



2019 Development Charges Background Study

Tay Valley Township

For Public Circulation and Comment

October 2, 2019

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List of Acronyms and Abbreviations

Acronym	Full Description of Acronym
A.M.P.	Asset Management Plan
D.C.	Development charge
D.C.A.	Development Charges Act, 1997
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 metre



Development Charges Background Study



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 (D.C.A.), 1997 (s.10), and accordingly, recommends new Development Charges (D.C.s) and policies for Tay Valley Township (Township).

The Township retained Watson & Associates Economists Ltd. (Watson) to undertake the D.C. study process in 2019. Watson worked with senior staff of the Township 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 Township's D.C. background study, as summarized in Chapter 4. It also addresses the forecast amount, type, and location of growth (Chapter 3), the requirement for "rules" governing the imposition of the charges (Chapter 7), and the proposed by-law to be made available as part of the approval process (Appendix E).

In addition, the report is designed to set out the Township's current D.C. policy (Chapter 2) and the policies underlying the proposed D.C. by-law, to make the exercise understandable to interested parties. Finally, the D.C. background study addresses post-adoption implementation requirements (Chapter 9) 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. A full discussion of the statutory requirements for the preparation of a background study and calculation of a D.C. is provided herein.



1.2 Summary of the Process

As required under Section 12 of the D.C.A., 1997, a public meeting has been scheduled for November 12, 2019. Its purpose is to present the study to the public and to solicit public input on the proposed D.C. by-law. The meeting is also being held to answer any questions regarding the study's purpose, methodology, and the proposed modifications to the Township's D.C. by-law. Table 1-1 outlines the proposed schedule to be followed with respect to the D.C. by-law adoption process.

In accordance with the legislation, the D.C. background study and proposed D.C. by-law will be available for public review on October 2, 2019.

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 study and Council consideration of the by-law.

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

Process Steps	Dates
1. Project initiation meetings with Township staff	September 19, 2019
2. Data collection, staff interviews, preparation of D.C. calculations	September 2019
3. Preparation of draft D.C. background study and review of draft findings with Township staff	September 2019
4. Council draft findings presentation	September 30, 2019
5. D.C. background study and proposed D.C. by-law available to public	October 2, 2019



Process Steps	Dates
6. Statutory notice of Public Meeting advertisement placed in newspaper(s)	20 days prior to public meeting
7. Public Meeting of Council	November 12, 2019
8. Council considers adoption of D.C. background study and passage of by-law	December 2019
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. Township makes available D.C. pamphlet	By 60 days after in force date

1.3 Proposed Changes to the D.C.A.: Bill 108 – An Act to amend Various Statutes with Respect to Housing, Other Development, and Various Matters

On May 2, 2019, the Province introduced Bill 108 which proposes 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. do not come into effect until they are proclaimed by the Lieutenant Governor. However, transitional provisions with respect to soft services, as well as other provisions clarifying definitions and administrative powers to make regulations, are in effect as of the date of royal assent. Regarding the transitional provisions for soft services, as noted below, services not identified under the new subsection 2(4) (i.e. soft services) will no longer be eligible to be included in D.C. by-law once proclaimed. Soft services within an existing D.C. by-law can remain in effect, even if the by-law expires, until the earlier of the prescribed



date (currently anticipated to be January 1, 2021), the date a Community Benefits Charge By-law is passed, or the date when the existing D.C. by-law is repealed. A summary of the changes to the D.C.A. to take effect upon proclamation by the Lieutenant Governor is provided below:

Changes to Eligible Services – the Bill will remove “Soft Services” from the D.C.A. These services will be considered as part of a new Community Benefit Charge (discussed below) imposed under the authority of the *Planning Act*. Once the new s.s. 2(4) is proclaimed, eligible services under the D.C.A. include:

- 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 as defined in subsection 1 (1) of the Municipal Act, 2001 or subsection 3 (1) of the City of Toronto Act, 2006, as the case may be;
- Electrical power services;
- Policing services;
- Ambulance services;
- Fire protection services;
- Toronto-York subway extension, as defined in subsection 5.1 (1);
- Transit services other than the Toronto-York subway extension;
- Waste diversion services; and
- Other services as prescribed.

Waste Diversion and Ambulance – the Bill will remove the mandatory 10% deduction for these services.

Annual Installments – the Bill proposes that Rental Housing, and Commercial/Industrial/Institutional developments pay D.C.s in six equal annual payments commencing the earlier of the date of issuance of a building permit or occupancy. Non-profit housing developments will pay D.C.s in 21 equal annual payments. Interest may be charged on the installments, at a prescribed rate, and any unpaid amounts may be added to the property and collected as taxes.

When D.C. Amount is Determined – the Bill proposes that the D.C. amount for all developments proceeding by Site Plan or requiring a Zoning By-law Amendment, shall



be determined based on the D.C. charge in effect on the day of the application for Site Plan or Zoning By-law Amendment. If the development is not proceeding via these planning approvals, then the amount is determined the earlier of the date of issuance of a building permit or occupancy.

Soft Services to be Included in a new Community Benefit Charge under the Planning Act – it is proposed that a municipality may by by-law impose community benefits charges against land to pay for the capital costs of facilities, services and matters required because of development or redevelopment in the area to which the by-law applies. These services may not include services authorized by the D.C.A. Various provisions are provided as follows:

- Before passing a community benefits charge by-law, the municipality shall prepare a community benefits charge strategy that, (a) identifies the facilities, services and matters that will be funded with community benefits charges and (b) complies with any prescribed requirements;
- The amount of a community benefits charge payable shall not exceed an amount equal to the prescribed percentage of the value of the land as of the valuation date;
- The valuation date is the day before building permit issuance;
- Valuations will be based on appraised value of land. Various requirements are set out in this regard;
- All money received by the municipality under a community benefits charge by-law shall be paid into a special account;
- In each calendar year, a municipality shall spend or allocate at least 60 percent of the monies that are in the special account at the beginning of the year;
- Requirements for annual reporting shall be prescribed; and
- Transitional provisions are set out regarding the D.C. reserve funds and D.C. credits.

1.4 Impact of Bill 108 on the Township's D.C. Study Process

Based on the transition provisions in Bill 108 identified above, municipalities with a D.C. by-law expiring between June 6, 2019 (i.e. date of royal assent) and before prescribed date (anticipated to be January 1, 2021), can either:



- Pass a new D.C. by-law for both hard services (i.e. those services permissible under the new s.s. 2(4)) and soft services; or
- Amend their existing D.C. by-law to continue to impose the current soft services, and pass a new D.C. by-law for the hard services only.

In both cases, the charges pertaining to the soft services would continue to be imposed during the transition period until a Community Benefits Charge By-law is passed under the authority of the *Planning Act*, or the prescribed date, whichever comes first.

Through discussion with the Township's staff, it was determined that the preferred approach was to pass a new by-law for all services, in part, as this would serve to inform the forthcoming Community Benefits Charge By-law. Hence, this D.C. background study contains the statutory requirements to adopt a new D.C. by-law for all permissible services under the D.C.A. as at the date of writing.



Chapter 2

Tay Valley Township Current D.C. Policy



2. Tay Valley Township Current D.C. Policy

2.1 By-law Enactment

On December 2, 2014, the Township enacted and passed By-law 2014-052 under the D.C.A, 1997, which imposes uniform Municipal-wide charges. The Township's D.C. By-law is set to expire on December 2, 2019.

2.2 Services Covered

The following services are covered under By-law 2014-052

- Roads & Related;
- Fire Protection;
- Parks & Recreation;
- Library; and
- Administration – Studies.

The by-law provides for discretionary annual indexing of the charges on December 31st each year. Table 2-1 provides the charges currently in effect for residential and non-residential development types.

Table 2-1
Tay Valley Township
Schedule of D.C.s (as of December 2, 2018)

Service	Residential				Green Energy (per 500 kW generating capacity)
	Single & Semi Detached	Attached Dwelling	Apartment	Mobile Home	
Roads & Related	2,806	2,806	2,639	2,506	3,486.71
Fire Protection	294	294	276	262	364.28
Parks & Recreation	107	107	101	96	-
Library	139	139	131	124	-
Administration - Studies	154	154	145	138	152.12
Total	3,500	3,500	3,292	3,126	4,003.11



2.3 Timing of D.C. Calculation and Payment

D.C.s are due and payable in full to the Township on the date the first building permit is issued in relation to a building or structure on land to which a D.C. applies. The By-law also allows the Township to enter into alternative payment agreements with owners.

2.4 Redevelopment Credit

The by-law provides for D.C. credits for residential and non-residential redevelopments for structures to be demolished or converted from one principal use to another. The credit for demolition of residential buildings or structures requires that the structure have been occupied as a dwelling in the twenty-four (24) month period preceding the demolition. The credit for conversion from a non-residential structure to a residential structure exempts the first two (2) dwelling units created.

2.5 Exemptions

The Township's existing D.C. by-law includes statutory exemptions from payment of D.C.s with respect to:

- Industrial additions of up to and including 50% of the existing gross floor area (G.F.A.) of the building – for industrial additions which exceed 50% of the existing G.F.A., only the portion of the addition in excess of 50% is subject to D.C.s;
- Land used for Municipal or Board of Education purposes; and
- Residential development that results in only the enlargement of an existing dwelling unit, or that results only in the creation of up to two additional dwelling units (as specified by O.Reg. 82/98).

The D.C. by-laws also provide non-statutory exemptions from payment of D.C.s with respect to:

- Commercial and Industrial development; and
- Solar PV or Wind Turbines with a rated generating capacity of 100 kW or less.



Chapter 3

Anticipated Development in Tay Valley Township



3. Anticipated Development in Tay Valley Township

3.1 Requirement of the Act

Chapter 4 provides the methodology for calculating a D.C. as per the D.C.A. Figure 4-1 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 Tay Valley Township will be required to provide services, over a 10-year (late-2019 to late-2029) and longer term (late-2019 to mid-2033) time horizon.

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

The D.C. growth forecast has been derived by Watson & Associates Economists Ltd (Watson). In preparing the growth forecast, the following information sources were consulted to assess the residential and non-residential development potential for Tay Valley Township over the forecast period, including:

- Tay Valley Township Official Plan, February 3, 2019;
- Lanark County Sustainable Communities Official Plan, Adopted – June 27, 2012;
- Historical residential and non-residential building permit data;
- Population, housing and employment data from 2006, 2011 and 2016 Statistics Canada Census; and
- Discussions with planning staff regarding potential residential and non-residential development opportunities for the Township of Tay Valley.



3.3 Summary of Growth Forecast

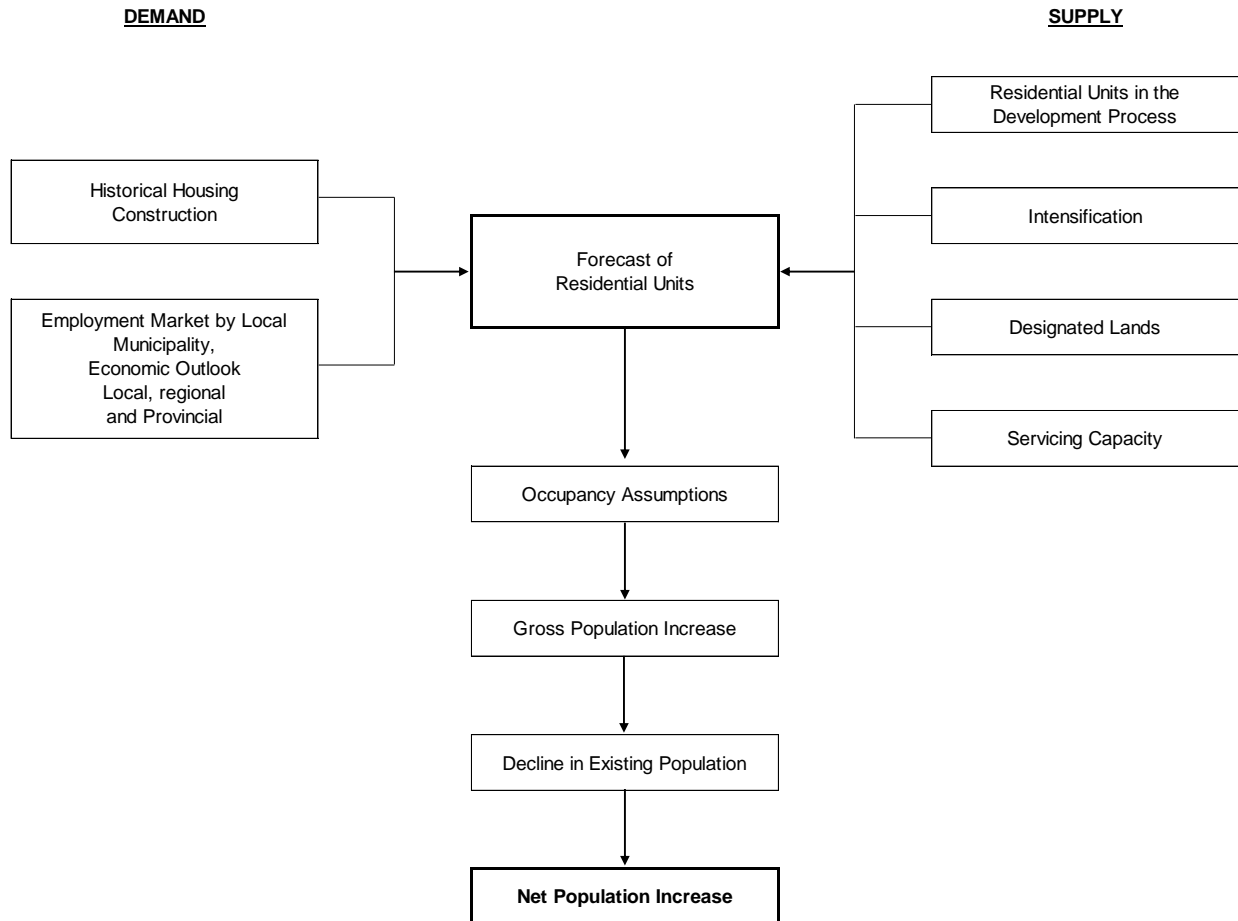
A detailed analysis of the residential and non-residential growth forecasts is provided in Appendix A and the methodology employed is illustrated in Figure 3-1. The discussion provided herein summarizes the anticipated growth for the Township and describes the basis for the forecast. The results of the residential growth forecast analysis are summarized in Table 3-1 below, and *Schedule 1* in Appendix A.

As identified in Table 3-1 and Appendix A, *Schedule 1*, the Township's permanent population is anticipated to reach approximately 6,260 by late-2029 and 6,470 by mid-2033, resulting in an increase of approximately 480 and 690 persons, respectively, over the 10-year and longer-term forecast periods.¹ The Township's seasonal population is forecast to increase to 5,530 persons in 2029, and 5,580 persons in 2033. The Township's total population (permanent and seasonal population) is forecast to reach 11,790 by 2029, and 12,050 by 2033.

¹ The population figures used in the calculation of the 2019 D.C. exclude the net Census undercount, which is estimated at approximately 2.5%.



Figure 3-1
Population and Household Forecast Model





**Table 3-1
Tay Valley Township
Residential Growth Forecast Summary**

Year	Permanent Population (Including Census Undercount) ¹	Excluding Census Undercount					Housing Units					Permanent Person Per Unit (P.P.U.)	Permanent + Seasonal Person Per Unit (P.P.U.)			
		Permanent Population	Institutional Population	Permanent Population Excluding Institutional	Seasonal Population	Total Permanent and Seasonal Population	Singles & Semi-Detached	Multiples ²	Apartments ³	Other	Total Permanent Households			Seasonal Households	Total Households Including Seasonal	
Historical	Mid 2006	5,780	5,634	199	5,435	5,220	10,854	2,040	5	15	20	2,080	1,426	3,506	2.709	3.096
	Mid 2011	5,710	5,571	381	5,190	5,810	11,381	2,081	12	6	11	2,110	1,588	3,698	2.640	3.078
	Mid 2016	5,810	5,665	345	5,320	5,250	10,915	2,220	0	20	15	2,255	1,434	3,689	2.512	2.959
Forecast	Late 2019	5,930	5,783	353	5,430	5,314	11,097	2,275	0	20	15	2,310	1,452	3,762	2.504	2.950
	Late 2029	6,420	6,259	381	5,878	5,534	11,793	2,483	0	20	15	2,518	1,512	4,030	2.486	2.926
	Mid 2033	6,640	6,474	396	6,078	5,578	12,052	2,572	0	20	15	2,607	1,524	4,131	2.483	2.917
Incremental	Mid 2006 - Mid 2011	-70	-63	182	-245	590	527	41	7	-9	30	162	192			
	Mid 2011 - Mid 2016	100	94	-36	130	-560	-466	139	-12	14	4	145	-154			
	Mid 2016 - Late 2019	120	118	8	110	64	182	55	0	0	0	55	18	73		
	Late 2019 - Late 2029	490	476	28	448	220	696	209	0	0	0	209	60	269		
	Late 2019 - Mid 2033	710	691	43	648	264	955	298	0	0	0	298	72	370		

Source: Derived from Tay Valley Township Official Plan, February 3, 2016, by Watson & Associates Economists Ltd., 2019.

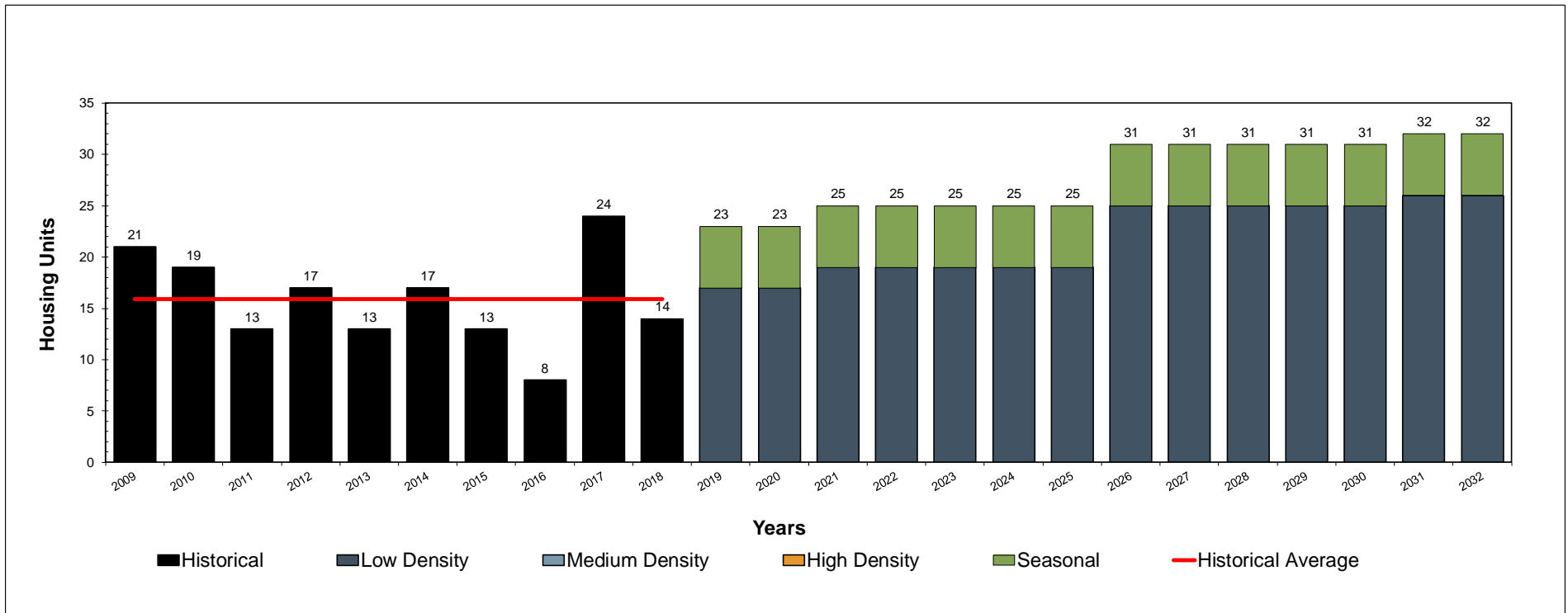
¹ Census undercount estimated at approximately 2.5%. Note: Population including the undercount has been rounded.

² Includes townhouses and apartments in duplexes.

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



Figure 3-2
Tay Valley Township
Annual Housing Forecast



Source: 2009-2013 historical housing activity from Tay Township Official Plan Background Study by Novatech, September 2014, and 2014-2018 from Tay Valley Township.

¹ Growth forecast represents calendar year.



Provided below is a summary of the key assumptions and findings regarding Tay Valley Township D.C. growth forecast.

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

- The housing unit mix for the Township was derived from a detailed review of historical development activity (as per Schedule 6) and discussions with Township staff regarding anticipated development trends for Tay Valley.
- Based on the above indicators, the 2019 to 2033 household growth forecast is comprised of a unit mix of 100% low density (single detached and semi-detached), 0% medium density (multiples) and 0% high density (apartments).

2. Planning Period

- Short and longer-term time horizons are required for the D.C. process. The D.C.A. limits the planning horizon for certain services, such as parks, recreation and libraries, to a 10-year planning horizon. Services related to a highway, public works, fire, police, stormwater, water and wastewater services can utilize a longer planning period.

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

- The number of housing units to be constructed in Tay Valley Township during the short- and long-term periods is presented on Figure 3-2. Over the 2019 to 2033 forecast period, the Township is anticipated to average approximately 27 new permanent and seasonal housing units per year.
- Institutional population¹ is anticipated to grow modestly by approximately 40 persons between 2019 to 2033.
- Population in new housing 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 housing units.

¹ Institutional 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 these special care facilities.



- Schedule 7a summarizes the average P.P.U. assumed for the new housing units by age and type of dwelling based on a 2016 custom Census data. Due to data limitations, medium and high density PPU's were derived from Lanark County as outlined in Schedule 7b. The total calculated P.P.U. for all density types has been adjusted accordingly to account for the P.P.U. trends which has been recently experienced in both new and older units. Forecasted 15-year average P.P.U.s by dwelling type are as follows:
 - Low density: 2.520
 - Medium density: 2.022
 - High density¹: 1.562

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

- Existing households for late-2019 are based on the 2016 Census households, plus estimated residential units constructed between 2016 and June-2019 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 period. The forecast population decline in existing households over the 2019 to 2033 forecast period is approximately 100.

5. Employment (Appendix A, Schedules 9a, 9b, 10 and 11)

- Employment projections are largely based on the activity rate method, which is defined as the number of jobs in a municipality 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.

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



- 2016 employment data¹ (place of work) for Tay Valley Township is outlined in Schedule 9a. The 2016 employment base is comprised of the following sectors:
 - 100 primary (9%);
 - 355 work at home employment (33%);
 - 93 industrial (9%);
 - 113 commercial/population related (10%); and
 - 430 institutional (39%).

- The 2016 employment by usual place of work, including work at home, is estimated at 1,090. An additional 455 employees have been identified for the Township in 2016 that have no fixed place of work (N.F.P.O.W.).² The 2016 employment base, including N.F.P.O.W., totals approximately 1,545.
- Total employment, including work at home and N.F.P.O.W., for Tay Valley Township is anticipated to reach approximately 1,710 by late-2029 and 1,755 by mid-2033. This represents an employment increase of 140 for the 10-year forecast period and 185 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 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.

¹ 2016 employment is based on Statistics Canada 2016 Place of Work Employment dataset.

² Statistics Canada defines "No Fixed Place of Work" (N.F.P.O.W.) employees 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."



- Total employment for Tay Valley Township (excluding work at home and N.F.P.O.W. employment) is anticipated to reach approximately 805 by late-2029 and 825 by 2033. This represents an employment increase of 60 and 80 over the 10-year and longer-term forecast periods, respectively.

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

- Square footage estimates were calculated in Schedule 9b based on the following employee density assumptions:
 - 1,500 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 Township-wide incremental Gross Floor Area (G.F.A.) is anticipated to increase approximately 52,800 sq.ft. over the 10-year forecast period and 67,900 sq.ft. over the longer-term forecast period.
- In terms of percentage growth, the 2019 to 2033 incremental G.F.A. forecast by sector is broken down as follows:
 - industrial – 48%;
 - commercial/population-related – 27%; and
 - institutional – 25%.



Chapter 4

Approach to the Calculation of the Charge



4. Approach to the Calculation of the Charge

4.1 Introduction

This chapter addresses the requirements of s.s.5(1) of the D.C.A., 1997 with respect to the establishment of the need for service which underpins the D.C. calculation. These requirements are illustrated schematically in Figure 4-1.

4.2 Services Potentially Involved

Table 4-1 lists the full range of municipal service categories which are provided within the Township.

A number of these services are defined in s.s.2(4) of the D.C.A., 1997 as being ineligible for inclusion in D.C.s. These are shown as “ineligible” on Table 4-1. In addition, 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). Services which are potentially eligible for inclusion in the Township’s D.C.s are indicated with a “Yes.”

4.3 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 4-1
The Process of Calculating a D.C. under the Act

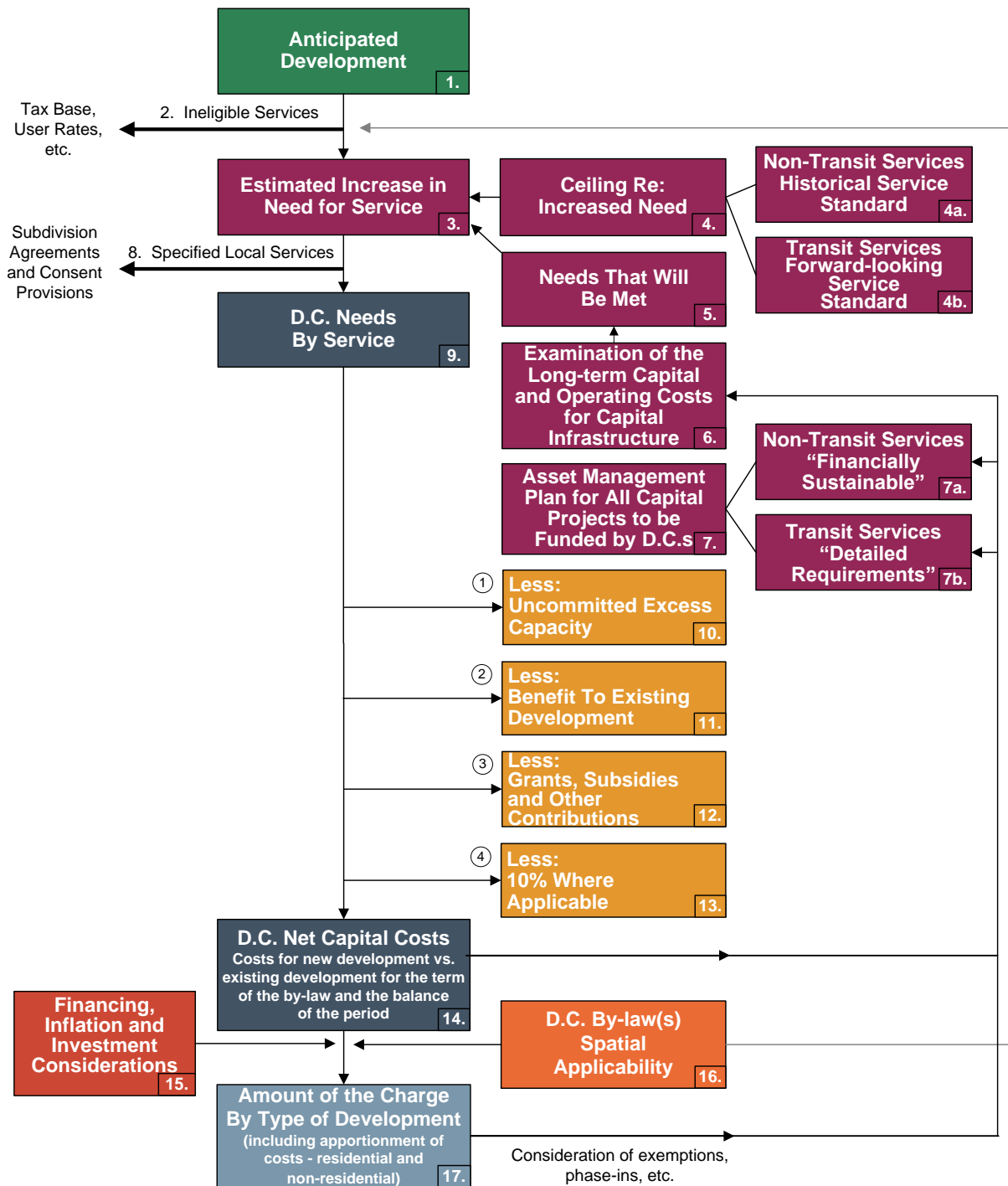




Table 4-1
Categories of Municipal Services
To Be Addressed as Part of the Calculation

Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
1. Services Related to a Highway	Yes	1.1 Arterial roads	100
	Yes	1.2 Collector roads	100
	Yes	1.3 Bridges, Culverts and Roundabouts	100
	No	1.4 Local municipal roads	0
	Yes	1.5 Traffic signals	100
	Yes	1.6 Sidewalks and streetlights	100
	Yes	1.7 Active Transportation	100
2. Other Transportation Services	n/a	2.1 Transit vehicles ¹ & facilities	100
	n/a	2.2 Other transit infrastructure	100
	No	2.3 Municipal parking spaces - indoor	90
	No	2.4 Municipal parking spaces - outdoor	90
	Yes	2.5 Works Yards	100
	Yes	2.6 Rolling stock ¹	100
	n/a	2.7 Ferries	90
	n/a	2.8 Airport	90
3. Stormwater Drainage and Control Services	n/a	3.1 Main channels and drainage trunks	100
	n/a	3.2 Channel connections	100
	n/a	3.3 Retention/detention ponds	100
4. Fire Protection Services	Yes	4.1 Fire stations	100
	Yes	4.2 Fire pumpers, aerials and rescue vehicles ¹	100
	Yes	4.3 Small equipment and gear	100
5. Outdoor Recreation Services (i.e. Parks and Open Space)	Ineligible	5.1 Acquisition of land for parks, woodlots and E.S.A.s	0
	Yes	5.2 Development of area municipal parks	90
	Yes	5.3 Development of district parks	90

¹with 7+ year life time

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



Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
	Yes	5.4 Development of municipal-wide parks	90
	Yes	5.5 Development of special purpose parks	90
	Yes	5.6 Parks rolling stock ¹ and yards	90
6. Indoor Recreation Services	Yes	6.1 Arenas, indoor pools, fitness facilities, community centres, etc. (including land)	90
	Yes	6.2 Recreation vehicles and equipment ¹	90
7. Library Services	Yes	7.1 Public library space (incl. furniture and equipment)	90
	n/a	7.2 Library vehicles ¹	90
	Yes	7.3 Library materials	90
8. Electrical Power Services	Ineligible	8.1 Electrical substations	0
	Ineligible	8.2 Electrical distribution system	0
	Ineligible	8.3 Electrical system rolling stock	0
9. Provision of Cultural, Entertainment and Tourism Facilities and Convention Centres	Ineligible	9.1 Cultural space (e.g. art galleries, museums and theatres)	0
	Ineligible	9.2 Tourism facilities and convention centres	0
10. Wastewater Services	n/a	10.1 Treatment plants	100
	n/a	10.2 Sewage trunks	100
	n/a	10.3 Local systems	0
	n/a	10.4 Vehicles and equipment ¹	100
11. Water Supply Services	n/a	11.1 Treatment plants	100
	n/a	11.2 Distribution systems	100
	n/a	11.3 Local systems	0
	n/a	11.4 Vehicles and equipment ¹	100
12. Waste Management Services	Ineligible	12.1 Landfill collection, transfer vehicles and equipment	0

¹with 7+ year life time



Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
	Ineligible	12.2 Landfills and other disposal facilities	0
	Yes	12.3 Waste diversion facilities	90
	Yes	12.4 Waste diversion vehicles and equipment ¹	90
13. Police Services	n/a	13.1 Police detachments	100
	n/a	13.2 Police rolling stock ¹	100
	n/a	13.3 Small equipment and gear	100
14. Homes for the Aged	n/a	14.1 Homes for the aged space	90
	n/a	14.2 Vehicles ¹	90
15. Child Care	n/a	15.1 Child care space	90
	n/a	15.2 Vehicles ¹	90
16. Health	n/a	16.1 Health department space	90
	n/a	16.2 Health department vehicles ¹	90
17. Social Housing	n/a	17.1 Social Housing space	90
18. Provincial Offences Act (P.O.A.)	n/a	18.1 P.O.A. space	90
19. Social Services	n/a	19.1 Social service space	90
20. Ambulance	n/a	20.1 Ambulance station space	90
	n/a	20.2 Vehicles ¹	90
21. Hospital Provision	Ineligible	21.1 Hospital capital contributions	0
22. Provision of Headquarters for the General Administration of Municipalities and Area Municipal Boards	Ineligible	22.1 Office space	0
	Ineligible	22.2 Office furniture	0
	Ineligible	22.3 Computer equipment	0

¹with 7+ year life time



Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
23. Other Services	Yes	23.1 Studies in connection with acquiring buildings, rolling stock, materials and equipment, and improving land ² and facilities, including the D.C. background study cost	0-100
	Yes	23.2 Interest on money borrowed to pay for growth-related capital	0-100

¹with a 7+ year life time

²same percentage as service component to which it pertains

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



4.4 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. The Township's general policy guidelines on D.C. and local service funding is detailed in Appendix D to this report.

4.5 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:

- costs to acquire land or an interest therein (including a leasehold interest);
- costs to improve land;
- costs to acquire, lease, construct or improve buildings and structures;
- 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;
- interest on money borrowed to pay for the above-referenced costs;
- costs to undertake studies in connection with the above-referenced matters; and
- 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



Township's 2014 D.C. Background Study, approved and proposed capital budgets, and master servicing/needs studies.

4.6 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.

The Township has no outstanding D.C. credit obligations for services that have been emplaced by developers on behalf of the Town.

4.7 Eligible Debt and Committed Excess Capacity

Section 66 of the D.C.A., 1997 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.

No outstanding debt payments related to the growth-related capital costs have been included in the 2019 D.C. calculations.



4.8 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.

The Township’s D.C. Reserve Funds balances, by service, are presented in Table 4-2 below. These balances have been applied against future spending requirements for all services.

Table 4-2
Tay Valley Township
Estimated D.C. Reserve Funds Balances (as at December 31, 2018, with adjustments)

Service	Totals
Roads & Related	\$18,012
Fire Protection	(\$17,938)
Parks & Recreation	\$6,902
Library	\$8,948
Administration - Studies	\$9,892
Total	\$25,816

4.9 Deductions

The D.C.A. potentially requires that five 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;
- anticipated grants, subsidies and other contributions; and
- a 10% reduction for certain services.

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



4.9.1 Reduction Required by Level of Service Ceiling

This is designed to ensure that the increase in need, for non-transit services, included in 4.2 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 Township 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 D.C.A requires that the estimate for the increase in the need cannot exceed the planned level of service over the 10-year period immediately following the preparation of the background study. The planned level of service for transit must not include a portion of the service that is intended to benefit anticipated development after the 10-year period immediately following the preparation of the background study or excess capacity at the end of the 10-year period immediately following the preparation of the background study.

Moreover, for transit services, the background study, must also include:

- a) an assessment of ridership forecasts for all modes of transit services proposed to be funded by the D.C. over the 10-year period immediately following the preparation of the background study, categorized by development types, and whether the forecasted ridership will be from existing or planned development; and
- b) an assessment of the ridership capacity for all modes of transit services proposed to be funded by the D.C. over the 10-year period immediately following the preparation of the background study.



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

4.9.2 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 Township's "excess capacity," other than excess capacity which is "committed" (discussed above in 4.6).

"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.

4.9.3 Reduction for Benefit to Existing Development

This step involves a further reduction to the need, by the extent to which such an increase in service would benefit existing development. The level of services cap in section 4.9.1 is related, but is not the identical requirement.

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.

4.9.4 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 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. Where grant programs do not allow funds to be applied to growth-related capital needs, the proceeds can be applied to the non-growth share of the project exclusively. 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 specific growth-related capital projects.

4.9.5 The 10% Reduction

Paragraph 8 of s.s.(1) of the D.C.A. requires that, “the capital costs must be reduced by 10 percent.” This paragraph does not apply to water supply services, wastewater services, stormwater drainage and control services, services related to a highway, police, and fire protection services. The primary services that the 10% reduction does apply to include services such as parks and recreation and libraries.

The 10% is to be netted from the capital costs necessary to provide the increased services, once the other deductions have been made, as per the infrastructure cost sheets in Chapter 5.

4.10 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 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 7.3.8.

4.11 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 5

D.C. Eligible Cost Analysis by Service



5. D.C. Eligible Cost Analysis by Service

This chapter outlines the basis for calculating D.C. eligible costs for the D.C.s to be applied on a uniform basis. The required calculation process set out in s.5(1) paragraphs 2 to 8 in the D.C.A., 1997, and described in Chapter 4, 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, municipal projects and Council priorities change and, accordingly, Council's intentions may alter and different capital projects (and timing) may be required to meet the need for services required by new growth.

5.1 Service Levels and 10-Year Capital Costs for Municipal-wide D.C. Calculation

This section evaluates the development-related capital requirements for municipal-wide services over the 10-year planning period (mid-2019 to mid-2029). 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.

5.1.1 Roads and Related Services

The Township has approximately 284 kilometres of roadways, as well as 16 bridges and 7 major culverts. In addition, the Township utilizes approximately 23,275 square feet (sq.ft.) of facility space, and 14.75 vehicles and equipment items in the provision of Roads and Related Services. This total inventory of assets over the past 10 years results in an average historical level of service of \$10,577 per capita. When applied to the municipal-wide forecast population growth to 2029, a maximum D.C. eligible cost of approximately \$7.1 million could be expected to meet the future increase in needs for service.

Review of the Township's roads needs for the forecast period identified approximately \$1.4 million in gross capital costs. These costs include a new sand shed, a new tractor, and road widening and shoulder paving projects. Recognizing the benefit to existing development arising from these projects, approximately \$774,000 has been deducted from the gross capital costs. Additionally, a deduction of approximately \$18,000 is



included in recognition of the funds collected under prior D.C. bylaws and available in the D.C. reserve fund. As a result, approximately \$602,000 in growth-related needs have been included in the calculation of the D.C.

The allocation of net growth-related costs for Roads and Related Services between residential and non-residential development is 92% residential and 8% non-residential, based on forecast incremental population and employment growth over the 10-year period.

5.1.2 Fire Protection Services

Fire Protection Services in the Township are provided by Drummond North Elmsley Tay Valley Fire Rescue (D.N.E.T.V.), which operates two fire stations for use in Tay Valley. The Bathurst, Burgess, Drummond and Elmsley (B.B.D.&E.) fire station is operated jointly between the Township and Drummond North Elmsley, with the Township funding approximately 46% of costs. Additionally, D.N.E.T.V. operates the South Sherbrooke fire station which the Township is fully responsible for funding. There is approximately a combined 18,590 sq.ft. of fire station gross floor area providing service to the Township. The Township also maintains 12 vehicles, 59 sets of firefighter equipment, and 16 dry hydrants. In total, the average level of service provided through the capital infrastructure has been \$595 per capita. In aggregate, the maximum D.C. eligible amount that could be included in the calculation of the charge for Fire Protection Services is approximately \$398,000.

Based on discussions with the Township's staff, the anticipated capital needs include two additional fire vehicles, a fire water source (e.g. dry hydrant), a fire master plan, and unfunded amounts related to previously acquired growth-related capital. The gross capital costs for these needs total approximately \$292,400. A deduction of approximately \$178,000 has been provided to recognize the benefits to the existing community.

In total, approximately \$114,300 in growth-related needs have been included in the calculation of the D.C. The allocation of net growth-related costs for Fire Protection Services between residential and non-residential development is 92% residential and 8% non-residential, based on forecast incremental population and employment growth over the 10-year period.



5.1.3 Parks and Recreation Services

The Township currently maintains approximately 8 parks and outdoor spaces, approximately 48,053 sq.ft. of indoor facility space, and 0.25 vehicles—a half-ton pickup truck is shared with Public Works over the non-summer months—for the provision of Parks and Recreation Services. The Township is in a joint-service agreement with the Town of Perth for three facilities (i.e. Community Centre, Community Pool, and Conlon Farm), with the Township being responsible for funding approximately 31% of the costs. The Township's level of service over the historical 10-year period averaged \$497 per capita. In total, the maximum D.C. eligible amount for Parks and Recreation Services over the 10-year forecast period is approximately \$310,000 based on the established level of service.

The 10-year capital needs for Parks and Recreation Services include new Solar Farm trails, upgrades to the Otty Lake boat launch, a provision for improvements to tennis courts, outdoor rinks, and playgrounds, the Township's share of costs to expand the Perth and District Community Centre as well as carry out a master plan for recreation, and finally plans to develop two parks. The gross capital costs for these needs total approximately \$5.0 million. Deductions of approximately \$4.5 million to reflect benefit to existing development and \$24,000 for the statutory 10% deduction have been made. Additionally, further deductions of approximately \$180,000 for grants attributable to new development and \$7,00 for the positive balance of the D.C. reserve fund have been made.

In total, approximately \$211,500 in growth-related needs have been included in the calculation of the D.C. As the predominant users of Parks and Recreation Services tend to be residents of the Township, the forecast growth-related costs have been allocated 95% to residential and 5% to non-residential.

5.1.4 Library Services

The Township's Library Services are provided through the Perth & District Union Public Library Board, with the Township being responsible for approximately 31% of costs through a joint-arrangement with the Town of Perth. Service is provided through one branch of 11,000 sq.ft. of library space, and through the provision of approximately 59,568 collection items. The average level of service over the past 10 years was approximately \$168 per capita. Based on the application of this level of service to the



incremental forecast growth, the Township would be eligible to collect approximately \$112,000 from D.C.s for library services over the forecast period.

The capital needs required to accommodate growth have a total gross capital cost estimate of \$35,000. These costs consist of the Township's share of costs for the provision of purchase of additional collection materials and a facility expansion plan. Deductions of approximately \$6,000 recognizing the benefit to existing development and approximately \$3,000 for the statutory 10% deduction required for library services have been made. Furthermore, a deduction of approximately \$9,000 in recognition of the funds collected from prior D.C. bylaws and available in the D.C. reserve fund is included.

In total, approximately \$17,000 in growth-related needs have been included in the calculation of the D.C. Similar to Parks and Recreation Services, as the predominant users of Library Services tend to be residents of the Township, the forecast growth-related costs have been allocated 95% to residential and 5% to non-residential.

5.1.5 Waste Diversion Services

Waste Diversion Services are provided through the provision of a re-use centre and two transfer stations, which equates to an average level of service over the past 10 years of approximately \$16 per capita. Based on the application of this level of service to the incremental forecast growth, the Township would be eligible to collect approximately a maximum of \$10,600 from D.C.s for waste diversion over the forecast period.

The 10-year capital needs for Waste Diversion Services to accommodate growth have a total gross capital cost of approximately \$100,000, which consists of a provision for the construction of a waste diversion facility and the purchase of accompanying land. Deductions of approximately \$89,000 have been made to reflect the amounts that exceed the maximum amount that may be recoverable through D.C.s, as well as approximately \$1,000 for the statutory 10% deduction required for waste diversion services.

In total, approximately \$9,500 in growth-related needs have been included in the calculation of the D.C. The allocation of net growth-related costs for Waste Diversion Services between residential and non-residential development is 92% residential and 8% non-residential, based on forecast incremental population and employment growth over the 10-year period.



5.1.6 Administration Studies

The D.C.A. permits the inclusion of studies undertaken to facilitate the completion of the Township's capital works program and to support the preparation of future D.C. background studies. The Township has made provisions for the inclusion of two D.C. background studies, official plan review, and a zoning by-law review.

The costs of these projects are expected to total approximately \$117,000 over the 10-year forecast period. A deduction of approximately \$30,000 for benefit to existing development and a further deduction of approximately \$10,000 to reflect the positive balance of the D.C. reserve fund have been made. A deduction of approximately \$8,700 is provided to satisfy the 10% statutory deduction requirement of the D.C.A.

The resultant net growth-related capital costs included in the calculation of the charge total approximately \$68,400. These costs have been allocated 92% residential and 8% non-residential based on the incremental growth in population to employment for the 10-year forecast period.



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

Prj .No	Increased Service Needs Attributable to Anticipated Development 2019-2029	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	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 92%	Non-Residential Share 8%
1	Sand Shed		186,600	-	186,600	93,300		93,300	85,836	7,464
2	Tractor with Flail and Boom Mower	2021	170,000	-	170,000	162,180		7,820	7,194	626
3	Glen Tay Road - Hwy 7 to CR 6 (Township's Share)	2020	150,000	-	150,000	75,000		75,000	69,000	6,000
4	Harper Road	2022	589,000	-	589,000	294,500		294,500	270,940	23,560
5	Keays Road	2022	299,000	-	299,000	149,500		149,500	137,540	11,960
	Reserve Fund Adjustment							(18,012)	(16,571)	(1,441)
	Total		1,394,600	-	1,394,600	774,480	-	602,108	553,939	48,169



Infrastructure Costs Covered in the D.C. Calculation – Fire Protection

Prj .No	Increased Service Needs Attributable to Anticipated Development 2019-2029	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	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 92%	Non- Residential Share 8%
1	<u>BBD&E</u> Pumper Truck (Township's Share)	2022	207,000	-	207,000	165,600		41,400	38,088	3,312
2	<u>South Sherbrooke</u> Fire Water Source	2019	17,500	-	17,500	-		17,500	16,100	1,400
3	Deputy Chief Equipped Vehicle		25,000	-	25,000	-		25,000	23,000	2,000
4	Fire Master Plan	2020	25,000	-	25,000	12,500		12,500	11,500	1,000
	Recovery of Unfunded Amounts		17,938	-	17,938	-		17,938	16,503	1,435
	Total		292,438	-	292,438	178,100	-	114,338	105,191	9,147



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

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Net Capital Cost	Less:		Subtotal	Less: Other (e.g. 10% Statutory Deduction)	Potential D.C. Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development			Total	Residential Share	Non-Residential Share
2019-2029										95%	5%	
1	Solar Farm Trail	2020	125,000	-	125,000	12,500		112,500	11,250	101,250	96,188	5,063
2	Otty Lake Boat Launch	2021	40,000	-	40,000	37,683		2,317	232	2,085	1,981	104
3	Tennis Court, Outdoor Rink, and Playground Equipment Improvements	2023	75,000	-	75,000	70,656		4,344	434	3,909	3,714	195
4	Perth and District Community Centre Expansion (Township's Share)		4,650,000	-	4,650,000	4,380,692	179,539	89,769	8,977	80,792	76,753	4,040
5	Recreation Master Plan (Township's Share)	2019	7,500	-	7,500	3,750		3,750	375	3,375	3,206	169
6	Park Development Plan (2)	2024/2029	60,000	-	60,000	30,000		30,000	3,000	27,000	25,650	1,350
	Reserve Fund Adjustment							(6,902)		(6,902)	(6,557)	(345)
	Total		4,957,500	-	4,957,500	4,535,282	179,539	235,778	24,268	211,510	200,934	10,575



Infrastructure Costs Covered in the D.C. Calculation – Waste Diversion

Prj .No	Increased Service Needs Attributable to Anticipated Development 2019-2029	Timing (year)	Gross Capital Cost Estimate (2019\$)	Ineligible Level of Service	Net Capital Cost	Less:		Subtotal	Less:	Potential D.C. Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development		Other (e.g. 10% Statutory Deduction)	Total	Residential Share 92%	Non-Residential Share 8%
1	Provision for Waste Diversion Facility and Land	2025	100,000	89,399	10,601	-		10,601	1,060	9,541	8,778	763
	Total		100,000	89,399	10,601	-	-	10,601	1,060	9,541	8,778	763



Chapter 6

D.C. Calculation



6. D.C. Calculation

This chapter presents the calculation of the development charge for residential and non-residential types of development. Table 6-1 calculates the proposed D.C. for the growth-related capital costs identified in Chapter 5. The D.C. eligible costs for each service component are provided in Chapter 5 for all municipal services, based on their proposed capital programs.

Table 6-1 presents the municipal-wide D.C. calculation for all services over the 10-year period to 2029. The calculation for residential development is generated on a per capita basis and is based upon four housing types (single and semi-detached, apartments 2+ bedrooms, bachelor and 1-bedroom apartments, and other multiples). The non-residential development charge has been calculated on a per square foot of gross floor area basis for non-residential development (i.e. industrial, commercial, and institutional).

Table 6-2 summarizes the calculated schedule of charges, reflecting the maximum D.C.s by residential dwelling type and per square foot of G.F.A. for non-residential development. A charge for Solar/Wind per 500 kW generating capacity has been included which has been set to the relevant charges by service area (i.e. Roads & Related, Fire Protection, and Administration – Studies) for residential single and semi-detached development.

Table 6-3 compares the Township's existing charges to the charges proposed herein (as presented in Table 6-2), for a single detached residential dwelling unit, per sq.ft. of G.F.A. for non-residential development, and per 500 kW generating capacity for Solar/Wind development. The calculated municipal-wide charges are \$3,207 for a single detached residential dwelling unit, \$1.41 per sq.ft. of G.F.A. for non-residential development, and \$2,442 per 500 kW generating capacity for Solar/Wind development. The calculated municipal-wide residential charge for a single detached dwelling unit represents a 8% (\$293) decrease relative to the current charge of \$3,500 per unit. Similarly, the calculated municipal-wide Solar/Wind charge is 39% (\$1,561) lower than the current charge of \$4,003 per 500 kW generating capacity. The calculated non-residential charge of \$1.41 per sq.ft. of G.F.A. would be the amount the Township could charge, this compares with the Township's current D.C. By-law policy which fully exempts commercial and industrial development.



Table 6-1
Municipal-wide Services D.C. Calculation
2019-2029

SERVICE	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
	\$	\$	\$	\$
1. Roads & Related	553,939	48,169	1,873	0.92
2. Fire Protection	105,191	9,147	356	0.17
3. Parks & Recreation	200,934	10,575	680	0.20
4. Library	16,156	850	55	0.02
5. Waste Diversion	8,778	763	30	0.01
6. Administration - Studies	62,935	5,473	213	0.10
TOTAL	947,934	74,977	\$3,207	1.42
D.C.-Eligible Capital Cost	\$947,934	\$74,977		
10-Year Population/GFA Growth (sq.ft.)	745	52,800		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$1,272.39	\$1.42		
<u>By Residential Unit Type</u>	<u>P.P.U.</u>			
Single and Semi-Detached Dwelling	2.520	\$3,207		
Apartments - 2 Bedrooms +	1.603	\$2,040		
Apartments - Bachelor and 1 Bedroom	1.512	\$1,924		
Other Multiples	2.022	\$2,573		



Table 6-2
Schedule of Calculated D.C.s

Service	RESIDENTIAL				NON-RESIDENTIAL	GREEN ENERGY
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per sq.ft. of Gross Floor Area)	(per 500 kW generating capacity)
Municipal Wide Services:						
Roads & Related	\$ 1,873	\$ 1,191	\$ 1,124	\$ 1,503	\$ 0.92	\$ 1,873
Fire Protection	\$ 356	\$ 226	\$ 214	\$ 286	\$ 0.17	\$ 356
Parks & Recreation	\$ 680	\$ 433	\$ 408	\$ 546	\$ 0.20	\$ -
Library	\$ 55	\$ 35	\$ 33	\$ 44	\$ 0.02	\$ -
Waste Diversion	\$ 30	\$ 19	\$ 18	\$ 24	\$ 0.01	\$ -
Administration - Studies	\$ 213	\$ 135	\$ 128	\$ 171	\$ 0.10	\$ 213
Total Municipal Wide Services	\$ 3,207	\$ 2,039	\$ 1,925	\$ 2,574	\$ 1.42	\$ 2,442



Table 6-3
Comparison of Current and Calculated D.C.s

Service	Residential (Single Detached)		Non-Residential (per sq.ft. GFA)		Solar/Wind (per 500 kW generating capacity)	
	Current	Calculated	Current	Calculated	Current	Calculated
Municipal Wide Services:						
Roads & Related	\$ 2,806	\$ 1,873	\$ -	\$ 0.92	\$ 3,487	\$ 1,873
Fire Protection	\$ 294	\$ 356	\$ -	\$ 0.17	\$ 364	\$ 356
Parks & Recreation	\$ 107	\$ 680	\$ -	\$ 0.20	\$ -	\$ -
Library	\$ 139	\$ 55	\$ -	\$ 0.02	\$ -	\$ -
Waste Diversion	\$ -	\$ 30	\$ -	\$ 0.01	\$ -	\$ -
Administration - Studies	\$ 154	\$ 213	\$ -	\$ 0.10	\$ 152	\$ 213
Total Municipal Wide Services	\$ 3,500	\$ 3,207	\$ -	\$ 1.42	\$ 4,003	\$ 2,442



Chapter 7

D.C. Policy Recommendations and D.C. By-law Rules



7. D.C. Policy Recommendations and D.C. By-law Rules

7.1 Introduction

This chapter outlines the D.C. policy recommendations and by-law rules.

s.s.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 subsection 5(1) goes on to state that the rules may provide for exemptions, phasing in and/or indexing of D.C.s.

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

7.2 D.C. By-law Structure

It is recommended that:

- the Township uses a uniform municipal-wide D.C. calculation for all municipal services; and
-



- one municipal D.C. by-law be used for all services.

7.3 D.C. By-law Rules

The following sets out the recommended rules governing the calculation, payment and collection of D.C.s in accordance with subsection 6 of the D.C.A., 1997.

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

7.3.1 *Payment in any Particular Case*

In accordance with the D.C.A., 1997, s.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 Section 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*; or
- g) the issuing of a building permit under the *Building Code Act* in relation to a building or structure.

7.3.2 *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 10 years. Costs allocated to non-residential uses will be assigned to industrial, commercial, and other non-residential uses based on the G.F.A. constructed.
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 summarized in Chapter 5 herein.



7.3.3 Application to Redevelopment of Land (Demolition and Conversion)

If a development involves the demolition 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:

- 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
- the G.F.A. 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 building permit for the replacement building or structure was issued less than two (2) years after the date of issuance of the demolition permit.

No credit shall be given with respect to the redevelopment, conversions, demolition, or change of use of a building or structure or part thereof where the existing building or structure or part thereof would have been exempt from D.C.s in accordance with the active by-law. The credit can, in no case, exceed the amount of D.C.s that would otherwise be payable.

7.3.4 Exemptions (full or partial)

Statutory Exemptions

- Industrial building additions of up to and including 50% of the existing G.F.A. (defined in O.Reg. 82/98, s.1) of the building; for industrial building additions which exceed 50% of the existing G.F.A., only the portion of the addition in excess of 50% is subject to D.C.s (s.4(3));
- Buildings or structures owned by and used for the purposes of any municipality, local board or Board of Education (s.3); and
- Residential development that results in only 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 s.2 of O.Reg. 82/98).

Non-statutory Exemptions

- Solar PV or Wind Turbines with a rated generating capacity of 100 kW or less.



- As noted previously, the Township's current D.C. bylaw fully exempts commercial and industrial developments. Council will determine through the public process if this non-statutory exemption will be maintained or modified.

7.3.5 Phase in Provision(s)

The proposed D.C. By-law will come into effect at the time of By-law passage, and no transition policy has been proposed.

7.3.6 Timing of Collection

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

7.3.7 Indexing

All D.C.s will be subject to mandatory indexing annually on January 1st, in accordance with provisions under the D.C.A.

7.3.8 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. The Township's approach in prior D.C. by-laws has been to impose area-specific D.C.s. for a number of defined areas of the Township. When area-specific charges are used, it is generally to underpin master servicing and front-end financing arrangements for more localized capital costs.

Based on the foregoing and discussions with the Township's staff, no area-specific D.C.s are recommended at this time.



7.4 Other D.C. By-law Provisions

7.4.1 Categories of Services for Reserve Fund and Credit Purposes

It is recommended that the 's D.C. collections be contributed into six (6) separate reserve funds, including: Roads and Related; Fire Protection; Parks and Recreation; Library; Waste Diversion; and Administration – Studies.

7.4.2 By-law In-force Date

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

7.4.3 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 s.11 of O.Reg. 82/98).

7.5 Other Recommendations

It is recommended that Council:

“Approve the capital project listing set out in Chapter 5 of the D.C. Background Study dated October 2, 2019, subject to further annual review during the capital budget process;”

“Approve the D.C. Background Study dated October 2, 2019”

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

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



Chapter 8

Asset Management Plan



8. Asset Management Plan

8.1 Introduction

The changes to the D.C.A. (new section 10(c.2)) in 2016 require 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.**

In regard to the above, subsection 8(3) of the Regulations was amended to include specific detailed requirements for transit services A.M.P.s. As contained in this subsection there are specific requirements for the content of the A.M.P., particularly the state of local infrastructure, proposed level of service, asset management strategy, and financial strategy. For all services except transit, there are no prescribed requirements at this time, thus requiring municipalities to define the approach to include within the background study.

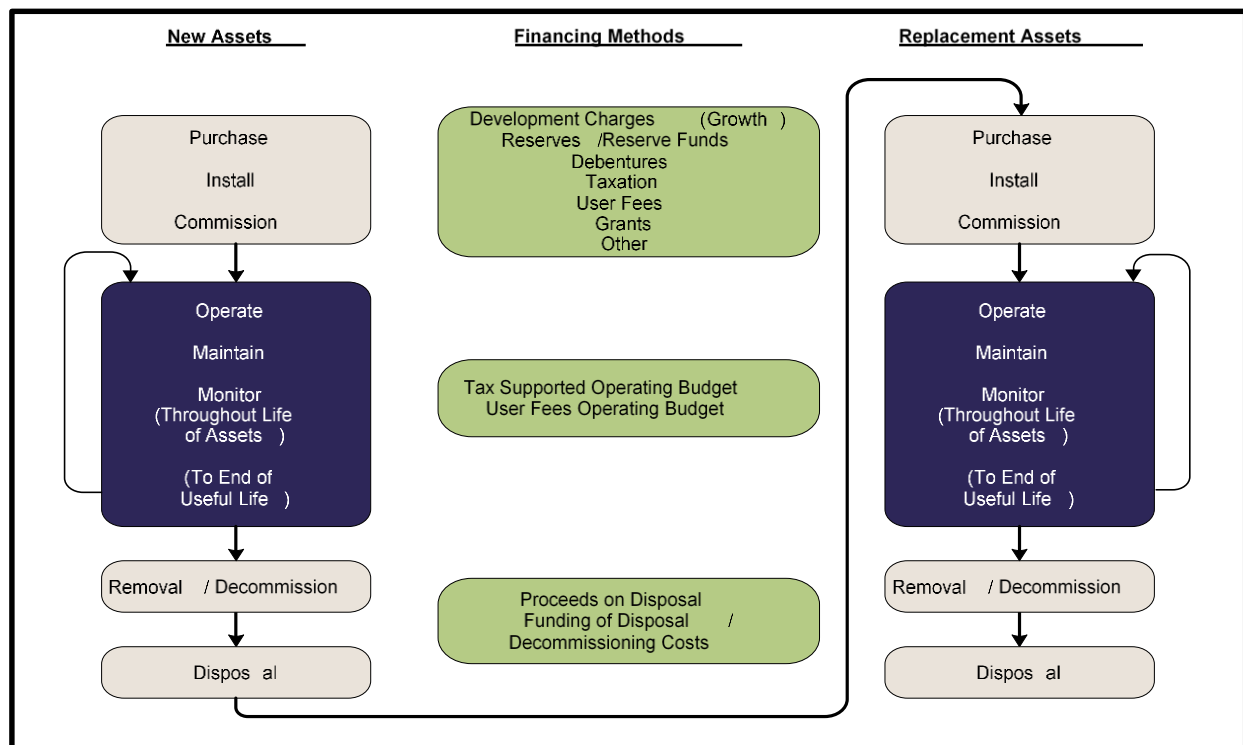
At a broad level, the A.M.P. provides for the long-term investment in an asset over its entire useful life along with the funding. The schematic below identifies the costs for an asset through its entire lifecycle. For growth-related works, the majority of capital costs will be funded by the D.C. Non-growth-related 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. In 2013, the Township completed an A.M.P. for Roads and Related assets and growth-related needs were not considered. As a result, the asset management requirement for this D.C. has been undertaken independently of the 2013 A.M.P.

In recognition to the schematic in Section 8.1, the following table (presented in 2019\$) 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, 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 municipal financial resources (i.e. taxation, rates, fees, etc.). This amount has been presented on an annual debt charge amount based on 20-year financing, totalling \$415,000.
2. Lifecycle costs for the 2019 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. Total incremental costs attributable to the growth-related expenditures (i.e. annual lifecycle costs and incremental operating costs) total approximately \$41,000.
5. The resultant total annualized expenditures are approximately \$457,000.
6. Consideration was given to the potential new taxation and user fee revenues which could be generated as a result of new growth. These revenues will be available to finance the expenditures identified above. The new operating revenues are \$585,000. This amount, totalled with the existing operating revenues of \$8.6 million, would provide total annual revenues of approximately \$9.2 million by the end of the forecast period.



7. The incremental operating revenues of \$585,000 will adequately cover the incremental expenditures of approximately \$457,000.
8. In consideration of the above, the capital plan is deemed to be financially sustainable.

Table 8-1
Tay Valley Township
Asset Management – Future Expenditures and Associated Revenues (2019\$)

	2029 (Total)
Expenditures (Annualized)	
Annual Debt Payment on Non-Growth Related Capital ¹	\$ 415,439
Annual Debt Payment on Post Period Capital ²	\$ 6,578
Annual Lifecycle - Town Wide Services	\$ 32,471
Incremental Operating Costs (for D.C. Services)	\$ 2,169
Total Expenditures	\$ 456,657
Revenue (Annualized)	
Total Existing Revenue ³	\$ 8,645,303
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)	\$ 585,023
Total Revenues	\$ 9,230,326

¹ Non-Growth Related component of Projects including 10% mandatory deduction on soft services

² Interim Debt Financing for Post Period Benefit

³ As per Sch. 10 of FIR



Chapter 9

By-law Implementation



9. By-law Implementation

9.1 Public Consultation

This chapter addresses the mandatory, formal public consultation process (subsection 9.1.1), as well as the optional, informal consultation process (subsection 9.1.2). The latter is designed to seek the co-operation and involvement of those involved, in order to produce the most suitable policy. Section 9.2 addresses the anticipated impact of the D.C. on development, from a generic viewpoint.

9.1.1 Public Meeting of Council

Section 12 of the D.C.A., 1997 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, the Council must determine whether a further meeting (under this section) is necessary. For example, if the by-law which is proposed for adoption has been changed in any respect, the 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, 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.)).

9.1.2 Other Consultation Activity

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

1. 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 municipal 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 (e.g. in encouraging a higher non-automobile modal split).
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. Also involved are organizations such as Industry Associations, the Chamber of Commerce, the Board of Trade and the Economic Development Agencies, who are all potentially interested in municipal D.C. policy. Their primary concern is frequently with the quantum of the charge, G.F.A. exclusions such as basement, mechanical or indoor parking areas, or exemptions and phase-in or capping provisions in order to moderate the impact.

9.2 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 municipal 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.



9.3 Implementation Requirements

Once the Township 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 following provides an overview of the requirements in each case.

9.3.1 *Notice of Passage*

In accordance with s.13 of the D.C.A., when a D.C. by-law is passed, the municipal 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.

9.3.2 *By-law Pamphlet*

In addition to the "notice" information, the Township 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 Township must give one copy of the most recent pamphlet, without charge, to any person who requests one.

9.3.3 Appeals

Sections 13 to 19 of the D.C.A., 1997 set out requirements relative to making and processing a D.C. by-law appeal and an 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 municipal 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.

9.3.4 Complaints

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

- the amount of the charge was incorrectly determined;
- the credit 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., 1997 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 municipal council to the L.P.A.T.

9.3.5 Credits

Sections 38 to 41 of the D.C.A., 1997 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 Township agrees to expand the credit to other services for which a D.C. is payable.

9.3.6 Front-Ending Agreements

The Township 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 Township 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., 1997 (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 Township assesses whether this mechanism is appropriate for its use, as part of funding projects prior to municipal funds being available.

9.3.7 Severance and Subdivision Agreement Conditions

Section 59 of the D.C.A., 1997 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*,”
- “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., 1997 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., 1997 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 Tay Valley Township Residential Growth Forecast Summary

Year	Permanent Population (Including Census Undercount) ¹	Excluding Census Undercount					Housing Units					Permanent Person Per Unit (P.P.U.)	Permanent + Seasonal Person Per Unit (P.P.U.)			
		Permanent Population	Institutional Population	Permanent Population Excluding Institutional	Seasonal Population	Total Permanent and Seasonal Population	Singles & Semi-Detached	Multiples ²	Apartments ³	Other	Total Permanent Households			Seasonal Households	Total Households Including Seasonal	
Historical	Mid 2006	5,780	5,634	199	5,435	5,220	10,854	2,040	5	15	20	2,080	1,426	3,506	2.709	3.096
	Mid 2011	5,710	5,571	381	5,190	5,810	11,381	2,081	12	6	11	2,110	1,588	3,698	2.640	3.078
	Mid 2016	5,810	5,665	345	5,320	5,250	10,915	2,220	0	20	15	2,255	1,434	3,689	2.512	2.959
Forecast	Late 2019	5,930	5,783	353	5,430	5,314	11,097	2,275	0	20	15	2,310	1,452	3,762	2.504	2.950
	Late 2029	6,420	6,259	381	5,878	5,534	11,793	2,483	0	20	15	2,518	1,512	4,030	2.486	2.926
	Mid 2033	6,640	6,474	396	6,078	5,578	12,052	2,572	0	20	15	2,607	1,524	4,131	2.483	2.917
Incremental	Mid 2006 - Mid 2011	-70	-63	182	-245	590	527	41	7	-9	30	162	192			
	Mid 2011 - Mid 2016	100	94	-36	130	-560	-466	139	-12	14	4	145	-154			
	Mid 2016 - Late 2019	120	118	8	110	64	182	55	0	0	0	55	18	73		
	Late 2019 - Late 2029	490	476	28	448	220	696	209	0	0	0	209	60	269		
	Late 2019 - Mid 2033	710	691	43	648	264	955	298	0	0	0	298	72	370		

Source: Derived from Tay Valley Township Official Plan, February 3, 2016, by Watson & Associates Economists Ltd., 2019.

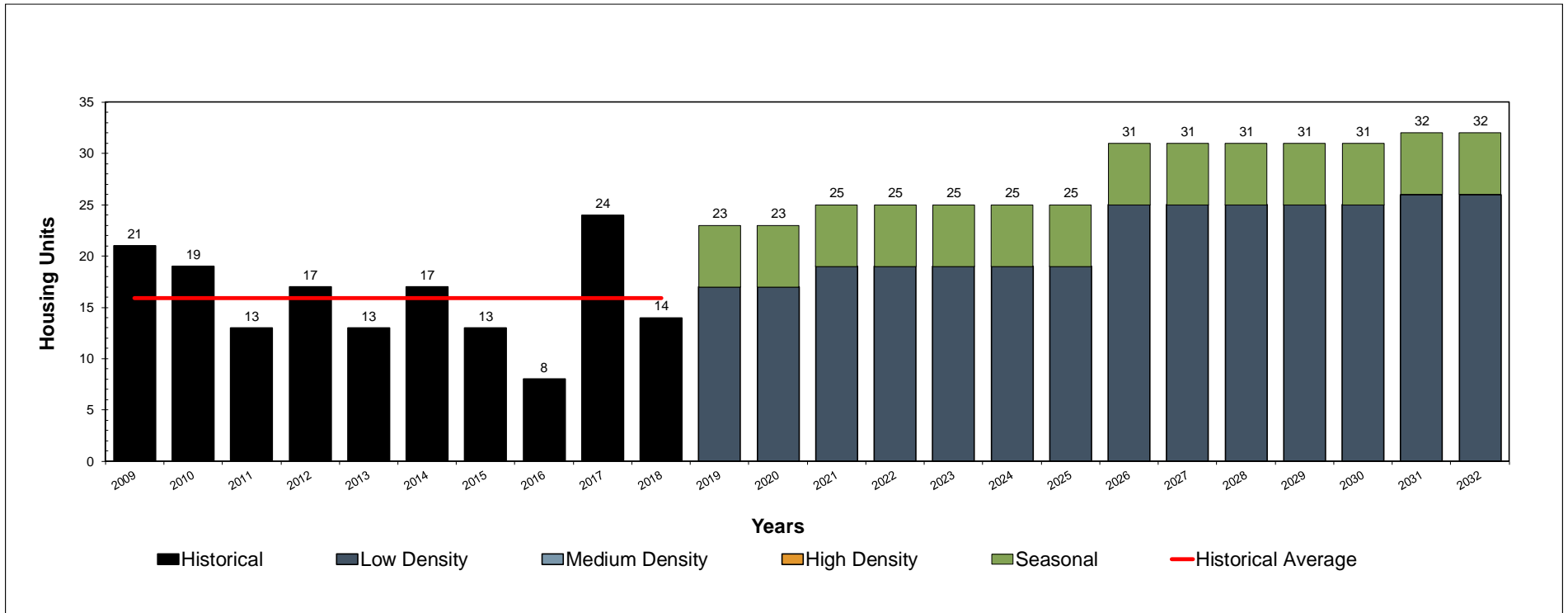
¹ Census undercount estimated at approximately 2.5%. Note: Population including the undercount has been rounded.

² Includes townhouses and apartments in duplexes.

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



Figure A-1
Tay Valley Township
Annual Housing Forecast¹



Source: 2009-2013 historical housing activity from Tay Township Official Plan Background Study by Novatech, September 2014, and 2014-2018 from Tay Valley Township.

¹ Growth forecast represents calendar year.



Schedule 2
Tay Valley Township

Estimate of the Anticipated Amount, Type and Location of Residential Development for which Development Charges Can Be Imposed

Development Location	Timing	Singles & Semi-Detached	Multiples ¹	Apartments ²	Total Residential Units	Gross Seasonal Units	Total Units Including Gross Seasonal
Tay Valley Township	2019 - 2029	209	-	-	209	60	269
	2019 - 2033	298	-	-	298	72	370

Development Location	Timing	Gross Permanent Population in New Units	Existing Unit Population Change	Permanent Net Population Increase	Institutional Population	Seasonal Population Equivalent Excluding Conversions	Net Population Increase (including Institutional and Seasonal Population Equivalent)
Tay Valley Township	2019 - 2029	525	(77)	448	28	220	696
	2019 - 2033	750	(102)	648	43	264	954

Development Location	Timing	Gross Permanent Population in New Units	Seasonal Population Equivalent Excluding Conversions	Total Gross Population in New Permanent and Seasonal Units
Tay Valley Township	2019 - 2029	525	220	745
	2019 - 2033	750	264	1,013

Source: Watson & Associates Economists Ltd., 2019.

¹ Includes townhomes and apartments in duplexes.

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

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



Schedule 3 Tay Valley Township Current Year Growth Forecast Mid 2016 to Late 2019

		Population
Mid 2016 Population (Permanent and Seasonal)		10,915
Occupants of Permanent New Housing Units, Mid 2016 to Late 2019	<i>Units (2)</i>	55
	<i>multiplied by P.P.U. (3)</i>	2,800
	<i>gross population increase</i>	153
Occupants of New Seasonal Units Mid 2016 to Late 2019	<i>Net Seasonal Units(2)</i>	18
	<i>multiplied by P.P.U. (3)</i>	3,660
	<i>gross population increase</i>	66
Occupants of New Equivalent Institutional Units Mid 2016 to Late 2019	<i>Units</i>	7
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	8
Total Units (Permanent and Seasonal)	<i>Total Units</i>	73
	<i>Total gross population increase</i>	227
Decline in Housing Unit Occupancy, Mid 2016 to Late 2019	<i>Units (5)</i>	2,255
	<i>multiplied by P.P.U. decline rate (6)</i>	-0.0200
	<i>total decline in population</i>	-45
Population Estimate to Late 2019 (Permanent and Seasonal)		11,097
<i>Net Population Increase, Mid 2016 to Late 2019 (Permanent and Seasonal)</i>		182

- (1) 2016 population based on Statistics Canada Census unadjusted for Census undercount.
 (2) Estimated residential units constructed, - 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>	2.800	100%	2.800
<i>Multiples (7)</i>	2.122	0%	0.000
<i>Apartments (8)</i>	1.412	0%	0.000
Permanent Total		100%	2.800
Seasonal Total	3.660	100%	3.660

¹ Permanent persons per unit based on 2016 Census custom database.

² Based on Building permit/completion activity.

- (4) Conversion of units from seasonal to permanent occupancy.
 (5) 2011 households taken from StatsCan Census.
 (6) Decline occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.
 (7) Includes townhomes and apartments in duplexes.
 (8) Includes bachelor, 1 bedroom and 2 bedroom+ apartments.

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



Schedule 4 Tay Valley Township 10-Year Growth Forecast Late 2019 to Late 2029

		Population
Late 2019 Population (Permanent and Seasonal)		11,097
Occupants of Permanent New Housing Units, Late 2019 to Late 2029	<i>Units (2)</i>	209
	<i>multiplied by P.P.U. (3)</i>	2,520
	<i>gross population increase</i>	525
Occupants of New Seasonal Units Late 2019 to Late 2029	<i>Net Seasonal Units (2)</i>	60
	<i>multiplied by P.P.U. (3)</i>	3,660
	<i>gross population increase</i>	220
Occupants of New Equivalent Institutional Units Late 2019 to Late 2029	<i>Units</i>	25
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	28
Total Units (Permanent and Seasonal)	<i>Total Units</i>	269
	<i>Total gross population increase</i>	773
Decline in Housing Unit Occupancy, Late 2019 to Late 2029	<i>Units (5)</i>	2,310
	<i>multiplied by P.P.U. decline rate (6)</i>	-0.0335
	<i>total decline in population</i>	-77
Population Estimate to Late 2029 (Permanent and Seasonal)		11,793
<i>Net Population Increase, Late 2019 to Late 2029 (Permanent and Seasonal)</i>		696

(1) Late 2019 Population (Permanent and Seasonal) based on:

2016 Population (10,915) + Mid 2016 to Late 2019 estimated housing units to beginning of forecast period (55 x 2.800 = 153) + (2,255 x -0.020 = -45) + Seasonal population (18 x 3.660 = 66) + Institutional (7 x 1,100 = 8) = 110,097

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

(3) Average number of persons per unit (ppu) 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>	2.520	100%	2.520
<i>Multiples (7)</i>	2.022	0%	0.000
<i>Apartments (8)</i>	1.562	0%	0.000
<i>one bedroom or less</i>	1,512		
<i>two bedrooms or more</i>	1,603		
Permanent Total		100%	2.520
Seasonal Total	3,660	100%	3,660

¹ Permanent 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) Conversion of units from seasonal to permanent occupancy.

(5) Late 2019 households based upon 2,255 (2016 Census) + 55 (Mid 2016 to Late 2019 unit estimate) = 2,310

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

(7) Includes townhomes and apartments in duplexes.

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

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



**Schedule 5
Tay Valley Township
Long Term Growth Forecast
Late 2019 to Mid 2033**

		Population
Late 2019 Population (Permanent and Seasonal)		11,097
Occupants of Permanent New Housing Units, Late 2019 to Mid 2033	<i>Units (2)</i>	298
	<i>multiplied by P.P.U. (3)</i>	2,520
	<i>gross population increase</i>	750
Occupants of New Seasonal Units Late 2019 to Mid 2033	<i>Net Seasonal Units (2)</i>	72
	<i>multiplied by P.P.U. (3)</i>	3,660
	<i>gross population increase</i>	264
Occupants of New Equivalent Institutional Units Late 2019 to Mid 2033	<i>Units</i>	39
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	43
Total Units (Permanent and Seasonal)	<i>Total Units</i>	370
	<i>Total gross population increase</i>	1,057
Decline in Housing Unit Occupancy, Late 2019 to Mid 2033	<i>Units (4)</i>	2,310
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.0442
	<i>total decline in population</i>	-102
Population Estimate to Mid 2033 (Permanent and Seasonal)		12,052
<i>Net Population Increase, Late 2019 to Mid 2033 (Permanent and Seasonal)</i>		955

- (1) Late 2019 Population (Permanent and Seasonal) based on:
2016 Population (10,915) + Mid 2016 to Late 2019 estimated housing units to beginning of forecast period (55 x 2,800 = 153) + (2,255 x - 0.020 = -45) + Seasonal population (18 x 3,660 = 66) + Institutional (7 x 1,100 = 8) = 110,097
- (2) Based upon forecast building permits/completions assuming a lag between construction and occupancy.
- (3) Average number of persons per unit (ppu) 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>	2,520	100%	2,520
<i>Multiples (6)</i>	2,022	0%	0,000
<i>Apartments (7)</i>	1,562	0%	0,000
<i>one bedroom or less</i>	1,512		
<i>two bedrooms or more</i>	1,603		
Permanent Total		100%	2,520
Seasonal Total	3,660	100%	3,660

¹ Permanent 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 2019 households based upon 2,255 (2016 Census) + 55 (Mid 2016 to Late 2019 unit estimate) = 2,310
- (5) Decline occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.
- (6) Includes townhomes 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
Tay Valley Township
Historical Residential Building Permits
Years 2009 to 2018

Year	Residential Building Permits			
	Singles & Semi Detached	Multiples ¹	Apartments ²	Total
2009	21	0	0	21
2010	19	0	0	19
2011	13	0	0	13
2012	17	0	0	17
2013	13	0	0	13
Sub-total	83	0	0	83
Average (2009 - 2013)	17	0	0	17
% Breakdown	100%	0%	0%	100%
2014	17	0	0	17
2015	13	0	0	13
2016	8	0	0	8
2017	24	0	0	24
2018	14	0	0	14
Sub-total	76	0	0	76
Average (2014 - 2018)	15	0	0	15
% Breakdown	100%	0%	0%	100%
2009 - 2018				
Total	159	0	0	159
Average	16	0	0	16
% Breakdown	100%	0%	0%	100%

Source: 2009-2013 historical housing activity from Tay Township Official Plan Background Study by Novatech, September 2014, and 2014-2018 from Tay Valley Township.

¹ Includes townhouses and apartments in duplexes.

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



Schedule 7a
Tay Valley Township
Person Per Unit by Age and Type of Dwelling
(2016 Census)

Age of Dwelling	Singles and Semi-Detached						15 Year Average	15 Year Forecast ¹
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	-	2.938	-	2.800		
6-10	-	-	-	2.941	-	2.640		
11-15	-	-	-	2.700	-	2.538	2.659	2.520
16-20	-	-	-	2.643	-	2.718		
20-25	-	-	-	2.419	-	2.421		
25-35	-	-	1.615	2.293	-	2.150		
35+	-	-	1.737	2.374	-	2.251		
Total	-	1.818	1.738	2.472	3.167	2.360		

Age of Dwelling	All Density Types					
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total
1-5	-	-	-	3.133	-	2.667
6-10	-	-	-	3.125	-	2.680
11-15	-	-	-	2.700	-	2.538
16-20	-	-	-	2.607	-	2.700
20-25	-	-	-	2.419	-	2.436
25-35	-	-	1.500	2.310	-	2.192
35+	-	-	1.850	2.378	-	2.234
Total	-	1.250	1.821	2.488	2.375	2.357

¹ PPU has been forecasted 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.



Schedule 7b
Lanark County
Person Per Unit by Age and Type of Dwelling
(2016 Census)

Age of Dwelling	Multiples ¹						15 Year Average	15 Year Forecast ³
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	1.688	2.313	-	2.122		
6-10	-	-	-	2.083	-	2.048		
11-15	-	-	-	2.545	-	2.273	2.148	2.022
16-20	-	-	1.583	2.600	-	2.195		
20-25	-	-	1.800	2.750	-	2.079		
25-35	-	-	1.600	2.840	-	2.304		
35+	-	-	1.643	2.667	-	2.397		
Total	-	1.500	1.736	2.569	-	2.231		

Age of Dwelling	Apartments ²						15 Year Average	15 Year Forecast ³
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	1.500	-	-	-	1.412		
6-10	-	-	-	-	-	-		
11-15	-	-	-	-	-	-	1.412	1.562
16-20	-	-	1.600	-	-	1.550		
20-25	-	-	1.842	-	-	1.759		
25-35	-	1.029	1.292	-	-	1.221		
35+	0.714	1.163	1.624	3.130	-	1.490		
Total	1.000	1.156	1.570	2.893	-	1.463		

Age of Dwelling	All Density Types					
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total
1-5	-	1.333	1.917	2.813	4.923	2.596
6-10	-	-	1.817	2.760	4.143	2.574
11-15	-	1.818	1.925	2.902	3.783	2.736
16-20	-	1.632	1.783	2.681	3.579	2.512
20-25	-	1.320	1.819	2.758	3.474	2.536
25-35	-	1.176	1.621	2.622	3.250	2.345
35+	1.000	1.242	1.809	2.484	3.323	2.214
Total	1.167	1.277	1.798	2.609	3.520	2.352

¹ Includes townhouses and apartments in duplexes.

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

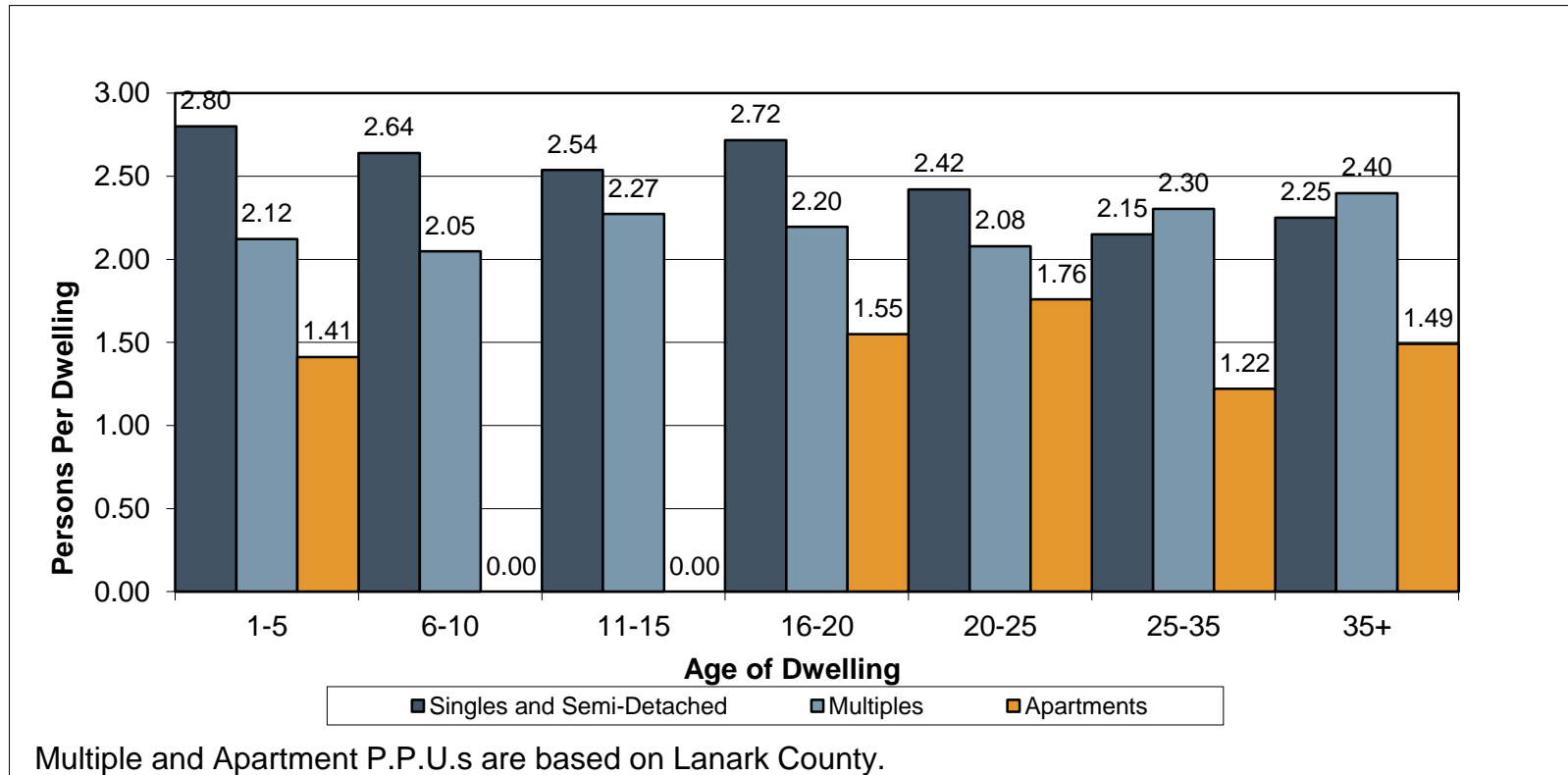
³ PPU has been forecasted based on 2001-2016 historical trends.

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.



Schedule 8
Tay Valley Township
Person Per Unit Structural Type and Age of Dwelling
(2016 Census)





Schedule 9a Tay Valley Township Employment Forecast, 2019 to 2033

Period	Population	Activity Rate								Employment								Employment Total (Excluding Work at Home and N.F.P.O.W.)
		Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total	N.F.P.O.W. ¹	Total Including NFPOW	Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total	N.F.P.O.W. ¹	Total Employment (Including N.F.P.O.W.)	
Mid 2006	5,634	0.020	0.073	0.043	0.027	0.051	0.214	0.063	0.277	110	410	245	150	290	1,205	355	1,560	795
Mid 2016	5,665	0.018	0.063	0.016	0.020	0.076	0.192	0.080	0.273	100	355	93	113	430	1,090	455	1,545	735
Late 2019	5,783	0.017	0.063	0.016	0.020	0.075	0.192	0.080	0.272	100	362	94	115	436	1,107	464	1,571	745
Late 2029	6,259	0.016	0.064	0.018	0.022	0.073	0.193	0.080	0.273	100	400	112	139	454	1,205	503	1,708	805
Mid 2033	6,474	0.015	0.064	0.018	0.023	0.071	0.191	0.080	0.272	100	413	116	148	460	1,237	520	1,757	824
Incremental Change																		
Mid 2006 - Mid 2016	31	-0.0019	-0.0101	-0.0272	-0.0068	0.0244	-0.0215	0.0173	-0.0042	-10	-55	-153	-38	140	-115	100	-15	-60
Mid 2016 - Late 2019	118	-0.0004	0.0000	0.0000	0.0000	-0.0005	-0.0009	0.0000	-0.0009	0	7	2	3	6	17	9	26	10
Late 2019 - Late 2029	476	-0.0013	0.0012	0.0015	0.0024	-0.0028	0.0010	0.0000	0.0010	0	38	18	24	18	98	39	137	60
Late 2019 - Mid 2033	691	-0.0018	0.0012	0.0016	0.0030	-0.0043	-0.0003	0.0000	-0.0003	0	51	22	33	24	130	56	186	79
Annual Average																		
Mid 2006 - Mid 2016	3	-0.0002	-0.0010	-0.0027	-0.0007	0.0024	-0.0021	0.0017	-0.0004	-1	-6	-15	-4	14	-12	10	-2	-6
Mid 2016 - Late 2019	39	-0.0001	0.0000	0.0000	0.0000	-0.0002	-0.0003	0.0000	-0.0003	0	2	1	1	2	6	3	9	3
Late 2019 - Late 2029	48	-0.00013	0.00012	0.00015	0.00024	-0.00028	0.00010	0.00000	0.00010	0	4	2	2	2	10	4	14	6
Late 2019 - Mid 2033	51	-0.0001	0.0001	0.0001	0.0002	-0.0003	0.0000	0.0000	0.0000	0	4	2	2	2	10	4	14	6

Source: Watson & Associates Economists Ltd., 2019.

¹ Statistics Canada defines no fixed place of work (N.F.P.O.W.) employees 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.



Schedule 9b
Tay Valley Township
Employment and Gross Floor Area (G.F.A.) Forecast, 2019 to 2033

Period	Population	Employment					Gross Floor Area in Square Feet (Estimated) ¹			
		Primary	Industrial	Commercial/ Population Related	Institutional	Total	Industrial	Commercial/ Population Related	Institutional	Total
Mid 2006	5,634	110	245	150	290	795				
Mid 2016	5,665	100	93	113	430	735				
Late 2019	5,783	100	94	115	436	745				
Late 2029	6,259	100	112	139	454	805				
Mid 2033	6,474	100	116	148	460	824				
Incremental Change										
Mid 2006 - Mid 2016	31	-10	-153	-38	140	-60				
Mid 2016 - Late 2019	118	0	2	3	6	10	2,200	1,400	4,200	7,800
Late 2019 - Late 2029	476	0	18	24	18	60	27,000	13,200	12,600	52,800
Late 2019 - Mid 2033	691	0	22	33	24	79	33,000	18,100	16,800	67,900
Annual Average										
Mid 2006 - Mid 2016	3	-1	-15	-4	14	-6				
Mid 2016 - Late 2019	39	0	1	1	2	3	733	467	1,400	2,600
Late 2019 - Late 2029	48	0	2	2	2	6	2,700	1,320	1,260	5,280
Late 2019 - Mid 2033	51	0	2	2	2	6	2,444	1,341	1,244	5,030

Source: Watson & Associates Economists Ltd., 2019.

¹ Square Foot Per Employee Assumptions

Industrial 1,500

Commercial/ Population Related 550

Institutional 700

* Reflects Late 2019 to Mid 2033 forecast period

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



Schedule 10
Tay Valley Township
Non-Residential Construction Value
Years 2007 to 2016
(000's 2018 \$)

YEAR	Industrial				Commercial				Institutional				Total			
	New	Improve	Additions	Total	New	Improve	Additions	Total	New	Improve	Additions	Total	New	Improve	Additions	Total
2007	213	0	0	213	0	227	3,492	3,719	0	0	0	0	213	227	3,492	3,932
2008	40	51	0	91	0	17	0	17	0	48	0	48	40	116	0	156
2009	136	0	0	136	113	170	1,090	1,373	235	2	0	237	484	172	1,090	1,746
2010	75	55	0	129	40	12	0	52	1,535	17	0	1,552	1,650	84	0	1,734
2012	20	16	0	36	0	4	0	4	472	107	0	579	492	128	0	620
2013	100	11	0	110	0	28	0	28	763	0	0	763	863	39	0	902
2014	0	0	0	0	0	6	0	6	0	0	0	0	0	6	0	6
2015	13	33	0	46	383	274	0	657	1,013	0	0	1,013	1,409	308	0	1,716
2016	0	24	0	24	0	4	0	4	0	136	0	136	0	164	0	164
Subtotal	1,314	190	0	1,504	536	743	4,582	5,862	4,018	337	0	4,355	5,868	1,270	4,582	11,721
Percent of Total	87%	13%	0%	100%	9%	13%	78%	100%	92%	8%	0%	100%	50%	11%	39%	100%
Average	164	32	0	167	179	83	2,291	651	804	56	0	544	734	127	2,291	1,172
2007 - 2011 Period Total				1,287				5,161				1,864				8,313
2007 - 2011 Average				257				1,032				373				1,663
% Breakdown				15.5%				62.1%				22.4%				100.0%
2012 - 2016 Period Total				217				700				2,491				3,408
2012 - 2016 Average				43				140				498				682
% Breakdown				6.4%				20.5%				73.1%				100.0%
2007 - 2016 Period Total				1,504				5,862				4,355				11,721
2007 - 2016 Average				150				586				436				1,172
% Breakdown				12.8%				50.0%				37.2%				100.0%

Source: Statistics Canada Publication, 64-001-XIB

Note: Inflated to year-end 2017 (January, 2018) dollars using Reed Construction Cost Index



Schedule 11
Tay Valley Township
Employment to Population Ratio by Major Employment Sector, 2006 to 2016

NAICS		Year		Change	Comments
		2006	2016	06-16	
Employment by industry					
	<u>Primary Industry Employment</u>				Categories which relate to local land-based resources
11	<i>Agriculture, forestry, fishing and hunting</i>	110	135	25	
21	<i>Mining and oil and gas extraction</i>	110	75	-35	
	Sub-total	220	210	-10	
	<u>Industrial and Other Employment</u>				Categories which relate primarily to industrial land supply and demand
22	<i>Utilities</i>	0	0	0	
23	<i>Construction</i>	90	85	-5	
31-33	<i>Manufacturing</i>	60	20	-40	
41	<i>Wholesale trade</i>	75	20	-55	
48-49	<i>Transportation and warehousing</i>	75	35	-40	
56	<i>Administrative and support</i>	25	8	-18	
	Sub-total	325	168	-158	
	<u>Population Related Employment</u>				Categories which relate primarily to population growth within the municipality
44-45	<i>Retail trade</i>	60	0	-60	
51	<i>Information and cultural industries</i>	10	10	0	
52	<i>Finance and insurance</i>	0	10	10	
53	<i>Real estate and rental and leasing</i>	0	10	10	
54	<i>Professional, scientific and technical services</i>	85	80	-5	
55	<i>Management of companies and enterprises</i>	0	0	0	
56	<i>Administrative and support</i>	25	8	-18	
71	<i>Arts, entertainment and recreation</i>	10	45	35	
72	<i>Accommodation and food services</i>	80	10	-70	
81	<i>Other services (except public administration)</i>	85	70	-15	
	Sub-total	355	243	-113	
	<u>Institutional</u>				
61	<i>Educational services</i>	60	80	20	
62	<i>Health care and social assistance</i>	190	295	105	
91	<i>Public administration</i>	55	95	40	
	Sub-total	305	470	165	
	Total Employment	1,205	1,090	-115	
	Population	5,634	5,665	-5,665	
	<u>Employment to Population Ratio</u>				
	Industrial and Other Employment	0.06	0.03	-0.03	
	Population Related Employment	0.06	0.04	-0.02	
	Institutional Employment	0.05	0.08	0.03	
	Primary Industry Employment	0.04	0.04	0.00	
	Total	0.21	0.19	-0.02	

Source: Statistics Canada Employment by Place of Work

Note: 2006-2016 employment figures are classified by North American Industry Classification System (NAICS) Code



Appendix B

Historical Level of Service Calculations



Service: Roads
 Unit Measure: km of roadways

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Value (\$/km)
HCB Roads	31.7	31.7	31.7	31.7	31.7	31.7	31.7	31.7	31.7	31.7	\$672,700
LCB Roads	52.3	52.3	52.3	52.3	52.3	52.3	52.3	52.3	52.3	52.3	\$529,700
Gravel Roads	199.5	199.5	199.5	199.5	199.5	199.5	199.5	199.5	199.5	199.5	\$185,000
Total	283.5	283.5	283.5	283.5	283.5	283.5	283.5	283.5	283.5	283.5	

Population	10,942	11,039	11,000	10,910	10,830	10,740	10,660	10,571	10,597	10,671
Per Capita Standard	0.0259	0.0257	0.0258	0.0260	0.0262	0.0264	0.0266	0.0268	0.0268	0.0266

10 Year Average	2009-2018
Quantity Standard	0.0263
Quality Standard	\$302,711
Service Standard	\$7,961

D.C. Amount (before deductions)	10 Year
Forecast Population	668
\$ per Capita	\$7,961
Eligible Amount	\$5,318,148



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

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Value (\$/item)
Bridges	16	16	16	16	16	16	16	16	16	16	\$1,117,200
Major Culverts	7	7	7	7	7	7	7	7	7	7	\$808,100
Total	23	23	23	23	23	23	23	23	23	23	

Population	10,942	11,039	11,000	10,910	10,830	10,740	10,660	10,571	10,597	10,671
Per Capita Standard	0.0021	0.0021	0.0021	0.0021	0.0021	0.0021	0.0022	0.0022	0.0022	0.0022

10 Year Average	2009-2018
Quantity Standard	0.0021
Quality Standard	\$1,038,190
Service Standard	\$2,180

D.C. Amount (before deductions)	10 Year
Forecast Population	668
\$ per Capita	\$2,180
Eligible Amount	\$1,456,374



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

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Bathurst (Glen Tay) Garage	5,240	5,240	5,240	5,240	5,240	5,240	5,240	5,240	5,240	5,240	\$130	\$147
Burgess Garage	2,890	2,890	2,890	2,890	2,890	2,890	2,890	2,890	2,890	2,890	\$101	\$115
Maberly Garage	3,560	3,560	3,560	3,560	3,560	3,560	3,560	3,560	3,560	3,560	\$107	\$122
Bathurst (Glen Tay) Salt Shed	4,585	4,585	4,585	4,585	4,585	4,585	4,585	4,585	4,585	4,585	\$70	\$81
Burgess Salt Shed	-	-	-	7,000	7,000	7,000	7,000	7,000	7,000	7,000	\$35	\$42
Total	16,275	16,275	16,275	23,275	23,275	23,275	23,275	23,275	23,275	23,275		

Population	10,942	11,039	11,000	10,910	10,830	10,740	10,660	10,571	10,597	10,671
Per Capita Standard	1.4874	1.4743	1.4795	2.1334	2.1491	2.1671	2.1834	2.2018	2.1964	2.1811

10 Year Average	2009-2018
Quantity Standard	1.9654
Quality Standard	\$100
Service Standard	\$196

D.C. Amount (before deductions)	10 Year
Forecast Population	668
\$ per Capita	\$196
Eligible Amount	\$130,941



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

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Value (\$/Vehicle)
Pick-up Truck - 1/2 Ton	1.00	1.00	1.00	1.75	1.75	1.75	1.75	1.75	1.75	1.75	\$30,000
Pick-up Truck - 3/4 Ton	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	\$40,000
Pick-up Truck - 1½ Ton	-	-	-	-	-	-	-	1.00	1.00	1.00	\$100,000
Tandem Truck	3.00	3.00	3.00	4.00	4.00	5.00	6.00	6.00	6.00	6.00	\$300,000
Backhoe	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	\$160,000
Grader	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	\$330,000
Total	8.00	8.00	9.00	11.75	11.75	12.75	13.75	14.75	14.75	14.75	

Population	10,942	11,039	11,000	10,910	10,830	10,740	10,660	10,571	10,597	10,671
Per Capita Standard	0.0007	0.0007	0.0008	0.0011	0.0011	0.0012	0.0013	0.0014	0.0014	0.0014

10 Year Average	2009-2018
Quantity Standard	0.0011
Quality Standard	\$217,891
Service Standard	\$240

D.C. Amount (before deductions)	10 Year
Forecast Population	668
\$ per Capita	\$240
Eligible Amount	\$160,106



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

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Value (\$/item)
Fallbrook Playground	1	1	1	1	1	1	1	1	1	1	\$57,700
Maberly Playground	1	1	1	1	1	1	1	1	1	1	\$57,700
O'Neil Park	1	1	1	1	1	1	1	1	1	1	\$11,500
Baseball Diamonds	2	2	2	2	2	2	2	2	2	2	\$69,200
Tennis Courts	1	1	1	1	1	1	1	1	1	1	\$60,000
Outdoor Ice Rinks	2	2	2	2	2	2	2	2	2	2	\$11,500
Total	8	8	8	8	8	8	8	8	8	8	

Population	10,942	11,039	11,000	10,910	10,830	10,740	10,660	10,571	10,597	10,671
Per Capita Standard	0.0007	0.0007	0.0007	0.0007	0.0007	0.0007	0.0008	0.0008	0.0008	0.0007

10 Year Average	2009-2018
Quantity Standard	0.0007
Quality Standard	\$46,100
Service Standard	\$32

D.C. Amount (before deductions)	10 Year
Forecast Population	668
\$ per Capita	\$32
Eligible Amount	\$21,556



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

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Burgess Hall	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	1,650	\$202	\$226
Maberly Hall	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	3,100	\$196	\$220
Perth and District Community Centre (Township's Share)	26,199	26,199	26,199	26,199	26,199	26,199	26,199	26,199	26,199	26,199	\$77	\$89
Perth and District Community Pool (Township's Share)	13,702	13,702	13,702	13,702	13,702	13,702	13,702	13,702	13,702	13,702	\$89	\$102
Conlon Farm (Township's Share)	3,401	3,401	3,401	3,401	3,401	3,401	3,401	3,401	3,401	3,401	\$57	\$66
Total	48,053	48,053	48,053	48,053	48,053	48,053	48,053	48,053	48,053	48,053		

Population	10,942	11,039	11,000	10,910	10,830	10,740	10,660	10,571	10,597	10,671
Per Capita Standard	4.3916	4.3530	4.3685	4.4045	4.4370	4.4742	4.5078	4.5458	4.5346	4.5032

10 Year Average	2009-2018
Quantity Standard	4.4520
Quality Standard	\$104
Service Standard	\$464

D.C. Amount (before deductions)	10 Year
Forecast Population	668
\$ per Capita	\$464
Eligible Amount	\$309,985



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

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Value (\$/Vehicle)
Pick-up Truck - 1/2 Ton (Shared with Public Works)	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	\$30,000
Total	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	

Population	10,942	11,039	11,000	10,910	10,830	10,740	10,660	10,571	10,597	10,671
Per Capita Standard (per 1,000 population)	0.0228	0.0226	0.0227	0.0229	0.0231	0.0233	0.0235	0.0236	0.0236	0.0234

10 Year Average	2009-2018
Quantity Standard (per 1,000 population)	0.0232
Quality Standard	\$30,172
Service Standard	\$1

D.C. Amount (before deductions)	10 Year
Forecast Population	668
\$ per Capita	\$1
Eligible Amount	\$468



Service: Library Facilities
 Unit Measure: ft² of building area

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Perth & District Union Public Library (Township's Share)	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	\$99	\$123
Total	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000		

Population	10,942	11,039	11,000	10,910	10,830	10,740	10,660	10,571	10,597	10,671
Per Capita Standard	1.0053	0.9965	1.0000	1.0082	1.0157	1.0242	1.0319	1.0406	1.0380	1.0308

10 Year Average	2009-2018
Quantity Standard	1.0191
Quality Standard	\$123
Service Standard	\$125

D.C. Amount (before deductions)	10 Year
Forecast Population	668
\$ per Capita	\$125
Eligible Amount	\$83,734



Service: Library Collection Materials
 Unit Measure: No. of library collection items

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Value (\$/item)
Books (Township's Share)	43,839	46,238	46,412	47,025	47,638	49,638	51,638	53,638	55,638	57,638	\$9
Videos (Township's Share)	1,150	1,325	1,500	1,660	1,780	1,930	1,930	1,930	1,930	1,930	\$6
Total	44,989	47,563	47,912	48,685	49,418	51,568	53,568	55,568	57,568	59,568	

Population	10,942	11,039	11,000	10,910	10,830	10,740	10,660	10,571	10,597	10,671
Per Capita Standard	4.11	4.31	4.36	4.46	4.56	4.80	5.03	5.26	5.43	5.58

10 Year Average	2009-2018
Quantity Standard	4.7899
Quality Standard	\$9
Service Standard	\$43

D.C. Amount (before deductions)	10 Year
Forecast Population	668
\$ per Capita	\$43
Eligible Amount	\$28,477



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., 1997 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 Township's 2018 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 projects 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
Roads & Related	16,114	769	16,882
Fire Protection	6,187	460	6,647
Parks & Recreation	4,955	388	5,343
Library	2,703	177	2,881
Waste Diversion	2,513	375	2,887
Administration - Studies	-	-	-
TOTAL	32,471	2,169	34,640



Appendix D

Local Service Policy



Appendix D: Local Service Policy

1. Collector and Internal Roads

- Roads Internal to development up to 8.5m width plus one sidewalk and two lifts of asphalt - Direct developer responsibility under s.59 of the D.C.A. (as a local service)
- Roads (collector and arterial) external to development and oversizing of collector roads internal 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

- 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

- New roads (collector and arterial) and road (collector and arterial) improvements – Include as part of road costing noted in item 1, to limits of ROW.
- 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).
- Intersection improvements on other roads due to development growth increasing traffic – Include in D.C. calculation.

4. Streetlights

- Streetlights on external roads – Include in D.C. (linked to collector road funding source in item 1).
- Streetlights within specific developments – Direct developer responsibility under s.59 of D.C.A. (as a local service).

5. Sidewalks

- Sidewalks on Municipal roads - Linked to collector road funding source in item 1.



- 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

- 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).
- 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).
- 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

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

8. Traffic Control Systems

- Include in DC calculation.

9. Land Acquisition for Road Allowances

- 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 Municipal D.C. (to the extent eligible).
- 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 Municipal D.C. (to the extent eligible).
- Land Acquisition for grade separations (beyond normal dedication requirements) – Include in the Municipal D.C. to the extent eligible.



10. Land Acquisition for Easements

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

11. Storm Water Management

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



Appendix E

Proposed D.C. By-law



**THE CORPORATION OF TAY VALLEY TOWNSHIP
BY-LAW NO. ____**

**BEING A BY-LAW OF THE CORPORATION OF TAY VALLEY TOWNSHIP
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 Tay Valley Township, at its meeting of _____, 2019, approved a report entitled Tay Valley Township 2019 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 November 12, 2019;

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 Tay Valley Township Development Charges Background Study on _____, 2019, 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 Tay Valley Township 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 Tay Valley Township;
- (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) “green energy” means the development of solar PV or wind turbine facilities for the purposes of electrical energy generation;
- (16) “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;
- (17) “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*;
- (18) “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.
- (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) “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;
- (23) “semi-detached dwelling” means the whole of a dwelling divided vertically both above grade and below grade into two separate dwelling units;
- (24) “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;
- (25) “solar PV” means electricity generation by a group of photovoltaic cells, typically arranged on a panel, which convert solar energy into electrical energy;
- (26) “wind turbine” means a rotary engine that extracts energy from the flow of wind, converts it to mechanical energy by causing a bladed rota to rate, and further converts it to electrical energy through an electrical generator.

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;
 - (c) in the case of green energy, based upon the kW generating capacity of such development.
- (3) Council hereby determine that the development of land, buildings or structures for residential, non-residential, or green energy 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 Tay Valley Township, 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) Tay Valley Township, or any local board thereof;
 - (b) a board of education as defined in subsection 1(1) of the *Education Act*; and
 - (c) the Corporation of the County of Lanark, or any local board thereof.

4. APPLICATION OF CHARGES

- (1) Development charges shall be imposed on all lands, buildings, or structures that are developed for residential, non-residential, or green energy 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 (2) 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, non-residential gross floor area, and/or green energy kW generating capacity shall be calculated and collected in accordance with the provisions of this by-law.



6. EXEMPTIONS

- (1) Section 2 of this by-law shall not apply to that category of exempt development described in s.s. 2(3) of the Act, 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, 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; or
 - (c) the creation of one additional dwelling unit in any other type of existing residential building, provided that:
 - (i) in the case of a semi-detached dwelling, the gross floor area of the additional dwelling unit does not exceed the gross floor area of the existing dwelling unit already contained in the residential dwelling, and
 - (ii) in the case of all other types of existing residential buildings, the gross floor area of the additional dwelling unit does not exceed the gross floor area of the smallest existing dwelling unit already contained in the residential building.
- (2) Section 2 of this by-law shall not apply to that category of exempt development described 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.



- (3) Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to:
 - (a) green energy development with a rated generating capacity of 100 kW or less.

7. TIMING OF CALCULATION AND PAYMENT

- (1) Development Charges are due and payable in full to the Corporation of Tay Valley Township 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) Subject to Section 27 of the Act, Council, at its discretion may, enter into an agreement for payment of development charges in whole or under a payment schedule before or after the date of the issuing of the building permit.
- (3) If the Development Charge or any part thereof imposed by Tay Valley Township 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 Tay Valley Township 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 Section 2.
- (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 Statistics Canada *Table 18-10-0135-01 Building construction price indexes, by type of building*.

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 December ____, 2019.

Read a first, second, and a third time and finally passed this __ day of December, 2019.

Brian Campbell, Reeve

Amanda Mabo, Clerk



**SCHEDULE “A” TO BY-LAW ____
THE CORPORATION OF TAY VALLEY TOWNSHIP**

Designated Municipal Services Under this By-law

Municipal-wide Services

1. Roads & Related
2. Fire Protection
3. Parks & Recreation
4. Library
5. Waste Diversion
6. Administration – Studies



**SCHEDULE “B” TO BY-LAW ____
THE CORPORATION OF TAY VALLEY TOWNSHIP**

Schedule of Development Charges

Service	RESIDENTIAL				NON-RESIDENTIAL	GREEN ENERGY
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per sq.ft. of Gross Floor Area)	(per 500 kW generating capacity)
Municipal Wide Services:						
Roads & Related	\$ 1,873	\$ 1,191	\$ 1,124	\$ 1,503	\$ 0.92	\$ 1,873
Fire Protection	\$ 356	\$ 226	\$ 214	\$ 286	\$ 0.17	\$ 356
Parks & Recreation	\$ 680	\$ 433	\$ 408	\$ 546	\$ 0.20	\$ -
Library	\$ 55	\$ 35	\$ 33	\$ 44	\$ 0.02	\$ -
Waste Diversion	\$ 30	\$ 19	\$ 18	\$ 24	\$ 0.01	\$ -
Administration - Studies	\$ 213	\$ 135	\$ 128	\$ 171	\$ 0.10	\$ 213
Total Municipal Wide Services	\$ 3,207	\$ 2,039	\$ 1,925	\$ 2,574	\$ 1.42	\$ 2,442