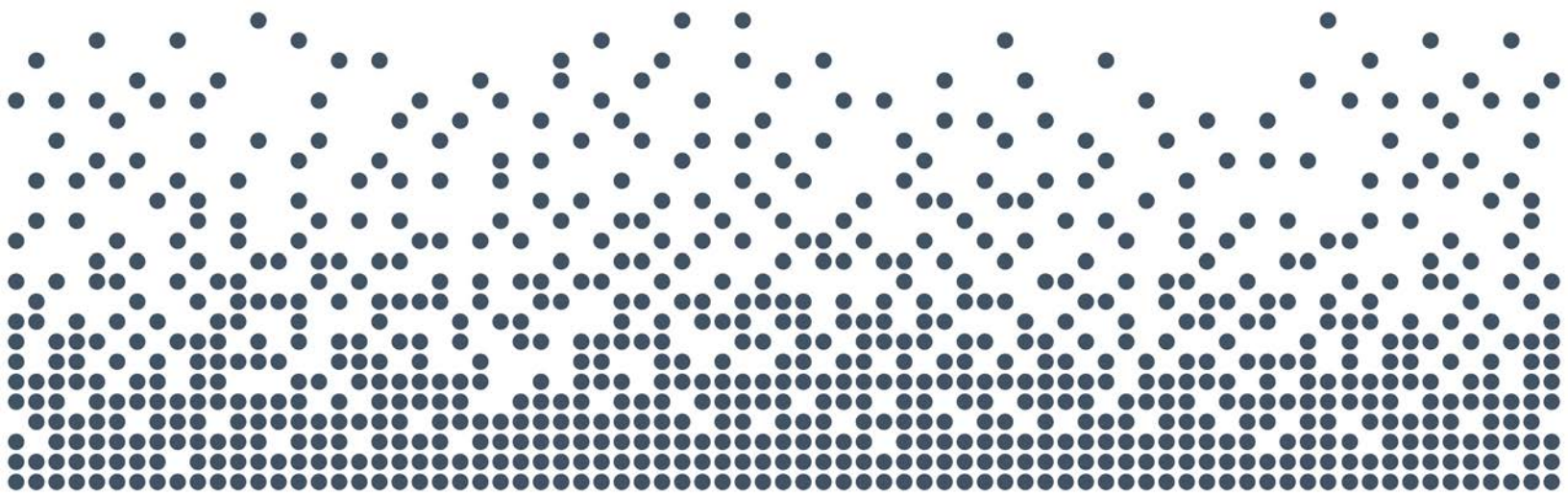
Table of Contents (Cont'd)

	Page
4.2 Service Levels and Buildout Capital Costs for Urban D.C. Calculation.....	4-7
5. D.C. Calculation	5-1
6. D.C. Policy Recommendations and D.C. Policy Rules	6-1
6.1 Introduction	6-1
6.2 D.C. By-law Structure	6-1
6.3 D.C. By-law Rules.....	6-2
6.4 Other D.C. By-law Provisions	6-6
6.5 Other Recommendations	6-7
7. Asset Management Plan	7-1
8. By-law Implementation	8-1
8.1 Public Consultation Process	8-1
8.2 Anticipated Impact of the Charge on Development.....	8-2
8.3 Implementation Requirements	8-3
Appendix A Background Information on Residential and Non-Residential Growth Forecast.....	A-1
Appendix B Historical Level of Service Calculations.....	B-1
Appendix C Long Term Capital and Operating Cost Examination.....	C-1
Appendix D Local Service Policy.....	D-1
Appendix E Proposed Development Charges By-law.....	E-1



List of Acronyms and Abbreviations

Acronym	Full Description of Acronym
D.C.	Development charge
D.C.A.	<i>Development Charges Act</i> , 1997 as amended
G.F.A.	Gross floor area
L.P.A.T.	Local Planning Appeal Tribunal
N.A.I.C.S.	North American Industry Classification System
N.F.P.O.W.	No Fixed Place of Work
O.M.B.	Ontario Municipal Board
O.P.A.	Official Plan Amendment
O.Reg.	Ontario Regulation
P.O.A.	Provincial Offences Act
P.P.U.	Persons per unit
S.D.E.	Single detached equivalent
S.D.U.	Single detached unit
s.s.	Subsection
sq.ft.	square foot
sq.m.	square metres
km	kilometers



Report



Chapter 1

Introduction



1. Introduction

1.1 Purpose of this Document

This background study has been prepared pursuant to the requirements of the *Development Charges Act 1997* (D.C.A.) (s.10), and accordingly, recommends new Development Charges (D.C.s) and policies for the Town of Gananoque (Town).

The Town retained Watson & Associates Economists Ltd. (Watson) to undertake the D.C. study process. Watson worked with Town staff in preparing this D.C. analysis and the policy recommendations.

This D.C. background study, containing the proposed D.C. by-law, will be distributed to members of the public in order to provide interested parties with sufficient background information on the legislation, the study's recommendations, and an outline of the basis for these recommendations.

This report has been prepared, in the first instance, to meet the statutory requirements applicable to the Town's D.C. background study, as summarized in Chapter 3. It also addresses the forecast amount, type, and location of growth (Chapter 2), the requirement for "rules" governing the imposition of the charges (Chapter 6) and the proposed by-law to be made available as part of the approval process (Appendix E).

In addition, the D.C. background study addresses post-adoption implementation requirements (Chapter 8) which are critical to the successful application of the new policy.

The chapters in the report are supported by Appendices containing the data required to explain and substantiate the calculation of the charge.

1.2 Summary of the Process

The public meeting required under Section 12 of the D.C.A. will be scheduled, at the earliest, two weeks after the posting of the D.C. background study and draft D.C. by-law on the Town's website. Its purpose is to present the background study and draft D.C. by-law to the public and to solicit public input on the matter. The public meeting is also



being held to answer any questions regarding the study's purpose, methodology, and the proposed modifications to the Town's D.C. by-law.

In accordance with the legislation, the background study and proposed D.C. by-law will be available for public review at least 60 days prior to by-law passage.

The process to be followed in finalizing the report and recommendations includes:

- consideration of responses received prior to, at or immediately following the public meeting; and
- finalization of the report and Council consideration of the by-law subsequent to the public meeting.

Table 1-1 outlines the study process to date and the proposed schedule to be followed with respect to the D.C. by-law adoption process.

Table 1-1
Schedule of Key D.C. Process Dates

Process Steps	Dates
1. Project initiation meeting with Town Staff	November 25, 2019
2. Data collection, staff interviews, and preparation of D.C. calculations	December 2019 – September 2020
3. Presentation of D.C. calculations to Senior Management Team	September 9, 2020
4. Presentation of draft findings and D.C. policy discussion with Town Staff	October 1, 2020
5. Presentation of draft findings and D.C. policy discussion to Council	October 20, 2020
6. D.C. Background Study and draft D.C. by-law available to public	November 24, 2020



Process Steps	Dates
7. Public Meeting of Council	To be determined
8. D.C. By-law passage	To be determined
9. Newspaper notice given of by-law passage	By 20 days after passage
10. Last day for by-law appeal	40 days after passage
11. Town makes available D.C. pamphlet	by 60 days after in force date

1.3 Changes to the Development Charges Act, 1997: More Homes, More Choice Act (Bill 108) the Plan to Build Ontario Together Act (Bill 138), and the COVID-19 Economic Recovery Act (Bill 197)

On May 2, 2019, the Province introduced Bill 108, which proposed changes to the D.C.A. The Bill was introduced as part of the Province's *"More Homes, More Choice: Ontario's Housing Supply Action Plan."* The Bill received Royal Assent on June 6, 2019.

While having received Royal Assent, many of the amendments to the D.C.A. would not come into effect until proclaimed by the Lieutenant Governor. As of January 1, 2020, the following provisions had been proclaimed:

- Transitional provisions were in effect which have been replaced by updated provisions within Bill 197.
- Effective January 1, 2020, rental housing and institutional developments will pay D.C.s in six equal annual installments, with the first payment commencing at the date of occupancy. Non-profit housing developments will pay D.C.s in 21 equal annual installments. Interest may be charged on the installments, and any unpaid amounts may be added to the property and collected as taxes.



- Effective January 1, 2020, the D.C. amount for all developments occurring within two years of a site plan or zoning by-law amendment planning approval (for applications submitted after this section is proclaimed) shall be determined based on the D.C. charge in effect on the day of site plan or zoning by-law amendment application. If the development is not proceeding via these planning approvals, or if the building permit is issued after the two-year period of application approval, then the amount is determined the earlier of the date of issuance of a building permit or occupancy.

In response to the global pandemic that began affecting Ontario in early 2020, the Province released Bill 197, the *COVID-19 Economic Recovery Act*, which provided amendments to a number of Acts, including the D.C.A. and *Planning Act*. This Bill also revised some of the proposed changes identified in Bill 108. Bill 197 was tabled on July 8, 2020 and received Royal Assent on July 21, 2020, however, the changes would not come into effect until proclaimed by the Lieutenant Governor. On September 18, 2020 the Province proclaimed the remaining amendments to the D.C.A. that were made through Bill 108 and Bill 197. The following provides a summary of the changes to the D.C.A. that are now in effect:

List of D.C. Eligible Services

- Under Bill 108 some services were to be included under the D.C.A. and some would be included under the Community Benefits Charge (C.B.C.) authority. However, Bill 197 revised this proposed change and has included all services (with some exceptions) under the D.C.A. These services are as follows:
 - Water supply services, including distribution and treatment services.
 - Wastewater services, including sewers and treatment services.
 - Storm water drainage and control services.
 - Services related to a highway.
 - Electrical power services.
 - Toronto-York subway extension, as defined in subsection 5.1 (1).
 - Transit services other than the Toronto-York subway extension.
 - Waste diversion services.
 - Policing services.
 - Fire protection services.
 - Ambulance services.



- Library Services.
- Long-term care services.
- Parks and recreation services (but not the acquisition of land for parks).
- Public health services.
- Childcare and early years services.
- Housing services.
- Provincial Offences Act Services.
- Services related to emergency preparedness.
- Services related to airports, but only in the Regional Municipality of Waterloo.
- Additional services as prescribed

Classes of D.C. Services

The D.C.A. had allowed for categories of services to be grouped together into a minimum of two categories (90% and 100% services).

The Act (as proclaimed) repeals that provision and replaces the above with the four following subsections:

- A D.C. by-law may provide for any eligible service or capital cost related to any eligible service to be included in a class, set out in the by-law.
- A class may be composed of any number or combination of services and may include parts or portions of the eligible services or parts or portions of the capital costs in respect of those services.
- A D.C. by-law may provide for a class consisting of studies in respect of any eligible service whose capital costs are described in paragraphs 5 and 6 of s. 5 of the D.C.A.
- A class of service set out in the D.C. by-law is deemed to be a single service with respect to reserve funds, use of monies, and credits.

10% Statutory Deduction

As well, the removal of 10% deduction for soft services under Bill 108 has been maintained.



Statutory Exemptions

Statutory exemptions to the payment of D.C.s for the creation of secondary residential dwelling units in prescribed classes of existing residential buildings or structures ancillary to existing residential buildings. Furthermore, the creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to dwellings.

Transition

Services, other than those described in paragraphs 1 to 10 of subsection 2 (4) of the D.C.A. (i.e. 'soft services') within an existing D.C. by-law can remain in effect, even if the by-law expires, until the earlier of the day the by-law is repealed, the day the municipality passes a C.B.C. by-law under subsection 37 (2) of the *Planning Act*, or the specified date (i.e. September 18, 2022).



Chapter 2

Anticipated Development in the Town of Gananoque



2. Anticipated Development in the Town of Gananoque

2.1 Requirement of the Act

Chapter 3 provides the methodology for calculating a D.C. as per the D.C.A. Figure 3-1 presents this methodology graphically. It is noted in the first box of the schematic that in order to determine the D.C. that may be imposed, it is a requirement of Section 5 (1) of the D.C.A. that “the anticipated amount, type and location of development, for which development charges can be imposed, must be estimated.”

The growth forecast contained in this chapter (with supplemental tables in Appendix A) provides for the anticipated development for which the Town will be required to provide services, over a 10-year (late-2020 to late-2030) and longer-term (late-2020 to buildout) time horizon.

2.2 Basis of Population, Household and Non-Residential Gross Floor Area Forecast

The D.C. growth forecast has been derived by Watson. In preparing the growth forecast, the following information sources were consulted to assess the residential and non-residential development potential for the Town over the forecast period, including:

- Town of Gananoque Official Plan, September 15, 2009;
- Town of Gananoque Updated Uncommitted Reserve Capacity Calculation – July 2019 Memorandum, J.L. Richards and Associates Limited, July 25, 2019;
- 2006, 2011 and 2016 population, household, and employment Census data;
- Historical residential and non-residential building permit data over the 2010 to 2019 period;
- Residential supply opportunities as provided by the Town; and
- Discussions with Town staff regarding anticipated residential and non-residential development.

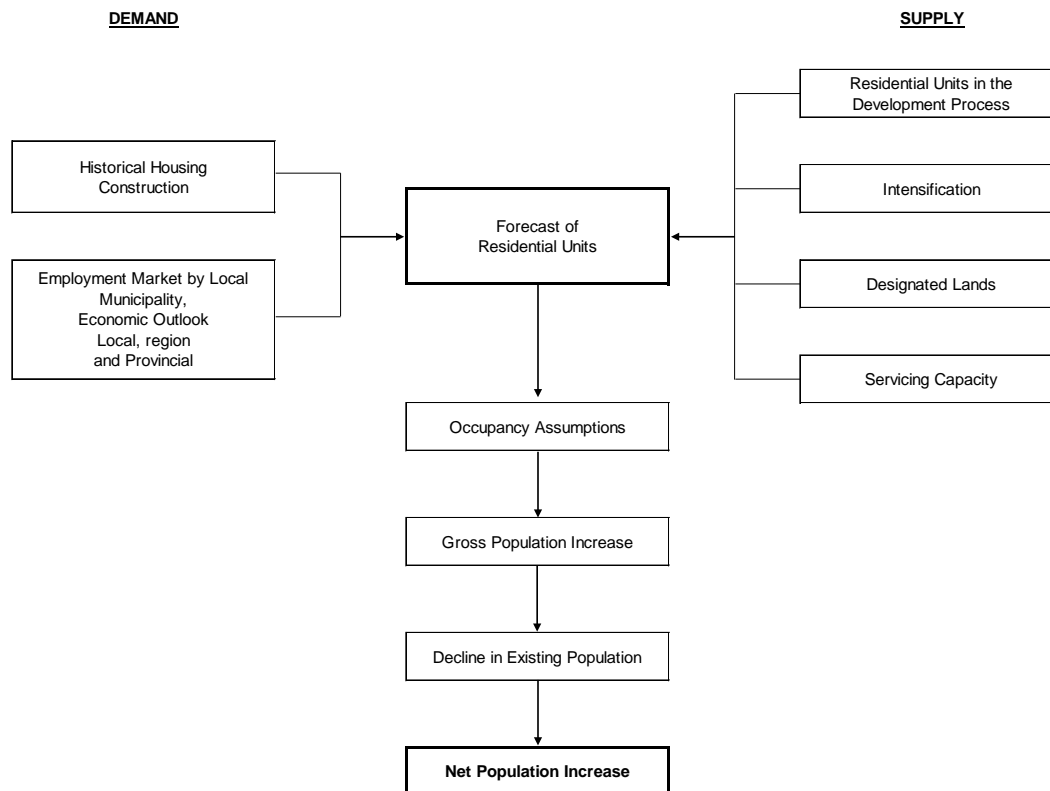


2.3 Summary of Growth Forecast

A detailed analysis of the residential and non-residential growth forecasts is provided in Appendix A and the methodology employed is illustrated in Figure 2-1. The discussion provided herein summarizes the anticipated growth for the Town and describes the basis for the forecast. The results of the residential growth forecast analysis are summarized in Table 2-1 below, and Schedule 1 in Appendix A.

As identified in Table 2-1 and Appendix A, Schedule 1, population in the Town is anticipated to reach approximately 5,870 by late-2030 and 6,660 by buildout, resulting in an increase of approximately 440 and 1,230 persons, respectively¹

Figure 2-1
Population and Household Forecast Model



¹ The population figures used in the calculation of the 2020 D.C. exclude the net Census undercount, which is estimated at approximately 2.4%.



**Table 2-1
Town of Gananoque
Residential Growth Forecast Summary**

	Year	Population (Including Census Undercount) ¹	Excluding Census Undercount			Housing Units				Person Per Unit (P.P.U.): Total Population/ Total Households	
			Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi- Detached	Multiple Dwellings ²	Apartments ³	Other		Total Households
Historical	<i>Mid 2006</i>	5,410	5,285	160	5,125	1,500	195	615	5	2,315	2.283
	<i>Mid 2011</i>	5,320	5,194	164	5,030	1,509	196	631	10	2,346	2.214
	<i>Mid 2016</i>	5,280	5,159	164	4,995	1,535	200	655	10	2,400	2.150
Forecast	<i>Late 2020</i>	5,560	5,427	173	5,254	1,568	203	788	10	2,570	2.112
	<i>Late 2030</i>	6,010	5,865	186	5,679	1,660	225	968	10	2,862	2.049
	<i>Buildout</i>	6,816	6,655	225	6,430	1,823	266	1,259	10	3,358	1.982
Incremental	Mid 2006 - Mid 2011	-90	-91	4	-95	9	1	16	5	31	
	Mid 2011 - Mid 2016	-40	-35	0	-35	26	4	24	0	54	
	Mid 2016 - Late 2020	280	268	9	259	33	3	133	0	170	
	Late 2020 - Late 2030	450	438	13	425	91	22	179	0	293	
	Late 2020 - Buildout	1,256	1,228	52	1,176	255	63	471	0	789	

Source: Derived by Watson & Associates Economists Ltd., 2020.

Note: Buildout is based on wastewater capacity.

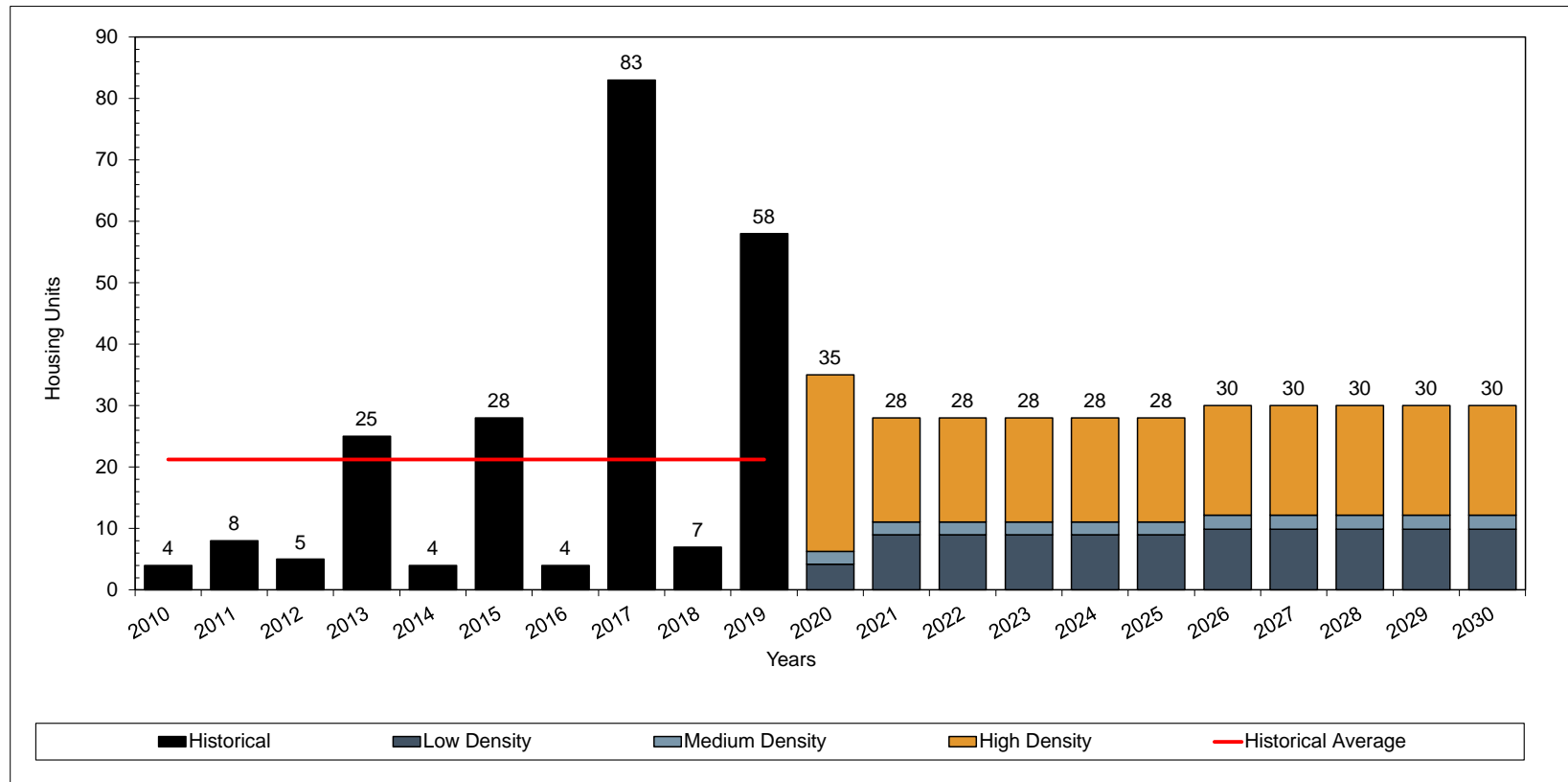
¹ Census undercount estimated at approximately 2.4%. Note: Population including the undercount has been rounded.

² Includes townhouses and apartments in duplexes.

³ Includes bachelor, 1-bedroom and 2-bedroom+ apartments.



Figure 2-2
Town of Gananoque
Annual Housing Forecast



Source: Historical housing activity derived from Statistics Canada building permit data for the Town of Gananoque, 2010-2015, and from Town of Gananoque building permit data from 2016-2019.

¹ Growth forecast represents calendar year.



Provided below is a summary of the key assumptions and findings regarding the Town's D.C. growth forecast:

1. Housing Unit Mix (Appendix A – Schedules 1 and 6)

- The housing unit mix for the Town was derived from a detailed review of historical development activity (as per Schedule 6), as well as active residential development applications and discussions with Town staff regarding anticipated development trends.
- Based on the above indicators, the 2020 to 2030 household growth forecast for the Town is comprised of a unit mix of 31% low density units (single detached and semi-detached), 8% medium density (multiples except apartments) and 61% high density (bachelor, 1-bedroom and 2-bedroom apartments).

2. Geographic Location of Residential Development (Appendix A – Schedule 2)

- Schedule 2 summarizes the anticipated amount, type, and location of development by servicing area for the Town.
- In accordance with forecast demand and available land supply, the amount and percentage of forecast housing growth between 2020 and 2030 by development type is summarized below.

Development Location	Approximate Amount of Housing Growth, 2020 to 2030	Percentage of Housing Growth, 2020 to 2030
Urban	288	98%
Rural	5	2%
<i>Town Total</i>	293	100%

3. Planning Period

- Short- and longer-term time horizons are required for the D.C. process. The D.C.A. limits the planning horizon for transit services to a 10-year planning horizon. All other services can utilize a longer planning period if the municipality



has identified the growth-related capital infrastructure needs associated with the longer-term growth planning period.

4. Population in New Housing Units (Appendix A - Schedules 3, 4 and 5)

- The number of housing units to be constructed by 2030 in the Town over the forecast period is presented in Figure 2-2. Over the 2020-2030 forecast period, the Town is anticipated to average 29 new housing units per year.
- Institutional population¹ is anticipated to increase by approximately 13 people between 2020-2030.
- Population in new units is derived from Schedules 3, 4, and 5, which incorporate historical development activity, anticipated units (see unit mix discussion) and average persons per unit (P.P.U.) by dwelling type for new units.
- Schedule 7 summarizes the average P.P.U. assumed for new housing units by age and type of dwelling based on Statistics Canada 2016 custom Census data for the Town. Due to data limitations, low, medium and high density P.P.U. data was derived from United Counties of Leeds and Grenville, which includes the Town, and is outlined in Schedule 7. The total calculated P.P.U. for all density types has been adjusted upward to account for the P.P.U. trends which has been recently experienced in both new and older units. Forecasted 25-year average P.P.U.s by dwelling type are as follows:
 - Low density: 2.632
 - Medium density: 1.898
 - High density²: 1.548

5. Existing Units and Population Change (Appendix A - Schedules 3, 4 and 5)

- Existing households for late-2020 are based on the 2016 Census households, plus estimated residential units constructed between mid-2016 and Early-2020, assuming a 6-month lag between construction and occupancy (see Schedule 3).
- The decline in average occupancy levels for existing housing units is calculated in Schedules 3 through 5, by aging the existing population over the forecast

¹ Institutional population largely includes special care facilities such as nursing home or residences for senior citizens. A P.P.U. of 1.100 depicts 1-bedroom and 2- or more bedroom units in collective households.

² Includes bachelor, 1-bedroom and 2- or more bedroom apartments.



period. The forecast population decline in existing households over the 2020-2030 forecast period is approximately 134.

6. Employment (Appendix A, Schedules 9a, 9b, 9c)

- The employment projections provided herein are largely based on the activity rate method, which is defined as the number of jobs in the Town divided by the number of residents. Key employment sectors include primary, industrial, commercial/ population-related, institutional, and work at home, which are considered individually below.
- 2016 employment data¹ (place of work) for the Town is outlined in Schedule 9a. The 2016 employment base is comprised of the following sectors:
 - 0 primary (0%);
 - 120 work at home employment (5%);
 - 693 industrial (27%);
 - 1,333 commercial/population related (52%); and
 - 415 institutional (16%).
- The 2016 employment by usual place of work, including work at home, is 2,560. An additional 170 employees have been identified for the Town in 2016 that have no fixed place of work (N.F.P.O.W.).²
- Total employment, including work at home and N.F.P.O.W. for the Town is anticipated to reach approximately 3,080 by late-2030 and 3,580 by buildout. This represents an employment increase of approximately 290 for the 10-year forecast period and 780 for the longer-term forecast period.
- Schedule 9b, Appendix A, summarizes the employment forecast, excluding work at home employment and N.F.P.O.W. employment, which is the basis for the D.C. employment forecast. The impact on municipal services from work at home employees has already been included in the population forecast. The need for municipal services related to N.F.P.O.W. employees has largely been included in the employment forecast by usual place of work (i.e. employment and gross floor

¹ 2016 employment is based on Statistics Canada 2016 Place of Work Employment dataset by Watson & Associates Economists Ltd.

² No fixed place of work is defined by Statistics Canada as "persons who do not go from home to the same work place location at the beginning of each shift". Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc.



area generated from N.F.P.O.W. construction employment). Furthermore, since these employees have no fixed work address, they cannot be captured in the non-residential gross floor area (G.F.A.) calculation.

- Total employment for the Town (excluding work at home and N.F.P.O.W. employment) is anticipated to reach approximately 2,690 by late-2030 and 3,060 by buildout. This represents an employment increase of approximately 210 for the 10-year forecast period and 580 for the longer-term forecast period.

7. Non-Residential Sq.ft. Estimates (G.F.A., Appendix A, Schedule 9b)

- Square footage estimates were calculated in Schedule 9b based on the following employee density assumptions:
 - 1,300 sq.ft. per employee for industrial;
 - 550 sq.ft. per employee for commercial/population-related; and
 - 700 sq.ft. per employee for institutional employment.
- The Town-wide incremental Gross Floor Area (G.F.A.) is anticipated to increase by 145,800 sq.ft. over the 10-year forecast period and 399,900 sq.ft. over the longer-term forecast period.
- In terms of percentage growth, the 2020 to 2030 incremental G.F.A. forecast by sector is broken down as follows:
 - industrial – 25%;
 - commercial/population-related – 52%; and
 - institutional – 23%.

8. Geography of Non-Residential Development (Appendix A, Schedule 9c)

- Schedule 9c summarizes the anticipated amount, type and location of non-residential development by servicing area for the Town by area.
- Total non-residential growth between 2020-2030 is forecast within the urban serviced area of the Town.



Chapter 3

The Approach to the Calculation of the Charge



3. The Approach to the Calculation of the Charge

3.1 Introduction

This chapter addresses the requirements of s.s.5(1) of the D.C.A. with respect to the establishment of the need for service which underpins the D.C. calculation. These requirements are illustrated schematically in Figure 3-1.

3.2 Services Potentially Involved

s.s.2 (4) of the D.C.A. sets out the eligible services that can be included in a D.C. By-law as follows:

- Water supply services, including distribution and treatment services.
- Wastewater services, including sewers and treatment services.
- Storm water drainage and control services.
- Services related to a highway.
- Electrical power services.
- Toronto-York subway extension, as defined in subsection 5.1 (1).
- Transit services other than the Toronto-York subway extension.
- Waste diversion services.
- Policing services.
- Fire protection services.
- Ambulance services.
- Library Services.
- Long-term care services.
- Parks and recreation services (but not the acquisition of land for parks).
- Public health services.
- Childcare and early years services.
- Housing services.
- Provincial Offences Act Services.
- Services related to emergency preparedness.
- Services related to airports, but only in the Regional Municipality of Waterloo.
- Additional services as prescribed.



In addition to the above eligible services, the D.C.A. also sets out in s.s.7 (3) that a development charge by-law may provide for a class consisting of studies.

Two ineligible costs defined in s.s.5(3) of the D.C.A. are “computer equipment” and “rolling stock with an estimated useful life of (less than) seven years...” In addition, local roads are covered separately under subdivision agreements and related means (as are other local services).

Table 3-1 identifies the potential components within each service category, whether the Town provides the service, and whether the service has been included in the proposed D.C. by-law.

3.3 Increase in Need for Service

The D.C. calculation commences with an estimate of “the increase in the need for service attributable to the anticipated development,” for each service to be covered by the by-law. There must be some form of link or attribution between the anticipated development and the estimated increase in the need for service. While the need could conceivably be expressed generally in terms of units of capacity, s.s.5(1)3, which requires that municipal council indicate that it intends to ensure that such an increase in need will be met, suggests that a project-specific expression of need would be most appropriate.



Figure 3-1

The Process of Calculating a Development Charge under the Act that must be followed

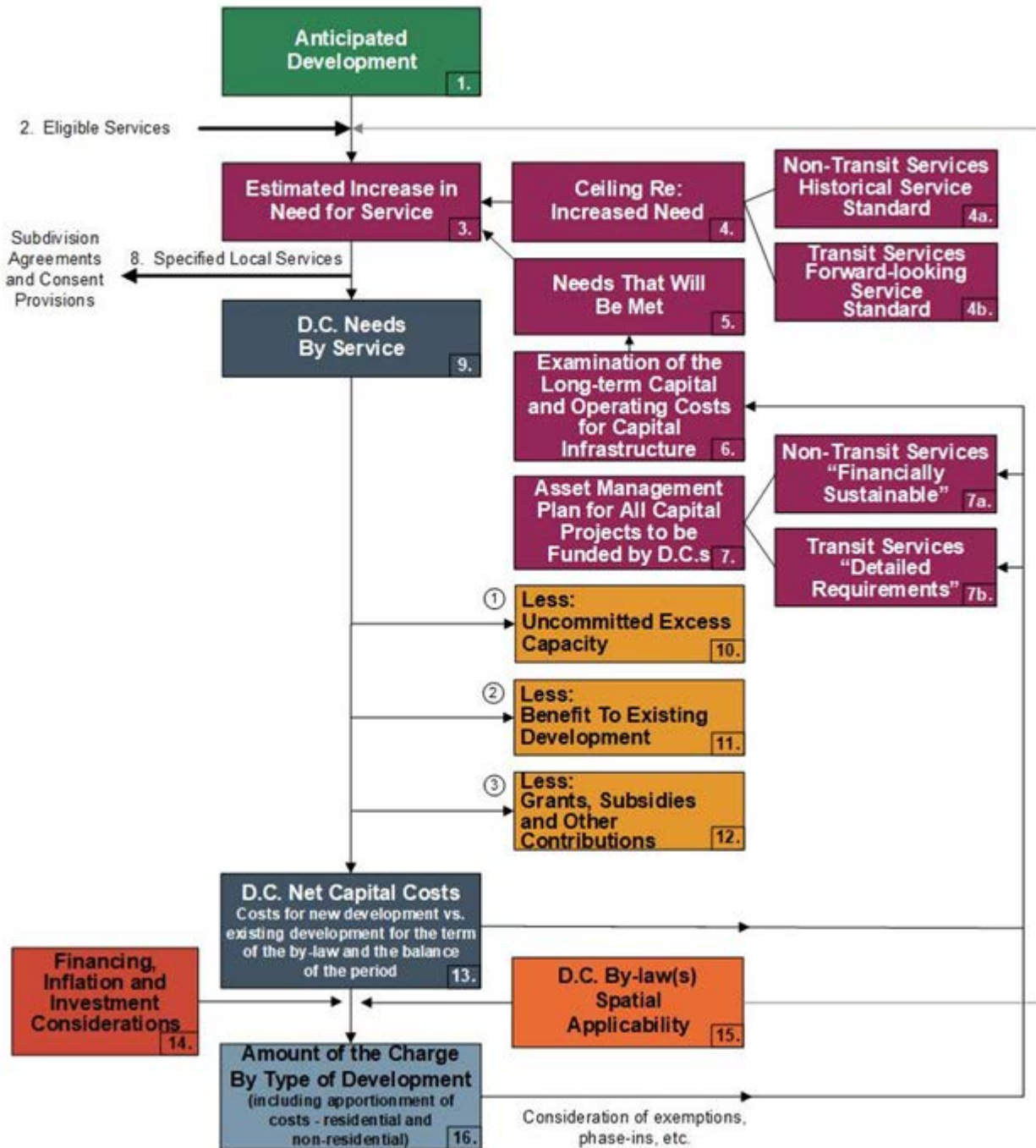




Table 3-1
Categories of Municipal Services to be Addressed as Part of the Calculation

Categories of Municipal Services	Inclusion in the D.C. Calculation	Service Components
1. Services Related to a Highway	Yes Yes Yes No Yes Yes Yes Yes Yes	1.1 Arterial roads 1.2 Collector roads 1.3 Bridges, Culverts and Roundabouts 1.4 Local municipal roads 1.5 Traffic signals 1.6 Sidewalks and streetlights 1.7 Active Transportation 1.8 Works Yard 1.9 Rolling stock ¹
2. Transit Services	n/a n/a	2.1 Transit vehicles ¹ & facilities 2.2 Other transit infrastructure
3. Stormwater Drainage and Control Services	No No No	3.1 Main channels and drainage trunks 3.2 Channel connections 3.3 Retention/detention ponds
4. Fire Protection Services	No No No	4.1 Fire stations 4.2 Fire pumpers, aerials and rescue vehicles ¹ 4.3 Small equipment and gear

¹with 7+ year life time

*same percentage as service component to which it pertains
computer equipment excluded throughout



Categories of Municipal Services	Inclusion in the D.C. Calculation	Service Components
5. Parks and Recreation Services Outdoor Recreation Services (i.e. Parks and Open Space and Indoor Recreation)	Ineligible Yes Yes Yes Yes Yes Yes Yes	5.1 Acquisition of land for parks, woodlots and E.S.A.s 5.2 Development of area municipal parks 5.3 Development of district parks 5.4 Development of municipal-wide parks 5.5 Development of special purpose parks 5.6 Parks rolling stock ¹ and yards 5.7 Arenas, indoor pools, fitness facilities, community centres, etc. (including land) 5.8 Recreation vehicles and equipment ¹
6. Library Services	No No No	6.1 Public library space (incl. furniture and equipment) 6.2 Library vehicles ¹ 6.3 Library materials
7. Electrical Power Services	n/a n/a n/a	7.1 Electrical substations 7.2 Electrical distribution system 7.3 Electrical system rolling stock
9. Wastewater Services	Yes Yes No Yes	9.1 Treatment plants 9.2 Sewage trunks 9.3 Local systems 9.4 Vehicles and equipment ¹
10. Water Supply Services	No No No No	10.1 Treatment plants 10.2 Distribution systems 10.3 Local systems 10.4 Vehicles and equipment ¹
11. Waste Diversion Services	Ineligible Ineligible n/a n/a	11.1 Landfill collection, transfer vehicles and equipment 11.2 Landfills and other disposal facilities 11.3 Waste diversion facilities 11.4 Waste diversion vehicles and equipment ¹

¹with 7+ year life time



Categories of Municipal Services	Inclusion in the D.C. Calculation	Service Components
12. Policing Services	No No No	12.1 Police detachments 12.2 Police rolling stock ¹ 12.3 Small equipment and gear
13. Long-Term Care Services	No No	13.1 Long-Term Care space 13.2 Vehicles ¹
14. Child Care and early years services	n/a n/a	14.1 Childcare space 14.2 Vehicles ¹
15. Public Health	n/a n/a	15.1 Public Health department space 15.2 Public Health department vehicles ¹
16. Housing Services	Yes	16.1 Social Housing space
17. Provincial Offences Act (P.O.A.)	n/a	17.1 P.O.A. space
18. Social Services	n/a	18.1 Social service space
19. Ambulance Services	n/a n/a	19.1 Ambulance station space 19.2 Vehicles ¹
20. Emergency Preparedness Services	No No	20.1 Emergency Preparedness Space 20.2 Equipment
21. Hospital Provision	Ineligible	21.1 Hospital capital contributions
22. Provision of Headquarters for the General Administration of Municipalities and Area Municipal Boards	Ineligible Ineligible Ineligible	22.1 Office space 22.2 Office furniture 22.3 Computer equipment
23. Other Transportation Services	Ineligible Ineligible	23.1 Ferries 23.2 Airports (in the Regional Municipality of Waterloo). 23.2 (Other)
24. Provision of Cultural, Entertainment and Tourism Facilities and Convention Centres	Ineligible Ineligible Ineligible	24.1 Cultural space (e.g. art galleries, museums and theatres) 24.2 Tourism facilities and convention centres

¹with 7+ year life time



Categories of Municipal Services	Inclusion in the D.C. Calculation	Service Components
25. Other Services	Yes	25.1 Studies in connection with acquiring buildings, rolling stock, materials and equipment, and improving land ² and facilities, including the D.C. background study cost
	No	25.2 Interest on money borrowed to pay for growth-related capital

¹with a 7+ year lifetime

²same percentage as service component to which it pertains

Eligibility for Inclusion in the D.C. Calculation	Description
Yes	Town provides the service – service has been included in the D.C. calculation.
No	Town provides the service – service has not been included in the D.C. calculation.
n/a	Town does not provide the service.
Ineligible	Service is ineligible for inclusion in the D.C. calculation.

3.4 Local Service Policy

Some of the need for services generated by additional development consists of local services related to a plan of subdivision. As such, they will be required as a condition of subdivision agreements or consent conditions. A copy of the Town’s Local Service Policies is included in this report as Appendix D.

3.5 Capital Forecast

Paragraph 7 of s.s.5(1) of the D.C.A. requires that, “the capital costs necessary to provide the increased services must be estimated.” The Act goes on to require two potential cost reductions and the Regulation sets out the way in which such costs are to be presented. These requirements are outlined below.



These estimates involve capital costing of the increased services discussed above. This entails costing actual projects or the provision of service units, depending on how each service has been addressed.

The capital costs include:

- a) costs to acquire land or an interest therein (including a leasehold interest);
- b) costs to improve land;
- c) costs to acquire, lease, construct or improve buildings and structures;
- d) costs to acquire, lease or improve facilities, including rolling stock (with a useful life of 7 or more years), furniture and equipment (other than computer equipment), materials acquired for library circulation, reference or information purposes;
- e) interest on money borrowed to pay for the above-referenced costs;
- f) costs to undertake studies in connection with the above-referenced matters; and
- g) costs of the D.C. background study.

In order for an increase in need for service to be included in the D.C. calculation, municipal council must indicate "...that it intends to ensure that such an increase in need will be met" (s.s.5(1)3). This can be done if the increase in service forms part of a Council-approved Official Plan, capital forecast or similar expression of the intention of Council (O.Reg. 82/98 s.3). The capital program contained herein reflects the Town's approved and proposed capital budgets, master plans, and other reports presented to Council.

3.6 Treatment of Credits

Section 8 para. 5 of O.Reg. 82/98 indicates that a D.C. background study must set out, "the estimated value of credits that are being carried forward relating to the service." s.s.17 para. 4 of the same Regulation indicates that, "...the value of the credit cannot be recovered from future D.C.s," if the credit pertains to an ineligible service. This implies that a credit for eligible services can be recovered from future D.C.s. As a result, this provision should be made in the calculation, in order to avoid a funding shortfall with respect to future service needs.



3.7 Classes of Services

Section 7 of the D.C.A. states that a D.C. by-law may provide for any D.C. eligible service or the capital costs with respect to those services. Further, a class may be composed of any number or combination of services and may include parts or portions of each D.C. eligible services. With respect to growth-related studies, Section 7(3) of the D.C.A. states that:

“For greater certainty, a development charge by-law may provide for a class consisting of studies in respect of any service listed in subsection 2 (4) whose capital costs are described in paragraphs 5 and 6 of subsection 5 (3).”

These provisions allow for services to be grouped together to create a class for the purposes of the D.C. by-law and D.C. reserve funds. The D.C. calculations and draft by-law provided herein include a class for growth studies. This class is comprised of the following services:

- Growth Studies
 - Roads and Related Services;
 - Parks and Recreation Services; and
 - Wastewater Services.

3.8 Eligible Debt and Committed Excess Capacity

Section 66 of the D.C.A. states that for the purposes of developing a D.C. by-law, a debt incurred with respect to an eligible service may be included as a capital cost, subject to any limitations or reductions in the Act. Similarly, s.18 of O.Reg. 82/98 indicates that debt with respect to an ineligible service may be included as a capital cost, subject to several restrictions.

In order for such costs to be eligible, two conditions must apply. First, they must have funded excess capacity which is able to meet service needs attributable to the anticipated development. Second, the excess capacity must be “committed,” that is, either before or at the time it was created, Council must have expressed a clear intention that it would be paid for by D.C.s or other similar charges. For example, this may have been done as part of previous D.C. processes.



3.9 Existing Reserve Funds

Section 35 of the D.C.A. states that:

“The money in a reserve fund established for a service may be spent only for capital costs determined under paragraphs 2 to 8 of subsection 5(1).”

There is no explicit requirement under the D.C.A. calculation method set out in s.s.5(1) to net the outstanding reserve fund balance as part of making the D.C. calculation; however, s.35 does restrict the way in which the funds are used in future. As the Town does not currently impose D.C.s there are no existing D.C. Reserve Funds balances.

3.10 Deductions

The D.C.A. potentially requires that four deductions be made to the increase in the need for service. These relate to:

- the level of service ceiling;
- uncommitted excess capacity;
- benefit to existing development; and
- anticipated grants, subsidies and other contributions;

The requirements behind each of these reductions are addressed as follows:

3.10.1 Reduction Required by Level of Service Ceiling

This is designed to ensure that the increase in need included in 4.3 does “...not include an increase that would result in the level of service (for the additional development increment) exceeding the average level of the service provided in the Town over the 10-year period immediately preceding the preparation of the background study...” O.Reg. 82.98 (s.4) goes further to indicate that “...both the quantity and quality of a service shall be taken into account in determining the level of service and the average level of service.”

In many cases, this can be done by establishing a quantity measure in terms of units as floor area, land area or road length per capita and a quality measure, in terms of the average cost of providing such units based on replacement costs, engineering



standards or recognized performance measurement systems, depending on circumstances. When the quantity and quality factor are multiplied together, they produce a measure of the level of service, which meets the requirements of the Act, i.e. cost per unit.

With respect to transit services, the changes to the Act as a result of Bill 73 have provided for an alternative method for calculating the services standard ceiling. Transit services must now utilize a forward-looking service standard analysis, described further in Section 5.1.3.

The average service level calculation sheets for each service component in the D.C. calculation are set out in Appendix B.

3.10.2 Reduction for Uncommitted Excess Capacity

Paragraph 5 of s.s.5(1) requires a deduction from the increase in the need for service attributable to the anticipated development that can be met using the Town's "excess capacity," other than excess capacity which is "committed."

"Excess capacity" is undefined, but in this case must be able to meet some or all of the increase in need for service, in order to potentially represent a deduction. The deduction of uncommitted excess capacity from the future increase in the need for service would normally occur as part of the conceptual planning and feasibility work associated with justifying and sizing new facilities, e.g. if a road widening to accommodate increased traffic is not required because sufficient excess capacity is already available, then widening would not be included as an increase in need, in the first instance.

3.10.3 Reduction for Benefit to Existing Development

Section 5(1)6 of the D.C.A. provides that, "The increase in the need for service must be reduced by the extent to which an increase in service to meet the increased need would benefit existing development." The general guidelines used to consider benefit to existing development included the following:

- the repair or unexpanded replacement of existing assets that are in need of repair;



- an increase in average service level of quantity or quality (compare water as an example);
- the elimination of a chronic servicing problem not created by growth; and
- providing services where none previously existed (generally considered for water or wastewater services).

This step involves a further reduction in the need, by the extent to which such an increase in service would benefit existing development. The level of services cap in 4.9.1 is related but is not the identical requirement. Sanitary, storm and water trunks are highly localized to growth areas and can be more readily allocated in this regard than other services such as services related to a highway, which do not have a fixed service area.

Where existing development has an adequate service level which will not be tangibly increased by an increase in service, no benefit would appear to be involved. For example, where expanding existing library facilities simply replicates what existing residents are receiving, they receive very limited (or no) benefit as a result. On the other hand, where a clear existing service problem is to be remedied, a deduction should be made accordingly.

In the case of services such as recreation facilities, community parks, libraries, etc., the service is typically provided on a municipal-wide system basis. For example, facilities of the same type may provide different services (i.e. leisure pool vs. competitive pool), different programs (i.e. hockey vs. figure skating) and different time availability for the same service (i.e. leisure skating available on Wednesday in one arena and Thursday in another). As a result, residents will travel to different facilities to access the services they want at the times they wish to use them, and facility location generally does not correlate directly with residence location. Even where it does, displacing users from an existing facility to a new facility frees up capacity for use by others and generally results in only a very limited benefit to existing development. Further, where an increase in demand is not met for a number of years, a negative service impact to existing development is involved for a portion of the planning period.



3.10.4 Reduction for Anticipated Grants, Subsidies and Other Contributions

This step involves reducing the capital costs necessary to provide the increased services by capital grants, subsidies and other contributions (including direct developer contributions required due to the local service policy) made or anticipated by Council and in accordance with various rules such as the attribution between the share related to new vs. existing development (O.Reg. 82.98 s.6). That is, some grants and contributions may not specifically be applicable to growth or where Council targets fundraising as a measure to offset impacts on taxes. Moreover, Gas Tax revenues are typically used to fund non-growth-related works or the non-growth share of D.C. projects, given that the contribution is not being made in respect of particular growth-related capital projects.

3.11 Municipal-wide vs. Area Rating

This step involves determining whether all of the subject costs are to be recovered on a uniform municipal-wide basis or whether some or all are to be recovered on an area-specific basis. Under the amended D.C.A., it is now mandatory to “consider” area-rating of services (providing charges for specific areas and services), however, it is not mandatory to implement area-rating. Further discussion is provided in section 6.3.8.

3.12 Allocation of Development

This step involves relating the costs involved to anticipated development for each period under consideration and using allocations between residential and non-residential development and between one type of development and another, to arrive at a schedule of charges.



Chapter 4

Development Charge Eligible Cost Analysis by Service



4. Development Charge Eligible Cost Analysis by Service

This chapter outlines the basis for calculating eligible costs for the D.C.s. The services outlined in Sections 4.1 and 4.2, apply on a uniform-basis across the Town, while those addressed in Section 4.3 apply only to urban areas. In each case, the required calculation process set out in s.5(1) paragraphs 2 to 7 in the D.C.A. and described in Chapter 3, was followed in determining D.C. eligible costs.

The nature of the capital projects and timing identified in this Chapter reflects Council's current intention. However, over time, Town projects and Council priorities change and accordingly, Council's intentions may be modified and different capital projects (and timing) may be required to meet the need for services required by new growth.

4.1 Service Levels and 10-Year Capital Costs for Municipal-Wide D.C. Calculation

This section evaluates the development-related capital requirements for all of the municipal-wide services assessed over a 10-year planning period. Each service component is evaluated on two format sheets: the average historical 10-year level of service calculation (see Appendix B), which “caps” the D.C. amounts; and the infrastructure cost calculation, which determines the potential D.C. recoverable cost.

4.1.1 *Roads and Related Services*

The Town currently maintains 37 km of asphalt roads, 8 km of gravel roads, 3 bridges, and 4 pedestrian bridges. Additionally, the Town maintains and operates 17,730 sq.ft. of facility space and 18 items of vehicles and equipment. This historical level of infrastructure investment equates to a \$18,754 per capita level of service. When applied to a 10-year forecast, the resultant maximum D.C. eligible amount is approximately \$7.97 million.

A review of the Town's roads and related growth-related needs for the forecast period identified total gross capital costs of \$250,000 for a new single-axle truck, which has been included in the D.C. calculation.



The net growth-related costs for roads and related services have been allocated between future residential and non-residential development on the basis of incremental population to employment growth over the 20-year forecast period (i.e. 67% residential/ 33% non-residential).

4.1.2 Parks and Recreation Services

The Town currently maintains a variety of amenities in its parks and 12 km of recreational trails. Moreover, the Town operates 35,900 sq.ft. of indoor recreation centre space that is jointly operated with the Township of Leeds and the Thousand Islands, as well as 15 items of vehicles and equipment. This historical level of investment produces an average level of service \$1,822 per capita, resulting in a maximum D.C.-eligible amount of \$774,600 that could be included in the calculation of the charge.

The 10-year capital needs for parks and recreation services have a gross capital cost of approximately \$1.93 million. These capital costs include the upgrades to parks, upgrades to an outdoor rink, and a new soccer pitch. Deductions are made from the capital costs in recognition of the benefits to existing development totaling \$1.78 million, resulting in net growth-related capital costs of \$147,300 included in the calculation of the D.C.

As the predominant users of parks and recreation services tend to be residents of the Town, the forecast growth-related costs have been allocated 95% to residential development and 5% to non-residential.

4.1.3 Growth-Related Studies

The D.C.A. permits the inclusion of studies undertaken to facilitate the completion of the Town's capital works program. As discussed in Section 3.7, these studies have been allocated as a class of services based on each service to which the study relates.

All studies have been allocated to the classes of services in the following manner:

- Roads and Related Services – 16%
- Parks and Recreation Services – 9%
- Wastewater Services – 75%



The cost of these studies is \$70,000, which has been included in the D.C. calculation. The allocation of the net growth-related costs for the growth-related class between residential and non-residential development is 67% residential and 33% non-residential based on the relationship of incremental population and employment growth over the 10-year forecast period.



Infrastructure Costs Covered in the D.C. Calculation – Roads and Related Services

Prj .No	Increased Service Needs Attributable to Anticipated Development 2020-2029	Timing (year)	Gross Capital Cost Estimate (2020\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 67%	Non- Residential Share 33%
1	Single-Axle Truck	2020-2029	250,000	-		250,000	-		250,000	167,500	82,500
			-	-		-	-		-	-	-
			-	-		-	-		-	-	-
			-	-		-	-		-	-	-
			-	-		-	-		-	-	-
			-	-		-	-		-	-	-
			-	-		-	-		-	-	-
			-	-		-	-		-	-	-
	Total		250,000	-	-	250,000	-	-	250,000	167,500	82,500



Infrastructure Costs Covered in the D.C. Calculation – Parks and Recreation Services

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2020\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	2020-2029									95%	5%
1	Town Park Revitalization (Phase 1)	2021	275,000	-		275,000	253,960		21,040	19,988	1,052
2	Town Park Revitalization (Phase 2)	2022	275,000	-		275,000	253,960		21,040	19,988	1,052
3	Gord Brown Memorial Canada 150 Outdoor Rink (Phase 2)	2021	575,000	-		575,000	531,008		43,992	41,792	2,200
4	Soccer Pitch	2021-2029	800,000	-		800,000	738,794		61,206	58,146	3,060
									-	-	-
									-	-	-
									-	-	-
									-	-	-
									-	-	-
									-	-	-
									-	-	-
									-	-	-
	Total		1,925,000	-	-	1,925,000	1,777,723	-	147,277	139,913	7,364



4.2 Service Levels and Buildout Capital Costs for Urban D.C. Calculation

This section evaluates the development-related capital requirements for all of the urban services assessed over a planning period to buildout.

4.2.1 Wastewater Services

The needs to provide wastewater services over the forecast period to buildout have been reviewed based on capital budgets and updated information provided by Town staff. The gross capital costs of the anticipated needs over the forecast period total \$6.50 million. Included within these costs are wet well twinning, forcemain twinning, and upgrades to the lagoon.

Deductions of \$5.29 million for the benefit to existing development have been recognized, resulting in \$1.21 million being included in the D.C. calculation.

The net growth-related costs for wastewater services have been allocated between future residential and non-residential development on the basis of incremental population to employment growth within the wastewater serviced area over the buildout forecast period (i.e. 67% residential/ 33% non-residential).



Infrastructure Costs Covered in the D.C. Calculation – Wastewater Services

Prj.No	Increased Service Needs Attributable to Anticipated Development 2020-Buildout	Timing (year)	Gross Capital Cost Estimate (2020\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 67%	Non-Residential Share 33%
	Wastewater Treatment										
1	Wet Well Twinning	2023	1,000,000	-		1,000,000	813,511		186,489	124,948	61,541
2	Forcemain Twinning (Lagoon to South of 401)	2021	2,000,000	-		2,000,000	1,627,022		372,978	249,895	123,083
3	Forcemain Twinning (Lagoon to South of 401)	2024	2,500,000	-		2,500,000	2,033,777		466,223	312,369	153,853
4	Cell #2 Lagoon Upgrades	2029	500,000	-		500,000	406,755		93,245	62,474	30,771
5	Cell #3 Lagoon Upgrades	2025	500,000	-		500,000	406,755		93,245	62,474	30,771
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
	Total		6,500,000	-	-	6,500,000	5,287,821	-	1,212,179	812,160	400,019



Chapter 5

D.C. Calculation



5. D.C. Calculation

Table 5-1 presents the D.C. calculation for wastewater services to be imposed on the development in the Town over buildout in the urban serviced areas. Table 5-2 presents the calculation of the D.C.s to be imposed for roads and related services and parks and recreation services in the Town over the 10-year forecast period.

The D.C.-eligible costs for each service component were developed in Chapter 4 for all Town services and classes, based on their proposed capital programs.

For the residential calculations, the total cost is divided by the “gross” (new resident) population to determine the per capita amount. The eligible D.C. cost calculations set out in Chapter 4 are based on the net anticipated population increase (the forecast new unit population less the anticipated decline in existing units). The cost per capita is then multiplied by the average occupancy of the new units to calculate the charge based upon four forms of housing types (single and semi-detached, apartments 2+ bedrooms, apartments bachelor and 1-bedroom, and other multiples).

The non-residential D.C. for all services has been calculated uniformly on a per square foot of G.F.A. basis.

Table 5-3 summarizes the calculated schedule of charges, reflecting the maximum D.C.s by residential dwelling type and per sq.ft. of non-residential G.F.A. The calculated charges per single-detached dwelling unit in the urban serviced area are \$3,106. The calculated charges for non-residential development in the urban serviced area are \$1.76 per sq.ft of G.F.A.



Table 5-1
Urban Serviced Areas D.C. Calculation
2020-Urban Buildout

SERVICE	2020\$ D.C.-Eligible Cost		2020\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
	\$	\$	\$	\$
1. Wastewater Services	812,160	400,019	1,438	1.00
TOTAL	812,160	400,019	1,438	1.00
D.C.-Eligible Capital Cost	812,160	400,019		
Buildout Gross Population/GFA Growth (sq.ft.)	1,487	399,900		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$546.17	\$1.00		
By Residential Unit Type	P.P.U.			
Single and Semi-Detached Dwelling	2.632	\$1,438		
Apartments - 2 Bedrooms +	1.678	\$916		
Apartments - Bachelor and 1 Bedroom	1.140	\$623		
Other Multiples	1.898	\$1,037		

Table 5-2
Municipal-Wide D.C. Calculation
2020-2030

SERVICE	2020\$ D.C.-Eligible Cost		2020\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
	\$	\$	\$	\$
2. Roads & Related Services	167,500	82,500	789	0.56
3. Parks & Recreation Services	139,913	7,364	659	0.05
4. Growth-Related Studies				
4.1. Wastewater Services	35,323	17,398	166	0.12
4.2. Roads & Related Services	7,285	3,588	34	0.02
4.3. Parks & Recreation Services	4,292	2,114	20	0.01
TOTAL	\$354,313	\$112,964	\$1,668	\$0.76
D.C.-Eligible Capital Cost	\$354,313	\$112,964		
10-Year Gross Population/GFA Growth (sq.ft.)	559	145,800		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$633.83	\$0.77		
By Residential Unit Type	P.P.U.			
Single and Semi-Detached Dwelling	2.632	\$1,668		
Apartments - 2 Bedrooms +	1.678	\$1,064		
Apartments - Bachelor and 1 Bedroom	1.140	\$723		
Other Multiples	1.898	\$1,203		



Table 5-3
Schedule of Calculated D.C.s

Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per sq.ft. of Gross Floor Area)
<u>Municipal Wide Services</u>					
Roads & Related Services	789	503	342	569	0.56
Parks & Recreation Services	659	420	285	475	0.05
Growth-Related Studies	220	140	95	159	0.15
Total Municipal Wide Services	1,668	1,063	722	1,203	0.76
<u>Urban Services</u>					
Wastewater Services	1,438	917	623	1,037	1.00
Total Urban Services	1,438	917	623	1,037	1.00
GRAND TOTAL RURAL AREA	1,668	1,063	722	1,203	0.76
GRAND TOTAL URBAN AREA	3,106	1,980	1,345	2,240	1.76



Chapter 6

D.C. Policy Recommendations and D.C. Policy Rules



6. D.C. Policy Recommendations and D.C. Policy Rules

6.1 Introduction

Subsection 5 (1) 9 states that rules must be developed:

“...to determine if a development charge is payable in any particular case and to determine the amount of the charge, subject to the limitations set out in subsection 6.”

Paragraph 10 of the section goes on to state that the rules may provide for exemptions, phasing in and/or indexing of D.C.s.

Subsection 5 (6) establishes the following restrictions on the rules:

- the total of all D.C.s that would be imposed on anticipated development must not exceed the capital costs determined under 5(1) 2-8 for all services involved;
- if the rules expressly identify a type of development, they must not provide for it to pay D.C.s that exceed the capital costs that arise from the increase in the need for service for that type of development; however, this requirement does not relate to any particular development; and
- if the rules provide for a type of development to have a lower D.C. than is allowed, the rules for determining D.C.s may not provide for any resulting shortfall to be made up via other development.

With respect to “the rules,” section 6 states that a D.C. by-law must expressly address the matters referred to above re subsection 5 (1) paragraphs 9 and 10, as well as how the rules apply to the redevelopment of land.

6.2 D.C. By-law Structure

It is recommended that:

- Classes of services be established for growth studies;
- The Town uses a uniform municipal-wide D.C. calculation for all municipal services and classes, except wastewater services;



- Wastewater services be imposed on the urban service areas of the Town; and
- One municipal D.C. by-law be used for all services and classes.

6.3 D.C. By-law Rules

The following subsections set out the recommended rules governing the calculation, payment and collection of D.C.s in accordance with section 6 of the D.C.A.

It is recommended that the following sections provide the basis for the D.C.s.:

6.3.1 Payment in any Particular Case

In accordance with the D.C.A., subsection 2 (2), a D.C. be calculated, payable and collected where the development requires one or more of the following:

- “(a) the passing of a zoning by-law or of an amendment to a zoning by-law under section 34 of the Planning Act;
- (b) the approval of a minor variance under section 45 of the Planning Act;
- (c) a conveyance of land to which a by-law passed under subsection 50 (7) of the Planning Act applies;
- (d) the approval of a plan of subdivision under section 51 of the Planning Act;
- (e) a consent under section 53 of the Planning Act;
- (f) the approval of a description under section 9 of the Condominium Act, 1998; or
- (g) the issuing of a permit under the Building Code Act, 1992 in relation to a building or structure.”

6.3.2 Determination of the Amount of the Charge

The following conventions be adopted:

- 1) Costs allocated to residential uses will be assigned to different types of residential units based on the average occupancy for each housing type constructed during the previous decade. Costs allocated to non-residential uses will be assigned based on the amount of square feet of gross floor area constructed for eligible uses (i.e. industrial, commercial and institutional).



2) Costs allocated to residential and non-residential uses are based upon a number of conventions, as may be suited to each municipal circumstance, These are detailed in Chapter 4 herein and summarized below:

- for parks and recreation and library services, a 5% non-residential attribution has been made to recognize use by the non-residential sector;
- for roads and related services and growth-related studies, a 67% residential/33% non-residential allocation has been made based on a population vs. employment growth ratio over the 10-year forecast period; and
- for wastewater services a 67% residential/33% non-residential allocation has been made based on population vs. employment growth over the urban buildout forecast period.

6.3.3 Application to Redevelopment of Land (Demolition and Conversion)

If a development involves the demolition of and replacement of a building or structure on the same site, or the conversion from one principal use to another, the developer shall be allowed a credit equivalent to:

- 1) the number of dwelling units demolished/converted multiplied by the applicable residential D.C. in place at the time the D.C. is payable; and/or
- 2) the gross floor area of the building demolished/converted multiplied by the current non-residential D.C. in place at the time the D.C. is payable.

The demolition credit is allowed only if the land was improved by occupied structures and if the demolition permit related to the site was issued less than two years prior to the issuance of a building permit. The credit can, in no case, exceed the amount of D.C.s that would otherwise be payable.

6.3.4 Exemptions (full or partial)

a) Statutory exemptions:

- industrial building additions of up to and including 50% of the existing gross floor area (defined in O.Reg. 82/98, section 1) of the building; for industrial building additions which exceed 50% of the existing gross floor



area, only the portion of the addition in excess of 50% is subject to D.C.s (subsection 4 (3) of the D.C.A.);

- buildings or structures owned by and used for the purposes of any municipality, local board or Board of Education (section 3); and
- residential development that results only in the enlargement of an existing dwelling unit, or that results only in the creation of up to two additional dwelling units (based on prescribed limits set out in section 2 of O.Reg. 82/98).
- The creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to dwellings, subject to the prescribed restrictions based on prescribed limits set out in s.2 of O.Reg. 82/98.

6.3.5 Phasing in

No provisions for phasing in the D.C. are provided in the draft D.C. by-law.

6.3.6 Timing of Collection

The D.C.s for all services and classes are payable upon issuance of the first building permit for each dwelling unit, building, or structure, subject to early or late payment agreements entered into by the Town and an owner under s.27 of the D.C.A., 1997.

Rental housing and institutional developments will pay D.C.s in six equal annual payments commencing at occupancy. Non-profit housing developments will pay D.C.s in 21 equal annual payments. Moreover, the D.C. amount for all developments occurring within 2 years of a Site Plan or Zoning By-law Amendment planning approval (for applications submitted after January 1, 2020), shall be determined based on the D.C. in effect on the day of the Site Plan or Zoning By-law Amendment application.

Installment payments and payments determined at the time of Site Plan or Zoning By-law Amendment application will be subject to annual interest charges. The applicable interest rate will be equal to the prime lending rate.

For the purposes of administering the By-law, the following definitions are provided as per O. Reg. 454-19:



“Rental housing” means development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises.

“Institutional development” means development of a building or structure intended for use,

- a. as a long-term care home within the meaning of subsection 2 (1) of the *Long-Term Care Homes Act, 2007*;
- b. as a retirement home within the meaning of subsection 2 (1) of the *Retirement Homes Act, 2010*;
- c. by any of the following post-secondary institutions for the objects of the institution:
 - i. a university in Ontario that receives direct, regular and ongoing operating funding from the Government of Ontario,
 - ii. a college or university federated or affiliated with a university described in subclause (i), or
 - iii. an Indigenous Institute prescribed for the purposes of section 6 of the *Indigenous Institutes Act, 2017*;
- d. as a memorial home, clubhouse or athletic grounds by an Ontario branch of the Royal Canadian Legion; or
- e. as a hospice to provide end of life care.

“Non-profit housing development” means development of a building or structure intended for use as residential premises by,

- a. a corporation without share capital to which the *Corporations Act* applies, that is in good standing under that Act and whose primary object is to provide housing;
- b. a corporation without share capital to which the *Canada Not-for-profit Corporations Act* applies, that is in good standing under that Act and whose primary object is to provide housing; or
- c. a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*.

6.3.7 Indexing

All D.C.s will be subject to mandatory indexing annually on January 1st and every January 1st thereafter in accordance with the Statistics Canada Quarterly, Non-



Residential Building Construction Price Index (Table 18-10-0135-01)¹ for the most recent year-over-year period.

6.3.8 D.C. Spatial Applicability

The D.C.A. historically has provided the opportunity for a municipality to impose municipal-wide charges or area specific charges. Sections 2(7) and 2(8) of the D.C.A. provide that a D.C. by-law may apply to the entire municipality or only part of it and more than one D.C. by-law may apply to the same area. Amendments to the D.C.A. now require municipalities to consider the application of municipal-wide and area-specific D.C.s; s.10(2)(c.1) requires Council to consider the use of more than one D.C. by-law to reflect different needs from services in different areas.

Most municipalities in Ontario have established uniform, municipal-wide D.C.s. When area-specific charges are used, it is generally to underpin master servicing and front-end financing arrangements for more localized capital costs.

It is recommended that Council take the approach to calculate the charges on a uniform municipal-wide basis for all services/classes of services other than wastewater, which would calculate a uniform charge across the urban serviced area. Based on the foregoing, no area-specific D.C.s are recommended at this time.

6.4 Other D.C. By-law Provisions

It is recommended that:

6.4.1 Classes of Services for Reserve Fund and Credit Purposes

It is recommended that the Town's D.C. collections be contributed into 4 separate reserve funds including:

- roads and related services;

¹ O. Reg. 82/98 referenced "The Statistics Canada Quarterly, Construction Price Statistics, catalogue number 62-007" as the index source. Since implementation, Statistics Canada has modified this index twice and the above-noted index is the most current. The draft by-law provided herein refers to O. Reg. 82/98 to ensure traceability should this index continue to be modified over time.



- parks and recreation services;
- growth studies; and
- wastewater services.

6.4.2 *By-law In-force Date*

The proposed by-laws under D.C.A., 1997 will come into force on the date of by-law passage.

6.4.3 *Minimum Interest Rate Paid on Refunds and Charged for Inter-Reserve Fund Borrowing*

The minimum interest rate is the Bank of Canada rate on the day on which the by-law comes into force (as per section 11 of O. Reg. 82/98).

6.5 Other Recommendations

It is recommended that Council:

“Classes of services be established for growth studies;”

“Approve the capital project listing set out in Chapter 4 of the D.C. Background Study dated November 24, 2020, subject to further annual review during the capital budget process;”

“Determine that no further public meeting is required;” and

“Approve the D.C. By-law as set out in Appendix E.”



Chapter 7

Asset Management Plan



7. Asset Management Plan

The D.C.A. (new section 10(c.2)) requires that the background study must include an Asset Management Plan (A.M.P) related to new infrastructure. Section 10 (3) of the D.C.A. provides:

The A.M.P. shall,

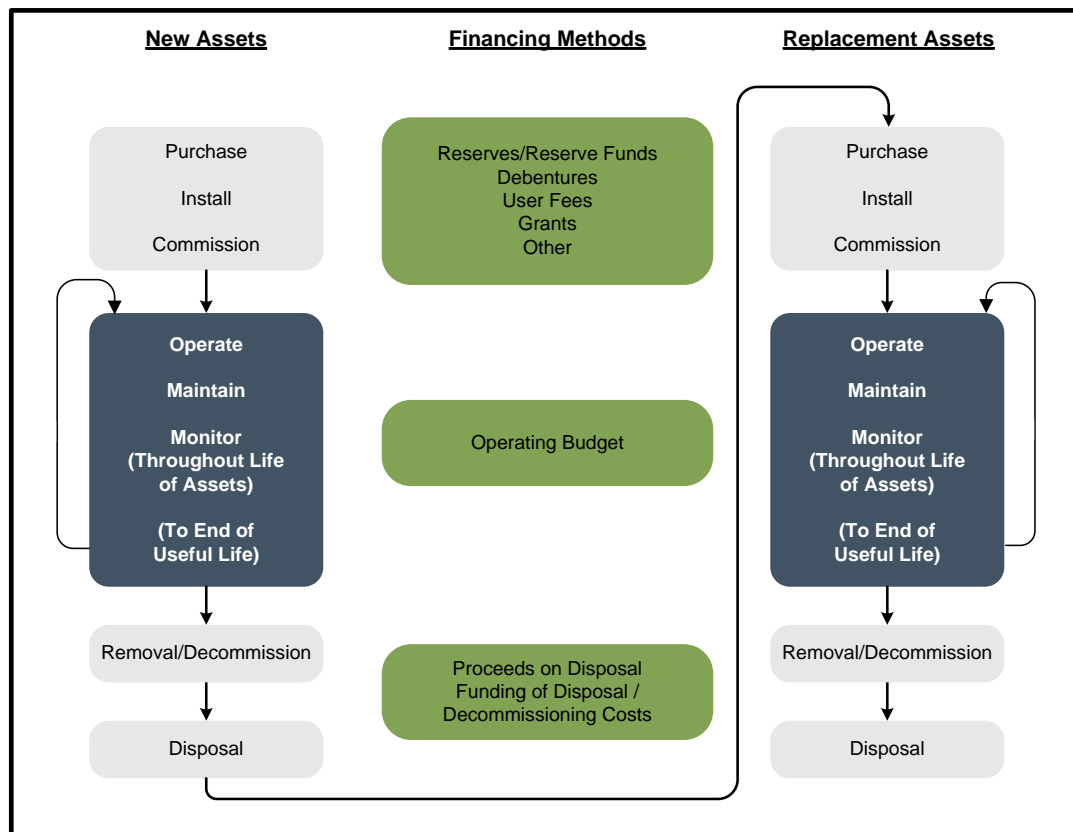
- a) deal with all assets whose capital costs are proposed to be funded under the development charge by-law;**
- b) demonstrate that all the assets mentioned in clause (a) are financially sustainable over their full life cycle;**
- c) contain any other information that is prescribed; and**
- d) be prepared in the prescribed manner.**

At a broad level, the A.M.P. provides for the long-term investment in an asset over its entire useful life along with the funding. The schematic below identifies the costs for an asset through its entire lifecycle. For growth-related works, the majority of capital costs will be funded by the D.C. Non-growth-related expenditures will then be funded from non-D.C. revenues as noted below. During the useful life of the asset, there will be minor maintenance costs to extend the life of the asset along with additional program related expenditures to provide the full services to the residents. At the end of the life of the asset, it will be replaced by non-D.C. financing sources.

In 2012, the Province developed Building Together: Guide for Municipal Asset Management Plans which outlines the key elements for an A.M.P., as follows:

State of local infrastructure: asset types, quantities, age, condition, financial accounting valuation and replacement cost valuation.

Desired levels of service: defines levels of service through performance measures and discusses any external trends or issues that may affect expected levels of service or the municipality's ability to meet them (for example, new accessibility standards, climate change impacts).



Asset management strategy: the asset management strategy is the set of planned actions that will seek to generate the desired levels of service in a sustainable way, while managing risk, at the lowest lifecycle cost.

Financing strategy: having a financial plan is critical for putting an A.M.P. into action. By having a strong financial plan, municipalities can also demonstrate that they have made a concerted effort to integrate the A.M.P. with financial planning and municipal budgeting, and are making full use of all available infrastructure financing tools.

The above provides for the general approach to be considered by Ontario municipalities. At this time, there is not a mandated approach for municipalities hence leaving discretion to individual municipalities as to how they plan for the long-term replacement of their assets. The Town completed its A.M.P. in 2013, however, this A.M.P. did not include all the assets identified in this background study. As a result, the asset management requirement for this D.C. Background Study has been undertaken independently of the 2013 A.M.P.



In recognition to the above schematic, the following table (presented in 2020\$) has been developed to provide the annualized expenditures and revenues associated with new growth. Note that the D.C.A. does not require an analysis of the non-D.C. capital needs or their associated operating costs so these are omitted from the table below. Furthermore, as only the present infrastructure gap has been considered at this time within the A.M.P., the following does not represent a fiscal impact assessment (including future tax/rate increases) but provides insight into the potential affordability of the new assets:

1. The non-D.C. recoverable portion of the projects which will require financing from Town financial resources (i.e. taxation, rates, fees, etc.). This amount has been presented on an annual debt charge amount based on 20-year financing.
2. Lifecycle costs for the D.C. capital works have been presented based on a sinking fund basis. The assets have been considered over their estimated useful lives.
3. Incremental operating costs for the D.C. services (only) have been included.
4. The resultant total annualized expenditures are \$585,700.
5. Consideration was given to the potential new taxation and user fee revenues which will be generated as a result of new growth. These revenues will be available to finance the expenditures above. The new operating revenues are \$2.79 million. This amount, totalled with the existing operating revenues of \$21.30 million, provides annual revenues of \$24.09 million by the end of the period.
6. In consideration of the above, the capital plan is deemed to be financially sustainable.



Table 8-1
Asset Management – Future Expenditures and Associated Revenues (2020\$)

	Urban Build Out (Total)
Expenditures (Annualized)	
Annual Debt Payment on Non-Growth Related Capital ¹	\$ 519,895
Annual Debt Payment on Post Period Capital ²	\$ -
Annual Lifecycle - Town-Wide Services	\$ 27,248
Annual Lifecycle - Urban Services	\$ 27,961
Incremental Operating Costs (for D.C. Services)	\$ 10,557
Total Expenditures	\$ 585,661
Revenue (Annualized)	
Total Existing Revenue ³	\$ 21,298,340
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)	\$ 2,789,310
Total Revenues	\$ 24,087,650

¹ Non-Growth Related component of Projects

² Interim Debt Financing for Post Period Benefit

³ As per Sch. 10 of FIR



Chapter 8

By-Law Implementation



8. By-law Implementation

8.1 Public Consultation Process

8.1.1 Introduction

This chapter addresses the mandatory, formal public consultation process (Section 8.1.2), as well as the optional, informal consultation process (Section 8.1.3). The latter is designed to seek the co-operation and participation of those involved, in order to produce the most suitable policy. Section 8.1.4 addresses the anticipated impact of the D.C. on development from a generic viewpoint.

8.1.2 Public Meeting of Council

Section 12 of the D.C.A. indicates that before passing a D.C. by-law, Council must hold at least one public meeting, giving at least 20 clear days' notice thereof, in accordance with the Regulation. Council must also ensure that the proposed by-law and background report are made available to the public at least two weeks prior to the (first) meeting.

Any person who attends such a meeting may make representations related to the proposed by-law.

If a proposed by-law is changed following such a meeting, Council must determine whether a further meeting (under this section) is necessary (i.e. if the proposed by-law which is proposed for adoption has been changed in any respect, Council should formally consider whether an additional public meeting is required, incorporating this determination as part of the final by-law or associated resolution). It is noted that Council's decision regarding additional public meetings, once made, is final and not subject to review by a Court or the Local Planning Appeal Tribunal (L.P.A.T.) (formerly the Ontario Municipal Board (O.M.B.)).

8.1.3 Other Consultation Activity

There are three broad groupings of the public who are generally the most concerned with Town D.C. policy:



1. The first grouping is the residential development community, consisting of land developers and builders, who are typically responsible for generating the majority of the D.C. revenues. Others, such as realtors, are directly impacted by D.C. policy. They are, therefore, potentially interested in all aspects of the charge, particularly the quantum by unit type, projects to be funded by the D.C. and the timing thereof, and Town policy with respect to development agreements, D.C. credits and front-ending requirements.
2. The second public grouping embraces the public at large and includes taxpayer coalition groups and others interested in public policy.
3. The third grouping is the industrial/commercial/institutional development sector, consisting of land developers and major owners or organizations with significant construction plans, such as hotels, entertainment complexes, shopping centres, offices, industrial buildings and institutions. Their primary concern is frequently with the quantum of the charge, gross floor area exclusions such as basements, mechanical or indoor parking areas, or exemptions and phase-in or capping provisions in order to moderate the impact.

8.2 Anticipated Impact of the Charge on Development

The establishment of sound D.C. policy often requires the achievement of an acceptable balance between two competing realities. The first is that high non-residential D.C.s can, to some degree, represent a barrier to increased economic activity and sustained industrial/commercial growth, particularly for capital intensive uses. Also, in many cases, increased residential D.C.s can ultimately be expected to be recovered via higher housing prices and can impact project feasibility in some cases (e.g. rental apartments).

On the other hand, D.C.s or other Town capital funding sources need to be obtained in order to help ensure that the necessary infrastructure and amenities are installed. The timely installation of such works is a key initiative in providing adequate service levels and in facilitating strong economic growth, investment and wealth generation.



8.3 Implementation Requirements

8.3.1 Introduction

Once the Town has calculated the charge, prepared the complete background study, carried out the public process and passed a new by-law, the emphasis shifts to implementation matters.

These include notices, potential appeals and complaints, credits, front-ending agreements, subdivision agreement conditions and finally the collection of revenues and funding of projects.

The sections which follow overview the requirements in each case.

8.3.2 Notice of Passage

In accordance with s.13 of the D.C.A., when a D.C. by-law is passed, the Town clerk shall give written notice of the passing and of the last day for appealing the by-law (the day that is 40 days after the day it was passed). Such notice must be given no later than 20 days after the day the by-law is passed (i.e. as of the day of newspaper publication or the mailing of the notice).

Section 10 of O.Reg. 82/98 further defines the notice requirements which are summarized as follows:

- notice may be given by publication in a newspaper which is (in the Clerk's opinion) of sufficient circulation to give the public reasonable notice, or by personal service, fax or mail to every owner of land in the area to which the by-law relates;
- s.s.10(4) lists the persons/organizations who must be given notice; and
- s.s.10(5) lists the eight items which the notice must cover.

8.3.3 By-law Pamphlet

In addition to the "notice" information, the Town must prepare a "pamphlet" explaining each D.C. by-law in force, setting out:

- a description of the general purpose of the D.C.s;



- the “rules” for determining if a charge is payable in a particular case and for determining the amount of the charge;
- the services to which the D.C.s relate; and
- a general description of the general purpose of the Treasurer’s statement and where it may be received by the public.

Where a by-law is not appealed to the L.P.A.T., the pamphlet must be readied within 60 days after the by-law comes into force. Later dates apply to appealed by-laws.

The Town must give one copy of the most recent pamphlet without charge, to any person who requests one.

8.3.4 Appeals

Sections 13 to 19 of the D.C.A. set out the requirements relative to making and processing a D.C. by-law appeal and L.P.A.T. Hearing in response to an appeal. Any person or organization may appeal a D.C. by-law to the L.P.A.T. by filing a notice of appeal with the Town Clerk, setting out the objection to the by-law and the reasons supporting the objection. This must be done by the last day for appealing the by-law, which is 40 days after the by-law is passed.

The Town is carrying out a public consultation process, in order to address the issues that come forward as part of that process, thereby avoiding or reducing the need for an appeal to be made.

8.3.5 Complaints

A person required to pay a D.C., or his agent, may complain to the Council imposing the charge that:

- the amount of the charge was incorrectly determined;
- the reduction to be used against the D.C. was incorrectly determined; or
- there was an error in the application of the D.C.

Sections 20 to 25 of the D.C.A. set out the requirements that exist, including the fact that a complaint may not be made later than 90 days after a D.C. (or any part of it) is payable. A complainant may appeal the decision of Council to the L.P.A.T.



8.3.6 Credits

Sections 38 to 41 of the D.C.A. set out a number of credit requirements, which apply where a municipality agrees to allow a person to perform work in the future that relates to a service in the D.C. by-law.

These credits would be used to reduce the amount of D.C.s to be paid. The value of the credit is limited to the reasonable cost of the work which does not exceed the average level of service. The credit applies only to the service to which the work relates, unless the Town agrees to expand the credit to other services for which a D.C. is payable.

8.3.7 Front-Ending Agreements

The Town and one or more landowners may enter into a front-ending agreement which provides for the costs of a project which will benefit an area in the Town to which the D.C. by-law applies. Such an agreement can provide for the costs to be borne by one or more parties to the agreement who are, in turn, reimbursed in future by persons who develop land defined in the agreement.

Part III of the D.C.A. (Sections 44 to 58) addresses front-ending agreements and removes some of the obstacles to their use which were contained in the D.C.A., 1989. Accordingly, the Town assesses whether this mechanism is appropriate for its use, as part of funding projects prior to Town funds being available.

8.3.8 Severance and Subdivision Agreement Conditions

Section 59 of the D.C.A. prevents a municipality from imposing directly or indirectly, a charge related to development or a requirement to construct a service related to development, by way of a condition or agreement under s.51 or s.53 of the *Planning Act*, except for:

- “local services, related to a plan of subdivision or within the area to which the plan relates, to be installed or paid for by the owner as a condition of approval under section 51 of the *Planning Act*,” and
- “local services to be installed or paid for by the owner as a condition of approval under section 53 of the *Planning Act*.”

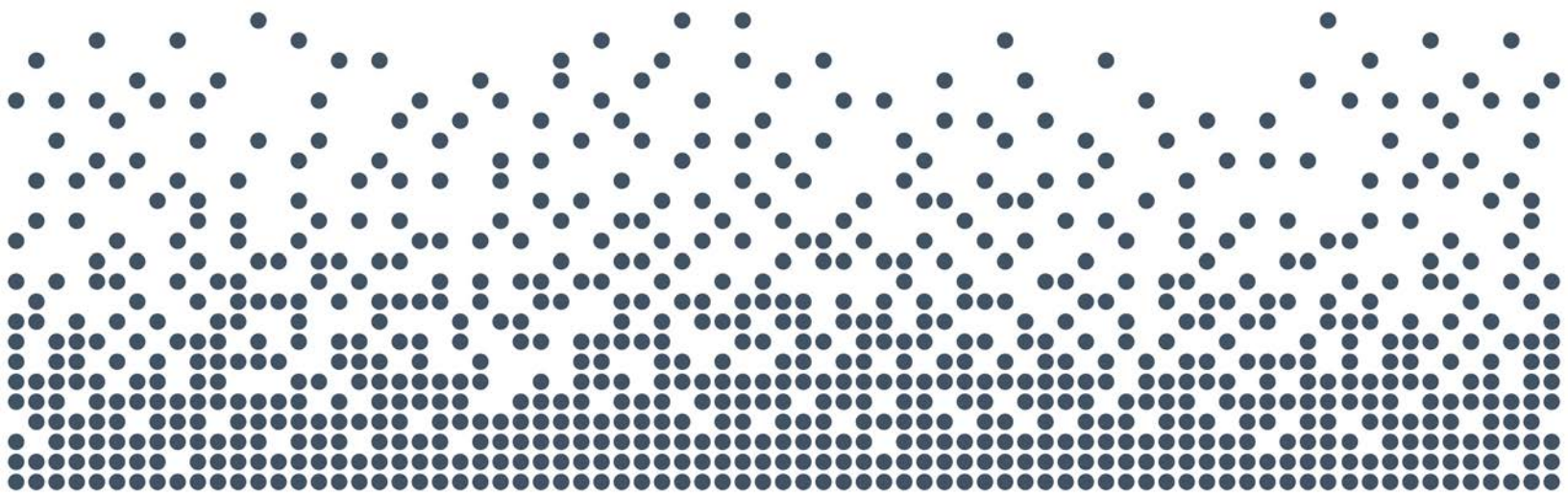


It is also noted that s.s.59(4) of the D.C.A. requires that the municipal approval authority for a draft plan of subdivision under s.s.51(31) of the *Planning Act*, use its power to impose conditions to ensure that the first purchaser of newly subdivided land is informed of all the D.C.s related to the development, at the time the land is transferred.

In this regard, if the municipality in question is a commenting agency, in order to comply with subsection 59(4) of the D.C.A. it would need to provide to the approval authority, information regarding the applicable municipal D.C.s related to the site.

If the municipality is an approval authority for the purposes of section 51 of the *Planning Act*, it would be responsible to ensure that it collects information from all entities which can impose a D.C.

The most effective way to ensure that purchasers are aware of this condition would be to require it as a provision in a registered subdivision agreement, so that any purchaser of the property would be aware of the charges at the time the title was searched prior to closing a transaction conveying the lands.



Appendices



Appendix A

Background Information on Residential and Non- Residential Growth Forecast



Schedule 1 Town Residential Growth Forecast Summary

	Year	Population (Including Census Undercount) ¹	Excluding Census Undercount			Housing Units				Person Per Unit (P.P.U.): Total Population/ Total Households	
			Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi- Detached	Multiple Dwellings ²	Apartments ³	Other		Total Households
Historical	<i>Mid 2006</i>	5,410	5,285	160	5,125	1,500	195	615	5	2,315	2.283
	<i>Mid 2011</i>	5,320	5,194	164	5,030	1,509	196	631	10	2,346	2.214
	<i>Mid 2016</i>	5,280	5,159	164	4,995	1,535	200	655	10	2,400	2.150
Forecast	<i>Late 2020</i>	5,560	5,427	173	5,254	1,568	203	788	10	2,570	2.112
	<i>Late 2030</i>	6,010	5,865	186	5,679	1,660	225	968	10	2,862	2.049
	<i>Buildout</i>	6,816	6,655	225	6,430	1,823	266	1,259	10	3,358	1.982
Incremental	Mid 2006 - Mid 2011	-90	-91	4	-95	9	1	16	5	31	
	Mid 2011 - Mid 2016	-40	-35	0	-35	26	4	24	0	54	
	Mid 2016 - Late 2020	280	268	9	259	33	3	133	0	170	
	Late 2020 - Late 2030	450	438	13	425	91	22	179	0	293	
	Late 2020 - Buildout	1,256	1,228	52	1,176	255	63	471	0	789	

Source: Derived by Watson & Associates Economists Ltd., 2020.

Note: Buildout is based on wastewater capacity.

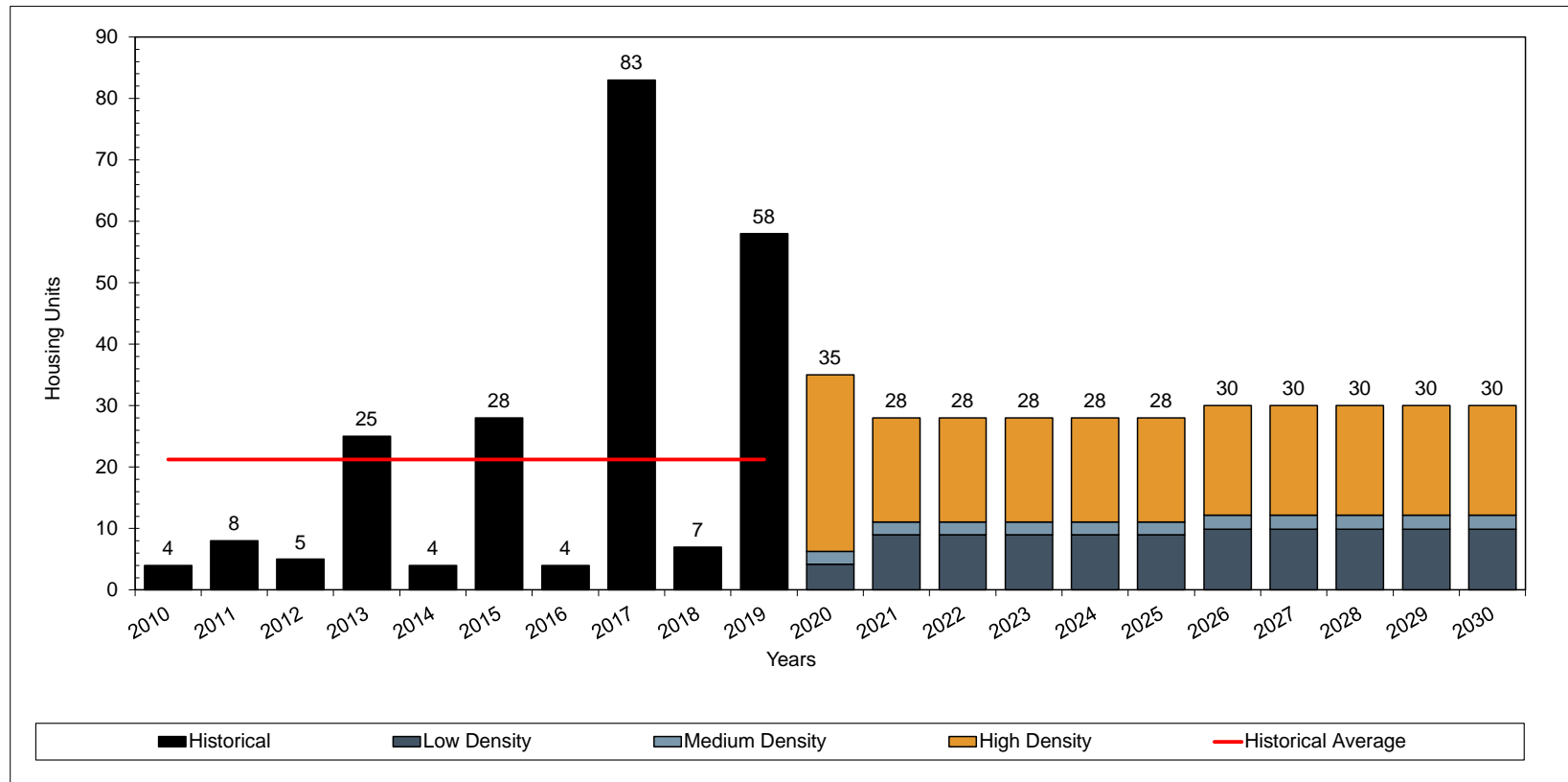
¹ Census undercount estimated at approximately 2.4%. Note: Population including the undercount has been rounded.

² Includes townhouses and apartments in duplexes.

³ Includes bachelor, 1-bedroom and 2-bedroom+ apartments.



Figure A-1
Town
Annual Housing Forecast



Source: Historical housing activity derived from Statistics Canada building permit data for the Town of Gananoque, 2010-2015, and from Town of Gananoque building permit data from 2016-2019.

¹ Growth forecast represents calendar year.



Schedule 2
Town
Estimate of the Anticipated Amount, Type and Location of
Residential Development for Which Development Charges can be Imposed

Development Location	Timing	Single & Semi-Detached	Multiples ¹	Apartments ²	Total Residential Units	Gross Population In New Units	Existing Unit Population Change	Net Population Increase, Excluding Institutional	Institutional Population	Net Population Including Institutional
Urban	2020 - 2030	86	22	179	288	546	-134	412	13	425
	2020 - Buildout	243	63	471	777	1,487	-343	1,144	52	1,196
Rural	2020 - 2030	5	0	0	5	13	-0	13	0	13
	2020 - Buildout	12	0	0	12	32	0	32	0	32
Town of Gananoque	2020 - 2030	91	22	179	293	559	-134	425	13	438
	2020 - Buildout	255	63	471	789	1,518	-343	1,176	52	1,228

Source: Derived by Watson & Associates Economists Ltd., 2020.

¹ Includes townhouses and apartments in duplexes.

² Includes accessory apartments, bachelor, 1-bedroom and 2-bedroom+ apartments.

Note: Numbers may not add to totals due to rounding.



Schedule 3
Town
Current Year Growth Forecast
Mid 2016 to Late 2020

		Population
Mid 2016 Population		5,159
Occupants of New Housing Units, Mid 2016 to Late 2020	<i>Units (2)</i>	170
	<i>multiplied by P.P.U. (3)</i>	1.831
	<i>gross population increase</i>	310
		310
Occupants of New Equivalent Institutional Units, Mid 2016 to Late 2020	<i>Units</i>	8
	<i>multiplied by P.P.U. (3)</i>	1.100
	<i>gross population increase</i>	9
		9
Decline in Housing Unit Occupancy, Mid 2016 to Late 2020	<i>Units (4)</i>	2,400
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.021
	<i>total decline in population</i>	-51
		-51
Population Estimate to Late 2020		5,427
<i>Net Population Increase, Mid 2016 to Late 2020</i>		268

(1) 2016 population based on Statistics Canada Census unadjusted for Census undercount.

(2) Estimated residential units constructed, Mid-2016 to the beginning of the growth period assuming a six-month lag between construction and occupancy.

(3) Average number of persons per unit (P.P.U.) is assumed to be:

Structural Type	Persons Per Unit ¹ (P.P.U.)	% Distribution of Estimated Units ²	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	2.468	20%	0.482
<i>Multiples (6)</i>	1.683	2%	0.030
<i>Apartments (7)</i>	1.676	79%	1.319
Total		100%	1.831

¹ Based on 2016 Census custom database

² Based on Building permit/completion activity

(4) 2016 households taken from Statistics Canada Census.

(5) Decline occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.

(6) Includes townhouses and apartments in duplexes.

(7) Includes bachelor, 1-bedroom and 2-bedroom+ apartments.

Note: Numbers may not add to totals due to rounding.



**Schedule 4
Town
Ten Year Growth Forecast
Late 2020 to Late 2030**

		Population
Late 2020 Population		5,427
Occupants of New Housing Units, Late 2020 to Late 2030	<i>Units (2)</i>	293
	<i>multiplied by P.P.U. (3)</i>	1,913
	<i>gross population increase</i>	559
Occupants of New Equivalent Institutional Units, Late 2020 to Late 2030	<i>Units</i>	12
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	13
Decline in Housing Unit Occupancy, Late 2020 to Late 2030	<i>Units (4)</i>	2,570
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.052
	<i>total decline in population</i>	-134
Population Estimate to Late 2030		5,865
<i>Net Population Increase, Late 2020 to Late 2030</i>		438

(1) Late 2020 Population based on:

2016 Population (5,159) + Mid 2016 to Late 2020 estimated housing units to beginning of forecast period (170 x 1.831 = 310) + (8 x 1.1 = 9) + (2,400 x -0.021 = -51) = 5,427

(2) Based upon forecast building permits/completions assuming a lag between construction and occupancy.

(3) Average number of persons per unit (P.P.U.) is assumed to be:

Structural Type	Persons Per Unit ¹ (P.P.U.)	% Distribution of Estimated Units ²	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	2.632	31%	0.823
<i>Multiples (6)</i>	1.898	7%	0.141
<i>Apartments (7)</i>	1.548	61%	0.949
<i>one bedroom or less</i>	1.140		
<i>two bedrooms or more</i>	1.678		
Total		100%	1.913

¹ Persons per unit based on adjusted Statistics Canada Custom 2016 Census database.

² Forecast unit mix based upon historical trends and housing units in the development process.

(4) Late 2020 households based upon 2016 Census (2,400 units) + Mid 2016 to Late 2020 unit estimate (170 units) = 2,570 units.

(5) Decline occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.

(6) Includes townhouses and apartments in duplexes.

(7) Includes bachelor, 1-bedroom and 2-bedroom+ apartments.

Note: Numbers may not add to totals due to rounding.



**Schedule 5
Town
Buildout Growth Forecast
Late 2020 to Buildout**

		Population
Late 2020 Population		5,427
Occupants of New Housing Units, Late 2020 to Buildout	<i>Units (2)</i>	789
	<i>multiplied by P.P.U. (3)</i>	1.926
	<i>gross population increase</i>	1,518
Occupants of New Equivalent Institutional Units, Late 2020 to Buildout	<i>Units</i>	48
	<i>multiplied by P.P.U. (3)</i>	1.100
	<i>gross population increase</i>	52
Decline in Housing Unit Occupancy, Late 2020 to Buildout	<i>Units (4)</i>	789
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.435
	<i>total decline in population</i>	-343
Population Estimate to Buildout		6,654
<i>Net Population Increase, Late 2020 to Buildout</i>		1,228

(1) Late 2020 Population based on:

2016 Population (5,159) + Mid 2016 to Late 2020 estimated housing units to beginning of forecast period (170 x 1.831 = 310) + (8 x 1.1 = 9) + (2,400 x -0.021 = -51) = 5,427

(2) Based upon forecast building permits/completions assuming a lag between construction and occupancy.

(3) Average number of persons per unit (P.P.U.) is assumed to be:

Structural Type	Persons Per Unit ¹ (P.P.U.)	% Distribution of Estimated Units ²	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	2.632	32%	0.849
<i>Multiples (6)</i>	1.898	8%	0.152
<i>Apartments (7)</i>	1.548	60%	0.925
<i>one bedroom or less</i>	1.140		
<i>two bedrooms or more</i>	1.678		
Total		100%	1.926

¹ Persons per unit based on Statistics Canada Custom 2016 Census database.

² Forecast unit mix based upon historical trends and housing units in the development process.

(4) Late 2020 households based upon 2,400 (2016 Census) + 170 (Mid 2016 to Late 2020 unit estimate) = 2,570

(5) Decline occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.

(6) Includes townhouses and apartments in duplexes.

(7) Includes bachelor, 1-bedroom and 2-bedroom+ apartments.

Note: Numbers may not add to totals due to rounding.



Schedule 6
Town
Historical Residential Building Permits
Years 2010 to 2019

Year	Residential Building Permits			
	Singles & Semi Detached	Multiples ¹	Apartments ²	Total
2010	4	0	0	4
2011	8	0	0	8
2012	5	0	0	5
2013	2	0	23	25
2014	3	1	0	4
Sub-total	22	1	23	46
Average (2010 - 2014)	4	0	5	9
% Breakdown	47.8%	2.2%	50.0%	100.0%
2015	5	0	23	28
2016	3	0	1	4
2017	6	2	75	83
2018	6	0	1	7
2019	16	0	42	58
Sub-total	36	2	142	180
Average (2015 - 2019)	7	0	28	36
% Breakdown	20.0%	1.1%	78.9%	100.0%
2010 - 2019				
Total	58	3	165	226
Average	6	0	17	23
% Breakdown	25.7%	1.3%	73.0%	100.0%

Source: Historical housing activity derived from Statistics Canada building permit data for the Town of Gananoque, 2010-2015, and from Town of Gananoque building permit data from 2016-2019.

¹ Includes townhouses and apartments in duplexes.

² Includes bachelor, 1 bedroom and 2 bedroom+ apartments.



Schedule 7
Town
Person Per Unit by Age and Type of Dwelling
(2016 Census)

Dwelling	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total	25 Year Average	25 Year Average Adjusted ³
1-5	-	1.400	1.823	2.739	4.000	2.468		
6-10	-	-	1.797	2.843	3.429	2.717		
11-15	-	-	1.784	2.598	3.731	2.592		
16-20	-	-	1.698	2.615	4.318	2.592		
20-25	-	-	1.731	2.790	3.974	2.743	2.623	2.632
25-35	-	-	1.953	2.598	3.585	2.565		
35+	-	1.650	1.842	2.460	3.183	2.363		
Total	-	1.578	1.835	2.547	3.438	2.459		

Age of Dwelling	Multiples ¹						25 Year Average	25 Year Average Adjusted ³
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	1.652	2.000	-	1.683		
6-10	-	-	-	2.091	-	1.789		
11-15	-	-	1.500	-	-	1.455		
16-20	-	-	-	2.364	-	2.034		
20-25	-	-	1.667	2.394	-	2.170	1.826	1.898
25-35	-	-	-	2.917	-	2.457		
35+	-	1.324	1.603	2.822	-	2.135		
Total	-	1.348	1.570	2.565	-	2.060		

Age of Dwelling	Apartments ²						25 Year Average	25 Year Average Adjusted ³
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	1.905	-	-	1.676		
6-10	-	-	1.375	-	-	1.478		
11-15	-	-	-	-	-	-		
16-20	-	-	1.733	-	-	1.476		
20-25	-	1.154	1.649	-	-	1.509	1.535	1.548
25-35	-	1.091	1.703	-	-	1.527		
35+	0.857	1.124	1.664	2.510	-	1.492		
Total	1.000	1.118	1.673	2.294	-	1.504		

Age of Dwelling	All Density Types					
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total
1-5	-	1.556	1.774	2.701	4.091	2.328
6-10	-	-	1.707	2.798	3.559	2.585
11-15	-	1.357	1.782	2.588	3.840	2.504
16-20	-	1.083	1.676	2.609	4.318	2.492
20-25	-	1.200	1.689	2.750	3.974	2.581
25-35	-	1.179	1.827	2.596	3.500	2.374
35+	1.231	1.261	1.778	2.473	3.157	2.219
Total	1.176	1.260	1.772	2.548	3.423	2.310

¹ Includes townhouses and apartments in duplexes.

² Includes bachelor, 1 bedroom and 2 bedroom+ apartments.

³ Adjusted based on 2001-2016 historical trends.

Note: Does not include Statistics Canada data classified as 'Other'

P.P.U. Not calculated for samples less than or equal to 50 dwelling units, and does not include institutional population.



Appendix B

Historical Level of Service Calculations



Service: Roads
 Unit Measure: Centreline km of roadways

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Value (\$/km)
Roads - Asphalt	36.99	36.99	36.99	36.99	36.99	36.99	36.99	36.99	36.99	36.99	\$2,133,700
Roads - Gravel	8.29	8.29	8.29	8.29	8.29	8.29	8.29	8.29	8.29	8.29	\$230,600
Total	45.28	45.28	45.28	45.28	45.28	45.28	45.28	45.28	45.28	45.28	

Population	5,052	5,030	5,017	4,996	5,003	4,979	4,994	4,993	5,125	5,130
Per Capita Standard	0.0090	0.0090	0.0090	0.0091	0.0091	0.0091	0.0091	0.0091	0.0088	0.0088

10 Year Average	2010-2019
Quantity Standard	0.0090
Quality Standard	\$1,785,189
Service Standard	\$16,067

D.C. Amount (before deductions)	10 Year
Forecast Population	425
\$ per Capita	\$16,067
Eligible Amount	\$6,828,348



Service: Bridges, Culverts & Structures
 Unit Measure: Number of Bridges, Culverts & Structures

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Value (\$/item)
Bridges	3	3	3	3	3	3	3	3	3	3	\$2,648,000
Pedestrian Bridges	4	4	4	4	4	4	4	4	4	4	\$304,800
Total	7	7	7	7	7	7	7	7	7	7	

Population	5,052	5,030	5,017	4,996	5,003	4,979	4,994	4,993	5,125	5,130
Per Capita Standard	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014

10 Year Average	2010-2019
Quantity Standard	0.0014
Quality Standard	\$1,300,857
Service Standard	\$1,821

D.C. Amount (before deductions)	10 Year
Forecast Population	425
\$ per Capita	\$1,821
Eligible Amount	\$774,010



Service: Depots and Domes
 Unit Measure: ft² of building area

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Public Works Garage	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250	\$162	\$182
Public Works Admin Building	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	\$206	\$231
Storage Shed	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	\$32	\$39
Salt Shed (932)	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	\$32	\$39
Salt Shed (934)	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	\$32	\$39
Total	17,730	17,730	17,730	17,730	17,730	17,730	17,730	17,730	17,730	17,730		

Population	5,052	5,030	5,017	4,996	5,003	4,979	4,994	4,993	5,125	5,130
Per Capita Standard	3.5095	3.5249	3.5340	3.5488	3.5439	3.5610	3.5503	3.5510	3.4595	3.4561

10 Year Average	2010-2019
Quantity Standard	3.5239
Quality Standard	\$137
Service Standard	\$482

D.C. Amount (before deductions)	10 Year
Forecast Population	425
\$ per Capita	\$482
Eligible Amount	\$204,927



Service: Roads and Related Vehicles
 Unit Measure: No. of vehicles and equipment

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Value (\$/Vehicle)
Vehicles											
Dump Truck	3	3	3	3	3	3	3	3	2	2	\$117,500
Plow Truck	1	1	1	1	1	1	2	2	3	3	\$246,800
Pickup Truck	4	4	4	4	4	4	3	3	4	4	\$54,000
Bucket Truck	1	1	1	1	1	1	1	1	1	1	\$58,400
Equipment											
Backhoe	1	1	1	1	1	1	1	1	1	1	\$172,100
Brush Chipper	-	-	-	-	-	-	-	-	-	1	\$70,400
Lawn Tractor	1	1	1	1	1	1	1	1	1	1	\$46,200
Loader	1	1	1	1	1	1	1	1	1	1	\$190,700
Sweeper	1	1	1	1	1	1	1	1	1	1	\$252,900
Trackless	-	-	1	1	2	2	2	2	2	2	\$161,800
Tractor	1	1	1	1	1	1	1	1	1	1	\$48,200
Total	14	14	15	15	16	16	16	16	17	18	

Population	5,052	5,030	5,017	4,996	5,003	4,979	4,994	4,993	5,125	5,130
Per Capita Standard	0.0028	0.0028	0.0030	0.0030	0.0032	0.0032	0.0032	0.0032	0.0033	0.0035

10 Year Average	2010-2019
Quantity Standard	0.0031
Quality Standard	\$123,729
Service Standard	\$384

D.C. Amount (before deductions)	10 Year
Forecast Population	425
\$ per Capita	\$384
Eligible Amount	\$163,013



Service: Parkland Amenities
 Unit Measure: No. of parkland amenities

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Value (\$/item)
Baseball Diamond	1	1	1	1	1	1	1	1	1	1	\$500,000
Junior Baseball Diamond	1	1	1	1	1	1	1	1	1	1	\$150,000
Junior Soccer Fields	1	1	1	1	1	1	1	1	1	1	\$200,000
Playgrounds	4	4	4	4	4	4	4	4	4	4	\$80,000
Skateboard/BMX Park	1	1	1	1	1	1	1	1	1	1	\$900,000
Splashpad	-	-	1	1	1	1	1	1	1	1	\$500,000
Tennis Courts	4	4	4	4	4	4	4	4	4	4	\$80,000
Washroom Buildings	2	3	3	3	3	3	3	3	3	3	\$50,000
Pavilions	2	3	3	4	4	4	4	4	5	5	\$30,000
Outdoor Rink	-	-	-	-	-	-	-	-	-	1	\$2,500,000
Dog Park	-	-	-	-	-	1	1	1	1	1	\$20,000
Total	16	18	19	20	20	21	21	21	22	23	

Population	5,052	5,030	5,017	4,996	5,003	4,979	4,994	4,993	5,125	5,130
Per Capita Standard	0.0032	0.0036	0.0038	0.0040	0.0040	0.0042	0.0042	0.0042	0.0043	0.0045

10 Year Average	2010-2019
Quantity Standard	0.0040
Quality Standard	\$156,730
Service Standard	\$627

D.C. Amount (before deductions)	10 Year
Forecast Population	425
\$ per Capita	\$627
Eligible Amount	\$266,441



Service: Parkland Trails
 Unit Measure: Linear Metres of Paths and Trails

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Value (\$/ Linear Metre)
Trails - Asphalt	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	\$50
Trails - Unpaved	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	\$25
Total	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	

Population	5,052	5,030	5,017	4,996	5,003	4,979	4,994	4,993	5,125	5,130
Per Capita Standard	2.38	2.39	2.39	2.40	2.40	2.41	2.40	2.40	2.34	2.34

10 Year Average	2010-2019
Quantity Standard	2.3851
Quality Standard	\$33
Service Standard	\$80

D.C. Amount (before deductions)	10 Year
Forecast Population	425
\$ per Capita	\$80
Eligible Amount	\$33,788



Service: Indoor Recreation Facilities
 Unit Measure: ft² of building area

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Lou Jeffries Recreation Centre (Town's Share)	35,900	35,900	35,900	35,900	35,900	35,900	35,900	35,900	35,900	35,900	\$125	\$141
Total	35,900	35,900	35,900	35,900	35,900	35,900	35,900	35,900	35,900	35,900		

Population	5,052	5,030	5,017	4,996	5,003	4,979	4,994	4,993	5,125	5,130
Per Capita Standard	7.1061	7.1372	7.1557	7.1857	7.1757	7.2103	7.1886	7.1901	7.0049	6.9981

10 Year Average	2010-2019
Quantity Standard	7.1352
Quality Standard	\$141
Service Standard	\$1,006

D.C. Amount (before deductions)	10 Year
Forecast Population	425
\$ per Capita	\$1,006
Eligible Amount	\$427,580



Service: Recreation Vehicles and Equipment
 Unit Measure: No. of vehicles and equipment

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Value (\$/Vehicle)
Light Utility Vehicle (Mule)	1	1	1	1	1	1	1	1	1	1	\$29,100
Trailer	1	1	1	1	1	1	1	1	1	1	\$10,200
Pickup Truck	4	4	4	4	4	4	4	4	4	4	\$45,200
Mowers	3	3	3	3	3	3	3	3	3	2	\$25,000
Zamboni	1	1	1	1	1	1	1	1	1	2	\$110,000
Gas Ice Edger	1	1	1	1	1	1	1	1	1	1	\$20,000
LED Sign	1	1	1	1	1	1	1	1	1	1	\$45,000
Score Clock	1	1	1	1	1	1	1	1	1	1	\$25,000
Kitchen Equipment (Canteen & Rental Hall)	2	2	2	2	2	2	2	2	2	2	\$25,000
Total	15	15	15	15	15	15	15	15	15	15	

Population	5,052	5,030	5,017	4,996	5,003	4,979	4,994	4,993	5,125	5,130
Per Capita Standard	0.0030	0.0030	0.0030	0.0030	0.0030	0.0030	0.0030	0.0030	0.0029	0.0029

10 Year Average	2010-2019
Quantity Standard	0.0030
Quality Standard	\$36,667
Service Standard	\$110

D.C. Amount (before deductions)	10 Year
Forecast Population	425
\$ per Capita	\$110
Eligible Amount	\$46,750



Appendix C

Long Term Capital and Operating Cost Examination



Appendix C: Long-Term Capital and Operating Cost Examination

As a requirement of the D.C.A. under subsection 10(2)(c), an analysis must be undertaken to assess the long-term capital and operating cost impacts for the capital infrastructure projects identified within the D.C. As part of this analysis, it was deemed necessary to isolate the incremental operating expenditures directly associated with these capital projects, factor in cost savings attributable to economies of scale or cost sharing where applicable, and prorate the cost on a per unit basis (i.e. sq.ft. of building space, per vehicle, etc.). This was undertaken through a review of the Town's 2020 Financial Information Return.

In addition to the operational impacts, over time the initial capital projects will require replacement. This replacement of capital is often referred to as lifecycle cost. By definition, lifecycle costs are all the costs which are incurred during the life of a physical asset, from the time its acquisition is first considered, to the time it is taken out of service for disposal or redeployment. The method selected for lifecycle costing is the sinking fund method which provides that money will be contributed annually and invested, so that those funds will grow over time to equal the amount required for future replacement.

Table C-1 depicts the annual operating impact resulting from the proposed gross capital costs at the time they are all in place. It is important to note that, while municipal program expenditures will increase with growth in population, the costs associated with the new infrastructure (i.e. facilities) would be delayed until the time these works are in place.

Table C-1
Operating and Capital Expenditure Impacts for Future Capital Expenditures

SERVICE	ANNUAL LIFECYCLE EXPENDITURES	ANNUAL OPERATING EXPENDITURES	TOTAL ANNUAL EXPENDITURES
1. Wastewater Services	27,961	8,018	35,979
2. Roads & Related Services	18,694	571	19,265
3. Parks & Recreation Services	8,553	1,969	10,522
4. Growth-Related Studies	-	-	-
Total	55,209	10,557	65,766



Appendix D

Local Service Policy



Appendix D: Local Service Policy

Some of the need for services generated by additional development consists of local services related to a plan of subdivision. As such, they will be required as a condition of subdivision agreements or consent conditions. The following local service guidelines are proposed to delineate the jurisdiction for capital cost recovery (i.e. local service or D.C.s).

1. Roads

- a. Local streets and collector roads internal to development - Direct developer responsibility under s.59 of the D.C.A. (as a local service).
- b. Roads (collector and arterial) external to development - Include in D.C. calculation to the extent permitted under s.5(1) of the D.C.A. (dependent on local circumstances).

2. Traffic Signals

- a. Traffic signalization within or external to development – Include in D.C. calculation to the extent permitted under s.5(1) of the D.C.A.

3. Intersection Improvements

- a. New roads (collector and arterial) and road (collector and arterial) improvements – Include as part of road costing, to limits of ROW.
- b. Intersections improvements within specific developments and all works necessary to connect to entrances (private and specific subdivision) to the roadway - Direct developer responsibility under s.59 of D.C.A. (as a local service).
- c. Intersection improvements on other roads due to development growth increasing traffic – Include in D.C. calculation.

4. Streetlights

- a. Streetlights on external roads – Include in D.C. calculation (linked to collector road funding source).
- b. Streetlights within specific developments – Direct developer responsibility under s.59 of D.C.A. (as a local service).



5. Sidewalks

- a. Sidewalks on Town roads - Linked to collector road funding source.
- b. Other sidewalks external to development (which are a local service within the area to which the plan relates) - Direct developer responsibility as a local service provision (under s.59 of D.C.A.).

6. Bike Routes/Bike Lanes/Bike Paths/Multi-Use Trails/Naturalized Walkways

- a. Bike routes and bike lanes, within road allowance, external to development – Include in D.C. road costs, consistent with the service standard provisions of the D.C.A., s.5(1).
- b. Bike paths/multi-use trails/naturalized walkways external to development – Include in Municipal D.C.s consistent with the service standard provisions of the D.C.A., s.5(1).
- c. Bike lanes, within road allowance, internal to development – Direct developer responsibility under s.59 of the D.C.A. (as a local service).

7. Noise Abatement Measures

- a. Internal to Development - Direct developer responsibility through local service provisions (s.59 of D.C.A.).

8. Traffic Control Systems

- a. Include in D.C. calculation.

9. Land Acquisition for Road Allowances

- a. Land acquisition for arterial roads – Dedication under the *Planning Act* subdivision provisions (s.51) through development lands; in areas with limited or no development, include in D.C. calculation (to the extent eligible).
- b. Land acquisition for collector roads – Dedication under the *Planning Act* subdivision provision (s.51) through development lands (up to 27 metre right-of-way); in areas with limited or no development, include in D.C. calculation (to the extent eligible).



10. Land Acquisition for Easements

- a. Easement costs external to subdivisions shall be included in D.C. calculation.

11. Storm Water Management

- a. Quality and quantity Works, direct developer responsibility through local service provisions (s. 59 of D.C.A.).

12. Water

- a. Treatment facilities, pumping stations and works associated with zone boundaries to be included within the DC.
- b. Watermains external to subdivisions included in the DC.
- c. Marginal costs of waterworks within the subdivision included in DC at 300 mm nominal diameter or above.
- d. Connections to trunk mains and pumping stations to service specific areas, to be direct developer responsibility.

13. Wastewater

- a. Treatment facilities and pumping stations to be included within the DC.
- b. Sanitary sewers external to subdivisions included in the DC.
- c. Marginal costs of sanitary sewer works within the subdivision included in DC at 200 mm nominal diameter or above and extra depth to accommodate external lands.
- d. Connections to trunk mains and pumping stations to service specific areas, to be direct developer responsibility.



Appendix E

Proposed Development Charges By-law



**THE CORPORATION OF THE TOWN OF GANANOQUE
BY-LAW NO. ____**

**BEING A BY-LAW OF THE CORPORATION OF THE TOWN OF GANANOQUE
WITH RESPECT TO DEVELOPMENT CHARGES**

Whereas Section 2(1) of the *Development Charges Act, 1997, S.O. 1997, c. 27* (hereinafter called the Act) enables the Council of a municipality to pass by-laws for the imposition of development charges against land located in the municipality for increased capital costs required because of the increased need for services arising from development in the area to which the by-law applies;

And whereas the Council of the Town of Gananoque, at its meeting of _____, 2020, approved a report entitled Town of Gananoque 2020 Development Charges Background Study;

And whereas the Council has given Notice in accordance with Section 12 of the Development Charges Act, 1997 of its development charges proposal and held a public meeting on _____;

And whereas the Council has heard all persons who applied to be heard in objection to, or in support of, the development charges proposal at such public meeting and provided a subsequent period for written communications to be made;

And whereas the Council, in adopting the Town of Gananoque Development Charges Background Study on _____, 2020, directed that development charges be imposed on land under development or redevelopment within the geographical limits of the municipality as hereinafter provided.

Now, therefore, the Council of the Corporation of the Town of Gananoque enacts as follows:



1. DEFINITIONS

In this by-law,

- (1) “Accessory” means when used to describe a use, building, or structure, that the use, building, or structure is naturally or normally incidental, subordinate, and exclusively devoted to a main use, building, or structure located on the same lot therewith;
- (2) “act” means the *Development Charges Act, 1997, S.O. 1997, c. 27, as amended*;
- (3) “agricultural use” means lands, buildings, or structures, excluding any portion thereof used as a dwelling unit or for a commercial use, used or designed or intended for use for the purpose of a bona fide farming operation including, but not limited to, animal husbandry, dairying, livestock, fallow, field crops, removal of sod, forestry, fruit farming, greenhouses, horticulture, market gardening, pasturage, poultry keeping, and equestrian facilities;
- (4) “apartment dwelling” means a dwelling consisting of four or more dwelling units, which units have a common entrance from street level and common halls and /or stairs, elevators, and yards;
- (5) “bedroom” means any room used or designed or intended for use as sleeping quarters including but not limited to, a den, a study, a family room, or other similar use;
- (6) “building” means a structure having a roof supported by columns or walls or directly on the foundation and used for the shelter and accommodation of persons, animals, or goods and without limiting the foregoing, includes buildings as defined in the *Building Code Act*;
- (7) "capital costs" means costs incurred or proposed to be incurred by the municipality or a local board thereof directly or under an agreement,
 - (a) to acquire land or an interest in land,
 - (b) to improve land,
 - (c) to acquire, construct or improve buildings and structures,



- (d) to acquire, construct or improve facilities including:
 - (i) rolling stock, furniture and equipment with an estimated useful life of seven years or more,
 - (ii) materials acquired for circulation, reference or information purposes by a library board as defined in the *Public Libraries Act, 1984, S. 0, 1984, c. 57,*
 - (iii) furniture and equipment, other than computer equipment,
 - (e) to undertake studies in connection with any matter under the Act and any of the matters in clauses (a) to (d), required for the provision of services designated in this by-law within or outside the municipality, including interest on borrowing for those expenditures under clauses (a), (b), (c) and (d) that are growth-related;
- (8) “commercial” means any use permitted in a commercial zone other than a Residential Use as described by the Zoning By-law of the municipality and any amendments thereto.;
- (9) “Council” means the Council of the Corporation of the Town of Gananoque;
- (10) “development” includes redevelopment;
- (11) “development charge” means a charge imposed pursuant to this by-law adjusted in accordance with Section 13;
- (12) “dwelling unit” means a room or group of rooms in a dwelling used or intended to be used as a single independent and separate housekeeping unit containing a kitchen and sanitary facilities for its exclusive use, and has a private entrance from outside the dwelling or from a common hallway or stairway inside the dwelling, but does not include a room or suite of rooms in a hotel or motel;
- (13) “existing” means existing as of the date of the passing of this By-law;
- (14) “grade” means the average level of finished ground adjoining a building at all exterior walls;



- (15) “gross floor area” means the total floor area, measured between the outside of exterior walls or between the outside of exterior walls and the centre line of party walls dividing the building from another building, of all floors above the average level of finished ground adjoining the building at its exterior walls;
- (16) “hospital” means land, buildings, or structures used, or designed or intended for use as defined in the *Public Hospitals Act, R.S.O. 1990, c. P.40, as amended*;
- (17) “industrial” means any building used for or in connection with,
- (a) manufacturing, producing, processing, storing, or distributing something and includes a greenhouse;
 - (b) research or development in connection with manufacturing, producing, or processing something;
 - (c) retail sales by a manufacturer, producer or processor of something manufactured, produced or processed, if the retail sales are at the site where the manufacturing, production, or processing takes place; and
 - (d) office for administrative purposes, if carried out with respect to manufacturing, producing, processing, storage, or distribution and in or attached to the building or structure used for that manufacturing, producing, storage, or distribution;
- (18) “non-profit housing development” means development of a building or structure intended for use as residential premises by:
- (a) a corporation without share capital to which the *Corporations Act* applies, that is in good standing under that Act and whose primary objective is to provide housing;
 - (b) a corporation without share capital to which the *Canada Not-for-profit Corporation Act* applies, that is in good standing under that Act and whose primary objective is to provide housing; or
 - (c) a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*;



- (19) “non-residential use” means land, buildings, or structures or portions thereof used, or designed or intended for a use other than a residential use;
- (20) “other multiple” means any residential dwelling which is not a single-detached dwelling, a semi-detached dwelling, or an apartment dwelling;
- (21) “place of worship” means that part of a building or structure used for worship and that is exempt from taxation as a place of worship under the *Assessment Act, R.S.O. 1990, c. A.31*, as amended;
- (22) “rental housing” means development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises;
- (23) “residential use” means land or buildings or structures or part thereof of any kind whatsoever used, designed or intended to be used as a residence for one or more individuals but does not include a hotel or motel;
- (24) “semi-detached dwelling” means the whole of a dwelling divided vertically both above grade and below grade into two separate dwelling units;
- (25) “single-detached dwelling” means a dwelling containing only a dwelling unit, or a dwelling unit and an accessory apartment, and not attached to another structure.

2. SCHEDULE OF DEVELOPMENT CHARGES

- (1) Subject to the provisions of this by-law, development charges against land shall be calculated and collected in accordance with the base rates set out in Schedule "B", which relate to the services set out in Schedule "A".
- (2) The development charge with respect to the use of any land, buildings or structures shall be calculated as follows:



- (a) in the case of residential development, or the residential portions of a mixed-use development, based upon the number and type of dwelling units;
 - (b) in the case of non-residential, or the non-residential portion of a mixed-use development, based upon the gross floor area of such development;
- (3) Council hereby determine that the development of land, buildings or structures for residential or non-residential uses will require the provision, enlargement, expansion, or improvement of the services referenced in Schedule "B".

3. APPLICABLE LANDS

- (1) Subject to Section 6, this by-law applies to all lands in the Town of Gananoque, whether or not the land or use is exempt from taxation under Section 3 of the *Assessment Act, 1990, c.A..31*.
- (2) Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to land that is owned by and used for purposes of:
 - (a) Town of Gananoque, or any local board thereof; and
 - (b) a board of education as defined in subsection 1(1) of the *Education Act*.

4. APPLICATION OF CHARGES

- (1) Development charges shall be imposed on all lands, buildings, or structures that are developed for residential or non-residential uses if the development requires:
 - (a) the passing of a zoning by-law or of an amendment to a zoning by-law under Section 34 of the *Planning Act*,
 - (b) the approval of a minor variance under Section 45 of the *Planning Act*;
 - (c) a conveyance of land to which a by-law passed under Subsection 50(7) of the *Planning Act* applies;



- (d) the approval of a plan of subdivision under Section 51 of the *Planning Act*,
 - (e) a consent under Section 53 of the *Planning Act*,
 - (f) the approval of a description under Section 50 of the *Condominium Act, R.S.O. 1990, Chap. C.26, as amended*, or any successor thereof; or
 - (g) the issuing of a permit under the *Building Code Act* in relation to a building or structure.
- (2) Subsection (1) shall not apply in respect of local services as described in s.s.59(2) (a) and (b) of the Act;

5. MULTIPLE CHARGES

- (1) Where two or more of the actions described in Section 4(1) are required before land to which a development charge applies can be developed, only one development charge shall be calculated and collected in accordance with the provisions of this by-law.
- (2) Notwithstanding Subsection (1), if two or more of the actions described in Section 4(1) occur at different times, and if the subsequent action has the effect of increasing the need for municipal services as designated in Schedule "A", an additional development charge on the additional residential units and/or non-residential gross floor area shall be calculated and collected in accordance with the provisions of this By-law.

6. EXEMPTIONS

- (1) Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to that category of exempt development described in s.s. 2(3) of the Act, and s.s. 2(1) of O.Reg. 82/98, namely:
- (a) the enlargement of an existing dwelling unit;
 - (b) the creation of one or two additional dwelling units in an existing single-detached dwelling, or structure ancillary to a single-detached dwelling, provided the total gross floor area of the additional one or two units does not exceed the gross floor area of the existing dwelling unit;



- (c) the creation of one additional dwelling unit in an existing semi-detached or row dwelling, or structure ancillary to a semi-detached or row dwelling, provided the total gross floor area of the additional one unit does not exceed the gross floor area of the existing dwelling unit;
- (d) the creation of the greater of one additional dwelling unit or 1% of the existing dwelling units in the building of an existing rental residential building, or structure ancillary to an existing rental residential building; or
- (e) the creation of one additional dwelling unit in any other type of existing residential building, or structure ancillary to any other type of existing residential building, provided that the total gross floor area of the additional one unit does not exceed the gross floor area of the smallest dwelling unit already contained in the residential building.

(2) Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to that category of exempt development described in s.s. 2(3.1) of the Act, and s.s. 2(3) of O.Reg. 82/98, subject to the following restrictions:

Item	Name of Class of Proposed New Residential Buildings	Description of Class of Proposed New Residential Buildings	Restrictions
1	Proposed new detached dwellings	Proposed new residential buildings that would not be attached to other buildings and that are permitted to contain a second dwelling unit, that being either of the two dwelling units, if the units have the same gross floor area, or the smaller of the dwelling units.	The proposed new detached dwelling must only contain two dwelling units. The proposed new detached dwelling must be located on a parcel of land on which no other detached dwelling, semidetached dwelling or row dwelling would be located.
2	Proposed new semi-detached dwellings or row dwellings	Proposed new residential buildings that would have one or two vertical walls, but no other parts, attached to other buildings and that are	The proposed new semi-detached dwelling or row dwelling must only contain two dwelling units. The proposed new semi-detached dwelling or row dwelling must be



Item	Name of Class of Proposed New Residential Buildings	Description of Class of Proposed New Residential Buildings	Restrictions
		permitted to contain a second dwelling unit, that being either of the two dwelling units, if the units have the same gross floor area, or the smaller of the dwelling units.	located on a parcel of land on which no other detached dwelling, semi-detached dwelling or row dwelling would be located.
3	Proposed new residential buildings that would be ancillary to a proposed new detached dwelling, semi-detached dwelling or row dwelling	Proposed new residential buildings that would be ancillary to a proposed new detached dwelling, semi-detached dwelling or row dwelling and that are permitted to contain a single dwelling unit.	<p>The proposed new detached dwelling, semi-detached dwelling or row dwelling, to which the proposed new residential building would be ancillary, must only contain one dwelling unit.</p> <p>The gross floor area of the dwelling unit in the proposed new residential building must be equal to or less than the gross floor area of the detached dwelling, semi-detached dwelling or row dwelling to which the proposed new residential building is ancillary.</p>

(3) Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to that category of exempt development described in in s.4 of the Act, and s.1 of O.Reg. 82/98, namely:

- (a) the enlargement of the gross floor area of an existing industrial building, if the gross floor area is enlarged by 50 percent or less;
- (b) for the purpose of (a), the terms “gross floor area” and “existing industrial building” shall have the same meaning as those terms have in O.Reg. 82/98 under the Act; and
- (c) notwithstanding subsection (a), if the gross floor area is enlarged by more than 50 per cent, development charges shall be payable and collected and the amount payable shall be calculated in accordance with s.4(3) of the Act.



7. TIMING OF CALCULATION AND PAYMENT

- (1) Development charges are due and payable in full to the Corporation of the Town of Gananoque on the date a building permit is issued for any land, buildings, or structures affected by the applicable development charge and a building permit with respect to a building or structure shall be withheld where the applicable development charge has not been paid pursuant to Section 28 of the Act.
- (2) Notwithstanding Subsection 7.1, development charges for rental housing and institutional developments are due and payable in 6 installments commencing with the first installment payable on the date of occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.
- (3) Notwithstanding Subsection 7.1, development charges for non-profit housing developments are due and payable in 21 installments commencing with the first installment payable on the date of occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.
- (4) Where the development of land results from the approval of a Site Plan or Zoning By-law Amendment received on or after January 1, 2020, and the approval of the application occurred within 2 years of building permit issuance, the development charges shall be calculated on the rates set out in Schedule "B" on the date of the planning application, including interest. Where both planning applications apply, development charges shall be calculated on the rates, including interest, set out in Schedules "B" on the date of the later planning application.
- (5) Despite subsections 7.2 to 7.4, Council from time to time, and at any time, may enter into agreements providing for all or any part of a development charge to be paid before or after it would otherwise be payable, in accordance with section 27 of the Act.
- (6) Interest for the purposes of subsections 7.2 to 7.4 shall be determined as the bank of Canada prime lending rate on the date of building permit



issuance. Notwithstanding the foregoing, the interest rate shall not be less than 0%.

- (7) If the development charge or any part thereof imposed by the Town of Gananoque remains unpaid after the due date, in the absence of an agreement to address the amount unpaid amount per article 2.6.1 (a) or Subsection (2), then the amount unpaid shall be added to the tax roll as taxes as prescribed by in Section 32 of the Act.

8. SERVICE STANDARDS

- (1) The approved service standards for the Town of Gananoque are those contained in the Development Charges Background Study.

9. SERVICES IN LIEU

- (1) Council may authorize an owner, through an agreement under Section 38 of the Act, to substitute the whole or such part of the development charge applicable to the owner's development as may be specified in an agreement by the provision at the sole expense of the owner, of services in lieu. Such agreement shall further specify that where the owner provides services in lieu in accordance with the agreement, Council shall give to the owner a credit against the development charge otherwise applicable to the development, equal to the reasonable cost to the owner of providing the services in lieu, provided such credit shall not exceed the total development charge payable by an owner to the municipality.

10. DEVELOPMENT CHARGE CREDITS

- (1) Where residential space is being converted to non-residential space, the development charge equivalent that would have been payable on the residential space shall be deducted from the charge calculated on the non-residential space being added.
- (2) Where non-residential space is being converted to residential space, the development charge equivalent that would have been payable on the non-residential space shall be deducted from the charge calculated on the residential units being added.



- (3) An owner who has obtained a demolition permit and demolished existing dwelling units or a non-residential building or structure in accordance with the provisions of *the Building Code Act* shall not be subject to the development charge with respect to the development being replaced, provided that the building permit for the replacement residential units or non-residential building or structure is issued not more than two (2) years after the date of issuance of the demolition permit and provided that any dwelling units or non-residential gross floor area created in excess of what was demolished shall be subject to the development charge imposed under this By-law.
- (4) No redevelopment credit shall be made in excess of the development charge payable for a redevelopment.

11. BY-LAW REGISTRATION

- (1) A certified copy of this by-law may be registered on title to any land to which this by-law applies.

12. RESERVE FUNDS

- (1) Monies received from payment of development charges shall be maintained in a separate reserve funds, and shall be used only to meet the growth-related net capital costs for which the development charge was levied under this by-law.
- (2) Council directs the Treasurer to divide the reserve fund(s) created hereunder into the separate subaccounts in accordance with the service categories set out in Schedule "A" to which the development charge payments shall be credited in accordance with the amounts shown, plus interest earned thereon.
- (3) Where any development charge, or part thereof, remains unpaid after the due date, the amount unpaid shall be added to the tax roll and shall be collected as taxes.



- (4) Where any unpaid development charges are collected as taxes under Subsection (3), the monies so collected shall be credited to the development charge reserve fund or funds referred to in Subsection (1).
- (5) The Treasurer is hereby directed to prepare an annual financial statement for the development charges reserve fund as prescribed under Section 12 of Ontario Regulation 82/98 and to submit the statement for Council's consideration and within 60 days thereafter, to submit such statement to the Minister of Municipal Affairs and Housing.

13. BY-LAW AMENDMENT OR REPEAL

- (1) Where this by-law or any development charge prescribed thereunder is amended or repealed by order of the Local Planning Appeals Tribunal or by resolution of the Council, the Treasurer shall calculate forthwith the amount of any overpayment to be refunded as a result of said amendment or repeal.
- (2) Refunds that are required to be paid under Subsection (1) shall be paid to the registered owner of the land on the date on which the refund is paid.
- (3) Refunds that are required to be paid under Subsection (1) shall be paid with interest to be calculated as follows:
 - (a) interest shall be calculated from the date on which the overpayment was collected to the day on which the refund is paid;
 - (b) interest shall be paid at the Bank of Canada rate in effect on the date of enactment of this by-law.

14. DEVELOPMENT CHARGE SCHEDULE INDEXING

- (1) The development charges referred to in Schedule "B" shall be adjusted annually, without amendment to this by-law, on January 1st of each year, in accordance with s.7 of O. Reg. 82/98.

15. BY-LAW ADMINISTRATION

- (1) This by-law shall be administered by the Treasurer.



16. SCHEDULES TO THE BY-LAW

(1) The following schedules to this by-law form an integral part of this by-law:

Schedule “A” – Designated Municipal Services Under this By-law

Schedule “B” – Schedule of Development Charges

17. SEVERABILITY

(1) If, for any reason, any provision, section, subsection, or paragraph of this by-law is held to be invalid, it is hereby declared to be the intention of Council that all of the remainder of this by-law shall continue in full force and effect until repealed, re-enacted, or amended, in whole or in part or dealt with in any other way.

18. SHORT TITLE

(1) This by-law may be cited as the Development Charge By-law.

19. DATE BY-LAW EFFECTIVE

(1) This by-law shall come into force and effect on _____, 2020.

Read a first, second, and a third time and finally passed this __ day of _____, 2020.

Ted Lojko, Mayor

Penny Kelly, Clerk



SCHEDULE “A” TO BY-LAW ____
THE CORPORATION OF THE TOWN OF GANANOQUE

Designated Municipal Class of Services Under this By-law

Municipal-wide Services

1. Roads & Related
2. Parks & Recreation
3. Growth-Related Studies

Urban Services

4. Wastewater



SCHEDULE “B” TO BY-LAW ____
THE CORPORATION OF THE TOWN OF GANANOQUE

Schedule of Development Charges

Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per sq.ft. of Gross Floor Area)
<u>Municipal Wide Services</u>					
Roads & Related Services	789	503	342	569	0.56
Parks & Recreation Services	659	420	285	475	0.05
Growth-Related Studies	220	140	95	159	0.15
Total Municipal Wide Services	1,668	1,063	722	1,203	0.76
<u>Urban Services</u>					
Wastewater Services	1,438	917	623	1,037	1.00
Total Urban Services	1,438	917	623	1,037	1.00
GRAND TOTAL RURAL AREA	1,668	1,063	722	1,203	0.76
GRAND TOTAL URBAN AREA	3,106	1,980	1,345	2,240	1.76