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2021 Development Charges Update Study

Tay Valley Township

For Public Circulation and Comment

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1. Introduction

1.1 Background

Tay Valley Township (Township) imposes development charges (D.C.) to recover the increase in the needs for service arising from development. The basis for the calculation of the Township’s current residential and non-residential D.C. is documented in the Township’s “2019 Development Charges Background Study” dated October 2, 2019, as amended November 7, 2019. This 2019 D.C. Background Study provides the supporting documentation for the Township-wide D.C. By-law 2019-045. The Township’s current D.C.s by municipal service and development type are summarized in Table 1-1. These tables reflect the indexed charges that are currently in force as of January 1, 2021.

Table 1-1
Tay Valley Township
Current 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	\$ 2,359	\$ 1,501	\$ 1,415	\$ 1,893	\$ 1.16	\$ 2,359
Fire Protection	\$ 501	\$ 319	\$ 301	\$ 402	\$ 0.24	\$ 502
Parks & Recreation	\$ 742	\$ 472	\$ 445	\$ 595	\$ 0.22	\$ -
Library	\$ 60	\$ 38	\$ 36	\$ 48	\$ 0.02	\$ -
Waste Diversion	\$ 33	\$ 21	\$ 20	\$ 26	\$ 0.01	\$ -
Growth-Related Studies	\$ 232	\$ 148	\$ 139	\$ 186	\$ 0.10	\$ 232
Total Municipal Wide Services	\$ 3,927	\$ 2,499	\$ 2,356	\$ 3,150	\$ 1.75	\$ 3,093

1.2 Existing Policies (Rules)

The following subsections set out the rules governing the calculation, payment, and collection of the D.C. as provided in By-law 2019-045, in accordance with the *Development Charges Act, 1997*, as amended (D.C.A.).

1.2.1 Payment in any Particular Case

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



- the passing of a zoning by-law or of an amendment to a zoning by-law under section 34 of the *Planning Act*,
- the approval of a minor variance under section 45 of the *Planning Act*,
- a conveyance of land to which a by-law passed under section 50 (7) of the *Planning Act* applies;
- the approval of a plan of subdivision under section 51 of the *Planning Act*,
- a consent under section 53 of the *Planning Act*,
- the approval of a description under section 50 of the *Condominium Act*, or
- the issuing of a building permit under the *Building Code Act* in relation to a building or structure.

1.2.2 Determination of the Amount of the Charge

The following conventions were adopted:

- a) Costs allocated to residential uses will be assigned to different types of residential units based on the average occupancy for each housing type constructed during the previous decade. Costs allocated to non-residential uses will be assigned to industrial, commercial, and institutional uses based on the gross floor area (G.F.A.) constructed.
- b) 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 of the 2019 D.C. Background Study, as amended.

1.2.3 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 land was improved by occupied structures, and if the demolition permit related to the site was issued, less than two years prior to the issuance of a building permit.

The credit can, in no case, exceed the amount of D.C.s that would otherwise be payable.

1.2.4 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, section 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 (section 4 (3));
- Buildings or structures owned by and used for the purposes of any municipality, local board or Board of Education (section 3); and
- Residential development that results 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 section 2 of O. Reg. 82/98).

Non-statutory exemptions

- Green energy development with a rated generating capacity of 100 kW or less.

1.2.5 Indexing

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

1.2.6 By-law Duration

The by-law will expire on December 2, 2024 unless it is repealed by Council at an earlier date.

1.2.7 Date Charge Payable

D.C.s imposed under this by-law are calculated, payable, and collected upon issuance of a building permit with respect to each dwelling unit, building or structure.



1.3 Changes to the D.C.A.: More Homes, More Choice Act and the COVID-19 Economic Recovery Act

On May 2, 2019, the Province introduced Bill 108 (*More Homes, More Choice Act*), which proposed changes to the D.C.A. The Bill was introduced as part of the Province's "*More Homes, More Choice: Ontario's Housing Supply Action Plan*." The Bill received Royal Assent on June 6, 2019. While having received Royal Assent, many of the amendments to the D.C.A. would not come into effect until they are proclaimed by the Lieutenant Governor. On January 1, 2020, the following provisions were proclaimed:

- A D.C. for rental housing and institutional developments will pay the charge in six equal annual installments, with the first payment commencing on the date of occupancy. A D.C. for non-profit housing developments will pay the charge in 21 equal annual installments. A municipality may charge interest on the installments. Any unpaid D.C. amounts may be added to the property and collected as taxes.
- The determination of the D.C. for all developments occurring within two years of a Site Plan or Zoning By-law Amendment planning approval shall be determined based on the D.C.s in effect on the date the planning application was submitted. These provisions only apply to Site Plan and Zoning By-law Amendment planning applications received on or after January 1, 2020. Developments arising from planning application approvals not fitting these criteria, or if the building permit arising from these planning approvals is issued two-years or more after the planning application approval, the D.C. is determined based on the provisions of the D.C. by-law.

In early 2020, the Province released Bill 197 (*COVID-19 Economic Recovery Act*), an omnibus bill amending numerous statutes, including the D.C.A. and *Planning Act*. This Bill also revised some of the proposed amendments included in the *More Homes, More Choice Act*. The *COVID-19 Economic Recovery Act* received Royal Assent on July 21, 2020 and were proclaimed on September 18, 2020. The following provides a summary of the additional changes to the D.C.A. that are now in effect:



List of D.C. Eligible Services

The D.C.A. previously defined ineligible services for D.C.s. The amendments to the D.C.A. now defined the services that are eligible for inclusion in a D.C. by-law. The following summarizes the D.C.-eligible services:

- Water supply services, including distribution and treatment services;
- Wastewater services, including sewers and treatment services;
- Storm water drainage and control services;
- Services related to a highway;
- Electrical power services;
- Toronto-York subway extension, as defined in subsection 5.1 (1);
- Transit services other than the Toronto-York subway extension;
- Waste diversion services;
- Policing services;
- Fire protection services;
- Ambulance services;
- Library Services;
- Long-term care services;
- Parks and recreation services (excluding the acquisition of land for parks);
- Public health services;
- Childcare and early years services;
- Housing services;
- *Provincial Offences Act* services;
- Services related to emergency preparedness;
- Services related to airports, but only in the Regional Municipality of Waterloo;
and
- Additional services as prescribed.

Removal of 10% Statutory Deduction

The D.C.A. previously required a 10% statutory deduction for all services not specifically identified in subsection 5 (5) of the D.C.A. (i.e. soft services). This had the effect of categorizing D.C.-eligible services into two groups, i.e. 90% D.C. recoverable services,



and 100% D.C. recoverable services. The amendments to the D.C.A. remove the 10% statutory deduction for soft services.

Classes of D.C. Services

As noted above the D.C.A. categorized services generally into two categories. The amended D.C.A. repeals these provisions and provides the following:

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

Statutory Exemptions

The D.C.A. provides for statutory exemptions from payment of D.C.s where the development is creating additional residential dwelling units within prescribed classes of existing residential buildings or structures. This statutory exemption has been expanded to include secondary residential dwelling units, in prescribed classes, that are ancillary to existing residential buildings. Furthermore, additional statutory exemptions are provided for the creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to new dwellings.

Transition

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



1.4 Other Legislative Changes

Bill 213, An Act to Reduce Burdens on People and Businesses by Enacting, Amending and Repealing Various Acts and Revoking a Regulation received Royal Assent on December 8, 2020. This Bill amended the Ministry of Training, Colleges and *Universities Act* to provide an exemption from the payment of D.C.s for universities. Specifically, the Act states:

Land vested in or leased to a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education is exempt from D.C.s imposed under the D.C.A. if the development in respect of which D.C.A. would otherwise be payable is intended to be occupied and used by the university.

This statutory exemption to the payment of D.C.s came into effect on the December 8, 2020.

1.5 Purpose of this Document

This background study has been prepared pursuant to the requirements of the D.C.A. to amend the Township's D.C. by-law. The proposed amendments relate to the removal of the 10% deduction for soft services and provide updates to the underlying D.C. eligible capital cost estimates. Further amendments are provided to the rules of the D.C. by-law to reflect the changes in timing and collection of D.C.s, and statutory exemptions, as a result of recent changes to the D.C.A. (as summarized in section 1.3 and 1.4 herein). Lastly, this amendment also provides an area-specific D.C. for Roads and Related Services within the Maberly Pines area of the Township.

This D.C. background study and draft amending by-law will be provided to the public to provide interested parties with sufficient background information on the legislation, recommendations, and an outline of the basis for these recommendations.

The following chapters of this study include:

- Chapter 2 – Anticipated Development
- Chapter 3 – Revisions to the Anticipated Capital Needs
- Chapter 4 – Revised D.C. Calculation and Schedule of Charges



- Chapter 5 – D.C. Policy Recommendations and D.C. By-law Rules
- Chapter 6 – Asset Management Plan and Long-Term Capital and Operating Costs
- Chapter 7 – Process for Adoption of the Amending D.C. By-law
- Appendix A – Draft Amending D.C. By-law
- Appendix B – Cash Flow Calculations

It should be noted that this study is provided as an update to the Township's 2019 D.C. Background Study, as amended, and as such the calculations are denominated in 2019 dollars (the Township's D.C. background study cost base). The amended D.C. rates will be subsequently indexed to 2021 rates for implementation.

The notice of the public meeting will be advertised in accordance with the requirements of the D.C.A., i.e. 20 clear-days prior to the public meeting. This background study document will be released for public review and posted on the Township's website in accordance with provisions of the D.C.A. on August 30, 2021. The statutory public meeting will be held on September 14, 2021. A presentation will be made to the public regarding the recommendations of this study, and Council will receive oral and written comments on the matter.

It is anticipated that Council will consider for adoption the proposed amending by-law after the 60-day period from the release of the D.C. background study has been satisfied.

1.6 Summary of Proposed Amendments

Other than the changes identified within this report, all other D.C. calculations and policies (i.e. rules) contained in By-law 2019-045 remain unchanged by this process.

The analysis provided herein will address the proposed amendments to the Township's D.C. by-law arising from the recent amendments to the D.C.A., as outlined in sections 1.3 and 1.4 above. In particular, Chapters 3 and 4 address changes to the D.C. eligible costs and calculation of the charges resulting from the removal of the 10% statutory deduction for "soft" services, reclassification of Administration Studies service to the class of service for Growth-Related Studies, and changes to the capital costs underlying



the charges. Furthermore, Chapters 3 and 4 will detail the calculation of an area-specific D.C. for Roads and Related Services within the Maberly Pines area.

Chapter 5 presents the changes to the D.C. by-law collection policies, statutory exemptions to reflect legislative changes, and non-statutory exemptions.



2. Anticipated Development

It is a requirement of section 5 (1) of the D.C.A. that “the anticipated amount, type and location of development, for which D.C.s can be imposed, must be estimated.” The growth forecast contained in Chapter 3 of the 2019 D.C. Background Study, as amended (with supplemental tables in Appendix A) provides for the anticipated development for which the Township will be required to provide services over a ten-year (mid-2019 to mid-2029) and a twelve-year time horizon (mid-2019 to mid-2033).

The growth forecast contained in the 2019 D.C. Background Study, as amended, is summarized in Table 2-1. For the purposes of this Update Study, the growth forecast as contained within the 2019 D.C. Background Study remains unchanged. The increase in need for Township-wide services and capital costs are calculated over the 10-year forecast period for all services.

Table 2-1
Tay Valley Township
2019 D.C. Background Study – Township-wide Growth Forecast Summary

Time Horizon	Net Population ^[1]	Residential Units	Employment ^[2]	Sq.ft. of G.F.A.
Late 2019	11,097	3,762	745	n/a*
Late 2029	11,793	4,030	805	n/a
Mid 2033	12,052	4,131	824	n/a
Incremental Change				
10-year (2019-2029)	696	269	60	52,800
14-year (2019-2033)	955	370	79	67,900

*n/a = not applicable

As noted in the introduction, in addition to amendments to the Township-wide services D.C., an area-specific D.C. is also being presented for Council consideration. The area-specific by-law would only apply to the Maberly Pines Area, as defined in the key map of Figure 2-1. The charge is being imposed to recover the growth-related costs of local roads within the plan of subdivision that cannot be recovered under local service conditions of development agreements.

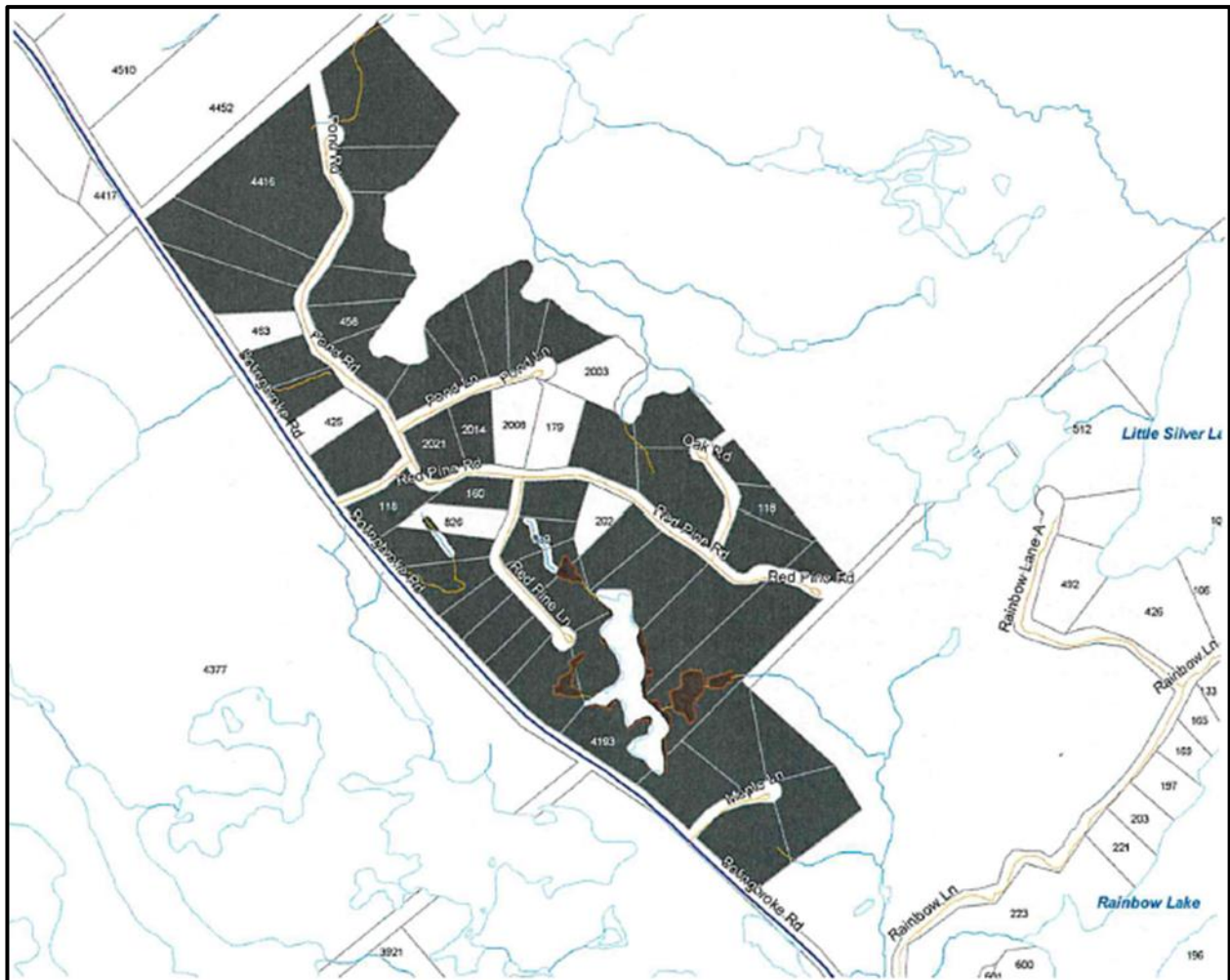
[1] Excludes institutional.

[2] Excludes No Fixed Place of Work (N.F.P.O.W.) and Work at Home (W.A.H.).



The anticipated buildout development within the Maberly Pines Area totals 53 single detached residential dwelling units. Of this buildout total, 5 residential dwelling units have been constructed and 48 remain to be developed. For the purposes of calculating the area-specific D.C., the remaining anticipated development is anticipated to produce incremental population growth of 121 persons (i.e. 48 single detached units x 2.52 persons per unit occupancy).

Figure 2-1
Tay Valley Township – Maberly Pines Area Map





3. Revisions to the Anticipated Capital Needs

The 2019 D.C. Background Study, as amended, justified the amount that could be charged for residential and non-residential development. The study and by-law identified anticipated capital needs for recovery through D.C.s for the following services:

- Roads and Related Services;
- Fire Protection Services;
- Parks and Recreation Services;
- Library Services;
- Waste Diversion Services; and
- Administration Studies.

The following sections summarize the amendments made to the D.C. eligible capital costs. In accordance with the amendments to the D.C.A., the 10% statutory deduction has been removed from the calculation of the D.C. eligible capital costs for Parks and Recreation Services, Library Services, Waste Diversion Services, and specific studies under Administration Studies. Additional changes to the D.C. eligible capital costs for the Township-wide Services are also summarized in this chapter, as well as the area-specific D.C. for Roads and Related Services within the Maberly Pines Area.

Other than the revisions included in this report, all other capital needs and the determination of D.C. recoverable costs contained in the Township's 2019 D.C. Background Study, as amended remain unchanged.

3.1 Municipal-wide D.C.s

3.1.1 *Roads and Related Services*

The Township's 2019 D.C. Background Study identified approximately \$3.19 million in gross capital costs to meet the increase in need for service for roads and related services. Through this Update Study, additional needs, including additional road widenings, a bridge upgrade, gravel road conversions, and studies have been identified. Furthermore, some of the cost estimates in the 2019 D.C. Background Study have been updated to reflect either the actual cost, for completed projects, or the revised cost estimates available to the Township.



The changes outlined above and presented in Table 3-1 increase the gross capital costs for roads and related services by \$4.13 million resulting in a total cost of \$7.32 million. In recognition of the benefits to existing development, \$5.43 million has been deducted from the costs. An additional \$470,536 has been deducted reflecting grants and contributions attributable to new development. After incorporating the existing D.C. reserve fund balance of approximately \$171,000, \$1.25 million in capital needs have been included in the D.C. calculation. The amended D.C. recoverable costs are within the historic level of service cap for roads and related services, as provided in the 2019 D.C. Background Study.

The revised D.C. recoverable costs are allocated 92% to residential development and 8% to non-residential development. This approach is based on the incremental growth in population to employment for the 10-year forecast period and is consistent with the Township's 2019 D.C. Background Study, as amended.



**Table 3-1
Infrastructure Costs Covered in the D.C. Calculation – Roads and Related Services**

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	225,500	-	225,500	215,127		10,373	9,543	830
3	Glen Tay Road - Hwy 7 to CR 6 (Township's Share)	2021	120,500	-	120,500	60,250		60,250	55,430	4,820
4	Harper Road	2023	618,100	-	618,100	309,050		309,050	284,326	24,724
5	Keays Road	2023	316,800	-	316,800	158,400		158,400	145,728	12,672
6	Christie Lake North Shore Road	2020	1,149,500	-	1,149,500	574,750	455,886	118,864	109,355	9,509
7	Unopened Road - Younes	2020	29,300	-	29,300	-	14,650	14,650	13,478	1,172
8	Upper Scotch Line	2021	378,900	-	378,900	341,010		37,890	34,859	3,031
9	Cameron Side Road	2022	680,200	-	680,200	612,180		68,020	62,578	5,442
10	Bathurst 7th Concession	2025	370,700	-	370,700	333,630		37,070	34,104	2,966
11	McVeigh Road	2025	56,600	-	56,600	50,940		5,660	5,207	453
12	Zealand Road	2026	640,000	-	640,000	576,000		64,000	58,880	5,120
13	Ashby Road	2027	79,400	-	79,400	71,460		7,940	7,305	635
14	Crow Lake Road	2028	503,100	-	503,100	452,790		50,310	46,285	4,025
15	Stanley Road	2029	322,300	-	322,300	290,070		32,230	29,652	2,578
16	Bowes Bridge Upgrade	2025	540,500	-	540,500	515,637		24,863	22,874	1,989
17	Gravel to Surface Treatment Conversion (2km)	2022	219,100	-	219,100	154,181		64,919	59,725	5,193
18	Gravel to Surface Treatment Conversion (2km)	2023	219,100	-	219,100	154,181		64,919	59,725	5,193
19	Gravel to Surface Treatment Conversion (2km)	2024	219,100	-	219,100	154,181		64,919	59,725	5,193
20	Gravel to Surface Treatment Conversion (2km)	2025	219,100	-	219,100	154,181		64,919	59,725	5,193
21	Gravel to Surface Treatment Conversion (2km)	2026	219,100	-	219,100	154,181		64,919	59,725	5,193
22	Functional Assessment of Public Works Dept.	2023	2,700	-	2,700	2,025		675	621	54
	Reserve Fund Adjustment							(171,170)	(157,476)	(13,694)
	Total		7,316,200	-	7,316,200	5,427,526	470,536	1,246,968	1,147,210	99,757



3.1.2 Fire Protection Services

For fire protection services, the Township's 2019 D.C. Background Study, as amended identified \$432,000 in gross capital costs to meet the increase in need for service for fire protection services. The Township has since updated its capital plan and has adjusted some of the capital projects to meet its growth-related needs, including the removal of a tanker truck, a water source, and a master plan, and the addition of a pumper truck and a dry hydrant. In addition, cost estimates for the pumper truck included in the 2019 D.C. Background Study, as amended have been updated.

The costs for additional needs identified through the master planning process, as well as the studies previously included under administration studies have been incorporated through this Update Study.

The changes outlined above and presented in Table 3-2 increase the gross capital costs for fire protection services by \$299,800 to \$731,800. Deductions have been applied in recognition of the benefits to existing development of \$608,000. After including the existing D.C. reserve fund balance of approximately \$5,400, the resulting D.C. recoverable costs totaling \$118,400 have been included in the calculation of the charge, a decrease of approximately \$29,400. The amended D.C. recoverable costs are within the historic level of service cap for fire protection services, as provided in the 2019 D.C. Background Study.

The revised D.C. recoverable costs are allocated 92% to residential development and 8% to non-residential development. This approach is based on forecast developable land area, by type of development, in the Township, which is consistent with the Township's 2019 D.C. Background Study, as amended.



**Table 3-2
Infrastructure Costs Covered in the D.C. Calculation – Fire Protection Services**

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	246,500	-	246,500	197,200		49,300	45,356	3,944
2	Deputy Chief Equipped Vehicle	2022	24,700	-	24,700	-		24,700	22,724	1,976
3	Otty Lake Dry Hydrant	2021	4,100	-	4,100	-		4,100	3,772	328
4	<u>South Sherbrooke</u> Pumper Truck	2022	456,500	-	456,500	410,850		45,650	41,998	3,652
	Reserve Fund Adjustment							(5,363)	(4,934)	(429)
	Total		731,800	-	731,800	608,050	-	118,387	108,916	9,471



3.1.3 Parks and Recreation Services

This study serves to remove the 10% statutory deduction that is no longer required for Parks and Recreation Services due of the recent changes to the D.C.A. Some of the cost estimates in the 2019 D.C. Background Study have been updated to reflect either the actual cost, for completed projects, or the revised cost estimates available to the Township. Furthermore, additional needs, including new parks, swimming area, waterfront access, and ball diamonds have been identified.

The updated capital needs and D.C.-eligible costs for Parks and Recreation Services are presented in Table 3-3. In aggregate \$5.07 million gross capital costs have been identified to meet the increase in need for service, an increase of \$114,000 from the costs in the 2019 D.C. Background Study, as amended. Capital costs of \$4.63 million have been deducted in recognition of the benefit to existing development. In addition, approximately \$265,000 has also been deducted reflecting anticipated growth-related portion of grants and contributions. After incorporating the reserve fund balance of \$6,900, a total of approximately \$169,700 in capital costs has been included in the calculation of the charge. The amended D.C. recoverable costs are within the historic level of service cap for parks and recreation services, as provided in the 2019 D.C. Background Study.

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 development.



**Table 3-3
Infrastructure Costs Covered in the D.C. Calculation – Parks and Recreation Services**

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (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	Non- Residential Share
2019-2029								95%	5%	
1	Solar Farm Trail	2021	125,000	-	125,000	12,500	85,500	27,000	25,650	1,350
2	Otty Lake Boat Launch	2023	40,000	-	40,000	37,683		2,317	2,201	116
3	Tennis Court, Outdoor Rink, and Playground Equipment Improvements	2024	75,000	-	75,000	70,656		4,344	4,126	217
4	Perth and District Community Centre Expansion (Township's Share)	2027	4,650,000	-	4,650,000	4,380,692	179,539	89,769	85,281	4,488
5	Recreation Master Plan (Township's Share)	2020	7,200	-	7,200	3,600		3,600	3,420	180
6	Park Development Plan (2)	2024/2029	60,000	-	60,000	30,000		30,000	28,500	1,500
7	Maberly Fall River Park	2021	13,700	-	13,700	-		13,700	13,015	685
8	Glen Tay Swimming Area	2022	18,300	-	18,300	17,240		1,060	1,007	53
9	Noonan Swimming Area	2024	18,300	-	18,300	17,240		1,060	1,007	53
10	Mississippi Water Access	2026	18,300	-	18,300	17,240		1,060	1,007	53
11	Ball Diamonds (2)	2025	45,700	-	45,700	43,053		2,647	2,514	132
	Reserve Fund Adjustment							(6,902)	(6,557)	(345)
	Total		5,071,500	-	5,071,500	4,629,906	265,039	169,654	161,171	8,483



3.1.4 Library Services

The statutory 10% deduction that is no longer required for library services under the amended D.C.A was removed. No changes to the capital projects included for library services are required and as such, the total gross capital costs remain unchanged at approximately \$34,700 when compared to the 2019 D.C. Background Study, as amended. Including the reserve fund balance of \$8,900, total capital costs of \$19,900 has been included in the calculation of the charge.

The D.C. recoverable costs are allocated 95% to residential development and 5% to non-residential development based on the recognition that residential users are the primary users of library Services. The detailed capital needs listing and calculation of D.C. eligible costs are shown in Table 3-4.



3.1.5 Waste Diversion Services

The Township's 2019 D.C. Background Study, as amended identified \$100,000 in additional capital needs for waste diversion services. Additional needs for a Waste Management Study have been identified.

The changes outlined above and presented in Table 3-5 increase the gross capital costs for water services by \$44,700, resulting in a total cost of \$144,700. A deduction of approximately \$100,500 has been included for amounts exceeding the maximum recoverable amount. In recognition of the benefits to existing development, approximately \$33,500 has been deducted from the costs, resulting in total capital costs of \$10,600 included in the D.C. calculation.

The revised D.C. recoverable costs are allocated 92% to residential development and 8% to non-residential development. This approach is based on the incremental growth in population to employment for the 10-year forecast period and is consistent with the Township's 2019 D.C. Background Study, as amended.



3.1.6 Growth-Related Studies

The Township's 2019 D.C. Background Study, as amended included growth-related studies under administration studies. These studies included general growth-related studies that pertain to all services. Additional Official Plan Review and Zoning By-law Reviews have been identified.

The growth-related studies including Official Plan Reviews, D.C. Background Studies, and Zoning By-law Reviews have been allocated to the respective D.C. eligible services based on the proportionate share of 10-year D.C.-eligible capital needs.

The revised gross capital costs for growth-related studies, included in the schedule of charges as a separate "class of service," total \$255,800. Applying deductions for general benefits to ineligible services (\$10,400), and benefit to existing development (\$130,200), and including the balance in the D.C. reserve fund balance (\$9,900), results in D.C. recoverable costs of approximately \$105,300.

The allocation of the net growth-related costs between residential and non-residential development is based on the residential and non-residential allocation for each service area and are presented in Table 3-6 below.



3.2 Area-Specific D.C. – Maberly Pines Area

3.2.1 Roads and Related Services

Through discussion with Township staff it was determined that an area-specific D.C. be considered within the Maberly Pines Area for Roads and Related Services. The area-specific D.C. would be imposed to recover the remaining costs required to upgrade the local road within the plan of subdivision. An area-specific D.C is being considered as these types of road improvements would be considered “local service” under the Township-wide D.C. by-law and would be recovered from developers directly as conditions of subdivision agreement. As the Township did not secure these works as conditions of the Maberly Pines agreement at the time and area-specific D.C. by-law is being proposed to recover these localized growth-related costs from future development within the defined benefiting areas. This area-specific D.C. would be imposed only on development within the Maberly Pines area and would be in addition to the municipal-wide D.C.s.

The proposed area-specific D.C.s would be collected for required upgrades to 2.6 kilometres of local roads located within the Maberly Pines Area. The capital upgrades totaling \$339,700 would be required to upgrade the existing roads to the Township’s local service standard. Approximately \$32,000 has been deducted from the capital costs for benefits to existing development within the Maberly Pines Area. This results in approximately \$307,700 of growth-related needs being included in the calculation of the area-specific D.C.

The allocation of the net growth-related costs has been allocated 100% to residential development, due to the anticipated development within the subdivision, and are presented in Table 3-7 below.



3.3 Summary

Table 3-8 summarizes the total change in D.C. eligible costs for all services and classes of service in comparison to the 2019 D.C. Background Study, as amended, including the area-specific D.C. costs for the Maberly Pines Area. In aggregate, D.C. eligible capital costs of approximately \$828,600 have been added to the calculation of the charges.

Table 3-8
Tay Valley Township
D.C.-Eligible Cost Comparison (2019\$)

Service/Class	D.C.-eligible Costs		
	2019 D.C. Background Study	2021 Update Study	Change (\$)
Municipal-wide Services			
Roads & Related	695,700	1,246,968	551,267
Fire Protection	147,737	118,387	(29,350)
Parks & Recreation	211,510	169,654	(41,856)
Library	17,007	19,891	2,884
Waste Diversion	9,541	10,601	1,060
Growth-Related Studies	68,408	105,308	36,900
Total Municipal-wide Services	1,149,903	1,670,809	520,906
Area-specific Services			
Roads & Related (Maberly Pines)	-	307,653	307,653
Total Area-specific Services	-	307,653	307,653
TOTAL	1,149,903	1,978,461	828,558



4. Revised D.C. Calculation and Schedule of Charges

Based on the proposed amendments to the D.C.-eligible costs included in the 2019 D.C. Background Study, as amended detailed in Chapter 3 herein, Tables 4-1 and 4-2 present the updated D.C. calculations. Table 4-1 presents the calculation of D.C.s to be imposed for the municipal-wide services over the 2019-2029 forecast period. Table 4-2 presents the calculations of the proposed area-specific D.C. to be imposed on anticipated development within the Maberly Pines Area over the buildout period, for roads and related services.

The calculation for residential development is generated on a per capita basis and is based upon four forms of housing types (single and semi-detached, apartments 2+ bedrooms, apartment's bachelor and 1 bedroom, townhouses, and lodging units). The non-residential D.C. has been calculated on a per sq.ft. of G.F.A. basis. 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 Growth-Related Studies) for residential single and semi-detached development.

Table 4-3 summarizes the recommended schedule of charges, reflecting the maximum D.C.s by residential dwelling type, per sq.ft. of G.F.A. for non-residential development, and per 500 kW generating capacity for Solar/Wind. The charges in Table 4-3 are denominated in 2019\$ consistent with the 2019 D.C. Background Study, as amended. Table 4-4 provides the amended schedule of charges adjusted to reflect the indexing that was applied in 2021.

Table 4-5 compares the Township's existing Municipal-wide charges to the charges proposed herein 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. The calculated charges are \$5,716 for a single detached residential dwelling unit, \$2.65 per sq.ft. for non-residential G.F.A., and \$5,013 per 500 kW generating capacity for Solar/Wind. The residential charges for a single detached dwelling unit represent an increase of \$1,789 over the current charges. The proposed charges for non-residential development represent an increase of \$0.90/sq.ft. relative to the current charges. The proposed charges for Solar/Wind developments represent an increase of \$1,921 over the current charges.



Table 4-5 also presents the calculated area-specific D.C., indexed to 2021\$, for the Maberly Pines area. The charge for a single detached dwelling is \$7,019, which would be collected in addition to the municipal-wide D.C.s. A single detached dwelling in the Maberly Pines area would be charged D.C.s totaling \$12,735 for both the municipal-wide and area-specific D.C.s.

Table 4-1
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	1,147,210	99,757	4,141	2.02
2. Fire Protection	108,916	9,471	393	0.19
3. Parks & Recreation	161,171	8,483	582	0.17
4. Library	18,896	995	68	0.02
5. Waste Diversion	9,753	848	35	0.02
TOTAL	1,445,947	119,554	5,219	2.42
Growth-related Studies	\$96,883	\$8,425		
D.C.-Eligible Capital Cost	\$1,542,830	127,978		
10-Year Population/GFA Growth (sq.ft.)	745	52,800		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$2,070.91	\$2.42		
By Residential Unit Type	P.P.U.			
Single and Semi-Detached Dwelling	2.520	\$5,219		
Apartments - 2 Bedrooms +	1.603	\$3,320		
Apartments - Bachelor and 1 Bedroom	1.512	\$3,131		
Other Multiples	2.022	\$4,187		



Table 4-2
Area-Specific Services D.C. Calculation
2019-Buildout

SERVICE	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
	\$	\$	\$	\$
1. Roads & Related (Maberly Pines)	307,653	-	6,409	-
TOTAL	307,653	-	\$6,409	-
Growth-related Studies	\$0	\$0		
D.C.-Eligible Capital Cost	\$307,653	-		
Buildout Population/GFA Growth (sq.ft.)	121	-		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$2,543.43	\$0.00		
<u>By Residential Unit Type</u>	<u>P.P.U.</u>			
Single and Semi-Detached Dwelling	2.520	\$6,409		
Apartments - 2 Bedrooms +	1.603	\$3,320		
Apartments - Bachelor and 1 Bedroom	1.512	\$3,131		
Other Multiples	2.022	\$4,187		



Table 4-3
Schedule of Calculated D.C.s (2019\$)

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	\$ 3,880	\$ 2,468	\$ 2,328	\$ 3,113	\$ 1.89	\$ 3,880
Fire Protection	\$ 368	\$ 234	\$ 221	\$ 295	\$ 0.18	\$ 368
Parks & Recreation	\$ 545	\$ 347	\$ 327	\$ 437	\$ 0.16	\$ -
Library	\$ 64	\$ 41	\$ 38	\$ 51	\$ 0.02	\$ -
Waste Diversion	\$ 33	\$ 21	\$ 20	\$ 26	\$ 0.02	\$ -
Growth-Related Studies	\$ 329	\$ 209	\$ 197	\$ 264	\$ 0.15	\$ 329
Total Municipal Wide Services	\$ 5,219	\$ 3,320	\$ 3,131	\$ 4,186	\$ 2.42	\$ 4,577
Area-Specific Services:						
Roads & Related (Maberly Pines)	\$ 6,409	\$ 4,077	\$ 3,845	\$ 5,142	\$ -	\$ -
Total Area-Specific Services	\$ 6,409	\$ 4,077	\$ 3,845	\$ 5,142	\$ -	\$ -



Table 4-4
Schedule of Calculated D.C.s (Indexed to 2021\$)

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	\$ 4,250	\$ 2,703	\$ 2,550	\$ 3,410	\$ 2.07	\$ 4,250
Fire Protection	\$ 403	\$ 256	\$ 242	\$ 323	\$ 0.20	\$ 403
Parks & Recreation	\$ 597	\$ 380	\$ 358	\$ 479	\$ 0.18	\$ -
Library	\$ 70	\$ 45	\$ 42	\$ 56	\$ 0.02	\$ -
Waste Diversion	\$ 36	\$ 23	\$ 22	\$ 29	\$ 0.02	\$ -
Growth-Related Studies	\$ 360	\$ 229	\$ 216	\$ 289	\$ 0.16	\$ 360
Total Municipal Wide Services	\$ 5,716	\$ 3,636	\$ 3,430	\$ 4,586	\$ 2.65	\$ 5,013
Area-Specific Services:						
Roads & Related (Maberly Pines)	\$ 7,019	\$ 4,465	\$ 4,212	\$ 5,632	\$ -	\$ -
Total Area-Specific Services	\$ 7,019	\$ 4,465	\$ 4,212	\$ 5,632	\$ -	\$ -



Table 4-5
Comparison of Current and Calculated D.C.s (Indexed)

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	\$ 2,359	\$ 4,250	\$ 1.16	\$ 2.07	\$ 2,359	\$ 4,250
Fire Protection	\$ 501	\$ 403	\$ 0.24	\$ 0.20	\$ 501	\$ 403
Parks & Recreation	\$ 742	\$ 597	\$ 0.22	\$ 0.18	\$ -	\$ -
Library	\$ 60	\$ 70	\$ 0.02	\$ 0.02	\$ -	\$ -
Waste Diversion	\$ 33	\$ 36	\$ 0.01	\$ 0.02	\$ -	\$ -
Growth-Related Studies	\$ 232	\$ 360	\$ 0.10	\$ 0.16	\$ 232	\$ 360
Total Municipal Wide Services	\$ 3,927	\$ 5,716	\$ 1.75	\$ 2.65	\$ 3,092	\$ 5,013
Area-Specific - Maberly Pines						
Roads & Related		\$ 7,019				
Total Area-Specific - Maberly Pines	\$ -	\$ 7,019	\$ -	\$ -	\$ -	\$ -



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

The Township's current D.C. by-law provides for the uniform Municipal-wide recovery for all municipal services. The amendments proposed would add to the by-law an area-specific charge for the Maberly Pines Area for Roads and Related Services.

Other than those polices revisions identified in sections 5.1 and 5.2, all other rules and polices contained within By-law 2019-45 remain unchanged.

5.1 D.C. Calculation and Collection Policies

The recent amendments to the D.C.A. provide for mandatory installments payments of D.C.s for rental housing, non-profit housing, and institutional development as follows:

Rental housing and institutional developments will pay D.C.s in six equal annual installments, with the first payment commencing at the date of occupancy. Non-profit housing developments will pay D.C.s in 21 equal annual installments. Interest may be charged on the installments, and any unpaid amounts may be added to the property and collected as taxes.

Furthermore, the D.C.s for development proceeding through the site plan or zoning by-law amendment planning approvals processes will be calculated on the date the planning application is made and will be payable at building permit issuance.

- The D.C. amount for all developments occurring within two years of a Site Plan or Zoning By-law Amendment planning approval (for applications submitted on or after January 1, 2020) shall be determined based on the D.C. charge in effect on the date of Site Plan or Zoning By-law Amendment planning application. If the development is not proceeding via these planning approvals, or if the building permit is issued after the two-year period of application approval, then the amount is determined the earlier of the date of issuance of a building permit or occupancy.

The D.C.A. also provides that municipalities may charge interest on the installment payments, and charges calculated where the planning application is received in specific circumstances outlined above. The interest charged on installment payments and



charges calculated when the planning application is made will be governed by the Township’s Council approved Development Charges Interest Policy.

5.2 Statutory Exemptions

The amendments to the D.C.A. provide for the following additional statutory exemptions to the payment of D.C.s.

Residential intensification exemptions have been expanded to allow for the creation of additional dwelling units within ancillary structures to existing residential dwellings without the payment of D.C.s. Section 2 (3) (b) of the D.C.A. provides that D.C.s are not payable for residential development that results only in the creation of up to two additional dwelling units in prescribed classes of existing residential buildings or prescribed structures ancillary to existing residential buildings, subject to the prescribed restrictions set out in section 2 (1) of O. Reg. 82/98 (see Table 5-1).

Table 5-1
Prescribed Classes of Existing Residential Buildings, Prescribed Additional Dwelling Units, and Restrictions

Item	Name of Class of Existing Residential Building	Description of Class of Existing Residential Buildings	Maximum Number of Additional Dwelling Units	Restrictions
1.	Existing single detached dwellings	Existing residential buildings, each of which contains a single dwelling unit, that are not attached to other buildings.	Two	The total gross floor area of the additional dwelling unit or units must be less than or equal to the gross floor area of the dwelling unit already in the building.
2.	Existing semi-detached dwellings or row dwellings	Existing residential buildings, each of which contains a single dwelling unit, that have one or two vertical walls, but no other parts, attached to other buildings.	One	The gross floor area of the additional dwelling unit must be less than or equal to the gross floor area of the dwelling unit already in the building.
3.	Existing rental residential buildings	Existing residential rental buildings, each of which contains four or more dwelling units.	Greater of one and 1% of the existing units in the building	None
4.	Other existing residential buildings	An existing residential building not in another class of residential building described in this table.	One	The gross floor area of the additional dwelling unit must be less than or equal to the gross floor area of the smallest dwelling unit already in the building.

The creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to dwellings are now also exempt from the



payment of D.C.s, subject to the prescribed restrictions set out in section 2 (3) of O. Reg. 82/98 (see Table 5-2).

To provide additional clarity in interpreting the application of the exemption for a second dwelling that would be ancillary to a proposed new detached dwelling, semi-detached dwelling, or row dwelling, the proposed new principal dwelling and one ancillary dwelling unit must be located on parcel of land on which no other detached dwelling, semi-detached dwelling, or row dwelling would be located.

Table 5-2
Prescribed Classes of Proposed New Residential Buildings, and Restrictions

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

Bill 213, An Act to Reduce Burdens on People and Businesses by Enacting, Amending and Repealing Various Acts and Revoking a Regulation received Royal Assent on



December 8, 2020. This Bill amended the *Ministry of Training, Colleges and Universities Act* to provide an exemption from the payment of D.C.s for universities. Specifically, the Act states:

Land vested in or leased to a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education is exempt from development charges imposed under the *Development Charges Act, 1997* if the development in respect of which development charges would otherwise be payable is intended to be occupied and used by the university.

The Township's D.C. By-law will be updated through this process to state this statutory exemption.



6. Asset Management Plan and Long-Term Capital and Operating Costs

The D.C.A. requires the background study to 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.**

The A.M.P. analysis included in the 2019 D.C. Background Study, which found that the capital plan was deemed to be financially sustainable, has been updated to account for the capital cost revisions described herein.

The updated A.M.P. analysis contained in Table 6-1 identifies:

- \$881,300 in total annualized expenditures; and
- Incremental operating revenues of \$585,000 and existing operating revenues of \$8.65 million, totaling \$9.23 million by the end of the period.

In consideration of the above changes, the capital plan is still deemed to be financially sustainable.



Table 6-1
Tay Valley Township
Asset Management – Future Expenditures and Associated Revenues (2019\$)

	2029 (Total)
Expenditures (Annualized)	
Annual Debt Payment on Non-Growth Related Capital ¹	\$ 786,729
Annual Debt Payment on Post Period Capital ²	\$ 6,578
Annual Lifecycle - Town Wide Services	\$ 75,626
Annual Lifecycle - Area-Specific Services	\$ 7,813
Incremental Operating Costs (for D.C. Services)	\$ 4,545
Total Expenditures	\$ 881,291
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%

² Interim Debt Financing for Post Period Benefit

³ As per Sch. 10 of FIR

As a requirement of the D.C.A., under subsection 10 (2) (c), an analysis must be undertaken to assess the long-term capital and operating cost impacts for the capital infrastructure projects identified within the D.C.

Table 6-2 summarizes the changes to the incremental annual operating costs associated with the D.C.-eligible costs at full emplacement.



Table 6-2
Tay Valley Township
Operating and Capital Expenditure Impacts for Future Capital Expenditures

SERVICE	ANNUAL LIFECYCLE EXPENDITURES	ANNUAL OPERATING EXPENDITURES	TOTAL ANNUAL EXPENDITURES
Roads & Related	56,246	2,340	58,586
Fire Protection	8,846	679	9,525
Parks & Recreation	12,804	912	13,716
Library	3,003	197	3,201
Waste Diversion	2,540	416	2,956
Growth-Related Studies	-	-	-
TOTAL	83,439	4,545	87,984



7. Process for Adoption of the Amending Development Charges By-law

If approved, the changes provided herein will form part of the 2019 D.C. Background Study, as amended. Appendix A to this D.C. Update Study includes the draft Amending D.C. By-law being presented for Council's consideration. The D.C. Update Study and draft Amending D.C. By-law will be presented to the public at a public meeting of Council to solicit public input on the proposed D.C. by-law.

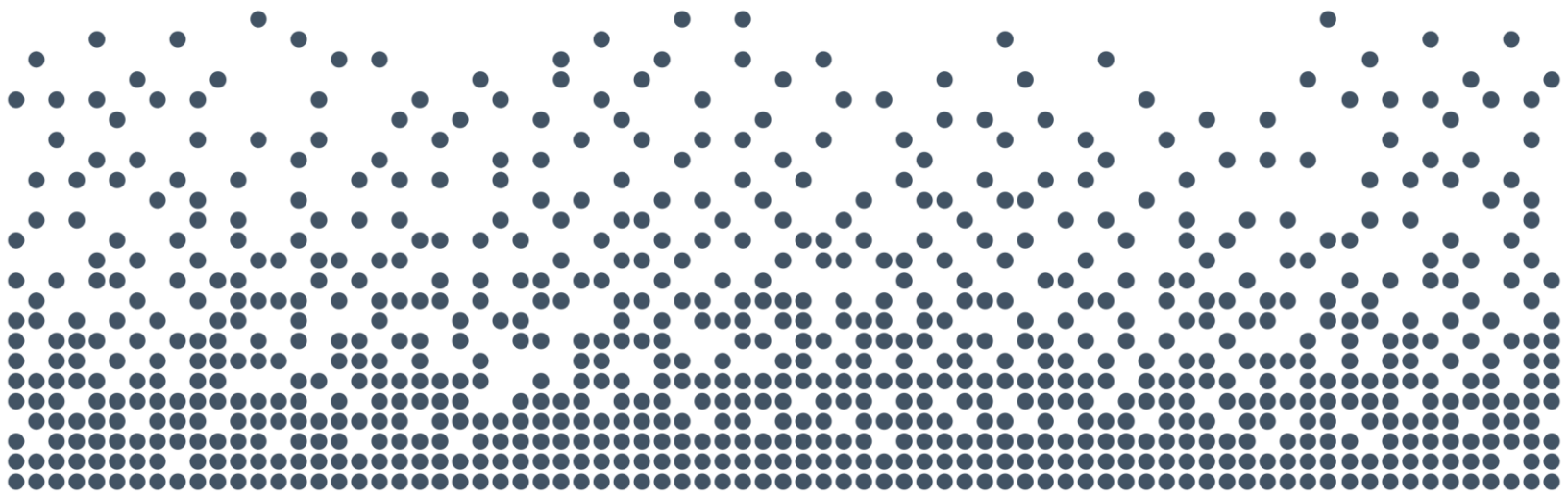
It is anticipated that Council will consider for adoption the proposed amending by-law at a subsequent meeting of Council, witnessing the 60-day period between the release of the D.C. Background Study and the passage of the D.C. By-law. It is proposed that the Amending D.C. By-law will come into effect on the date of passage.

If Council is satisfied with the proposed changes to the D.C. Background Study and D.C. By-Law, it is recommended that Council:

“Approve the Development Charges Update Study dated August 30, 2021, subject to further annual review during the capital budget process;”

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

“Approve the Amending Development Charge By-law as set out herein.”



Appendices



Appendix A

Draft Amending D.C. By-law



THE CORPORATION OF TAY VALLEY TOWNSHIP

BY-LAW No. 2021-____

DEVELOPMENT CHARGES

WHEREAS, Section 2 (1) of the Development Charges Act, 1997, S.O. 1997, c. 27, as amended, provides that the Council of a municipality may by by-law impose development charges against land to pay for increased capital costs required because of increased needs for services arising from development of the area to which the by-law applies;

AND WHEREAS the Council of the Corporation of Tay Valley Township has determined that certain amendments should be made to the Development Charge By-law of the Corporation of Tay Valley Township, being By-law 2019-045;

AND WHEREAS, a development charges background study has been completed as per Section 10 of the Development Charges Act, 1997, S.O. 1997, c. 27, as amended;

AND WHEREAS, a public meeting was held as per Section 12 of the Development Charges Act, 1997, S.O. 1997, c. 27, as amended;

NOW THEREFORE BE IT RESOLVED THAT, the Council of the Corporation of Tay Valley Township enacts as follows:

1. By-law 2019-045 is hereby amended as follows:

- a. The following definitions are added to Section 2.0 of the By-law:

Non-Profit Housing – means:

- (a) a corporation without share capital to which the Corporations Act applies, that is in good standing under that Act and whose primary object is to provide housing;
- (b) a corporation without share capital to which the Canada Not-for-profit Corporations Act applies, that is in good standing under that Act and whose primary object is to provide housing; or



- (c) a non-profit housing co-operative that is in good standing under the Co-operative Corporations Act.

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

- b. Subsection 2.19 is deleted and replaced with the following definition:

Institutional Use – means a building used for or in connection with:

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

- c. Subsection 9.1 is deleted and replaced with the following:

9.1. Payment of Development Charge

9.1.1. Development charges shall be calculated and payable in full in money or by provision of services as may be agreed upon, or by



credit granted by the Act, on the date that a building permit is issued in relation to a building or structure on land to which a development charge applies.

- 9.1.2. Notwithstanding Subsection 9.1.1, development charges for rental housing and institutional developments are due and payable in 6 installments commencing with the first installment payable on the date of occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.
- 9.1.3. Notwithstanding Subsection 9.1.1, development charges for non-profit housing developments are due and payable in 21 installments commencing with the first installment payable on the date of occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.
- 9.1.4. Where the development of land results from the approval of a Site Plan or Zoning By-law Amendment received on or after January 1, 2020, and the approval of the application occurred within 2 years of building permit issuance, the Development Charges under Subsections 9.1.1 to 9.1.3 shall be calculated on the rates set out in Schedule “B” on the date of the planning application, including interest. Where both planning applications apply Development Charges under Subsections 9.1.1 to 9.1.3 shall be calculated on the rates, including interest, set out in Schedule “B” on the date of the later planning application, including interest.
- 9.1.5. Where development charges apply to land in relation to which a building permit is required, the building permit shall not be issued until the development charge has been paid in full.
- 9.1.6. Notwithstanding Subsections 9.1.1 to 9.1.4, an owner may enter into an agreement with the municipality to provide for the payment in full of one or more development charges before a building permit is issued or later than the issuing of a building permit.
- 9.1.7. Interest for the purposes of Subsections 9.1.2 to 9.1.4 shall be determined as the bank of Canada prime lending rate plus 2% on



the date of building permit issuance. Notwithstanding the foregoing, the interest rate shall not be less than 0%.

d. Section 14 is deleted and replaced with the following:

14.0 EXEMPTIONS

14.1. 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;
- (c) the Corporation of the County of Lanark, or any local board thereof; and
- (d) a University that receives regular and ongoing operating funds from the government for the purposes of post-secondary education.

14.2. Section 5 of this by-law shall not apply to that category of exempt development described in s.s. 2(3) of the Act, and s.s. 2(1) and 2(2) of O.Reg. 82/98, namely:

- (a) the enlargement of an existing dwelling unit;
- (b) the creation of one or two additional dwelling units in an existing single-detached dwelling, or structure ancillary to a single-detached dwelling, provided the total gross floor area of the additional one or two units does not exceed the gross floor area of the existing dwelling unit;
- (c) the creation of one additional dwelling unit in an existing semi-detached or row dwelling, or structure ancillary to a semi-detached or row dwelling, provided the total gross floor



area of the additional one unit does not exceed the gross floor area of the existing dwelling unit;

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

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

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



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

14.4. Section 5 of this by-law shall not apply to that category of exempt development described in s.4 of the Act, and s.1 of Ontario Regulation 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 Ontario Regulation 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.

14.5. 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.

e. Section 18 is deleted and replaced with the following:

18.0 SCHEDULES TO THE BY-LAW

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

Schedule "C" – Map of Maberly Pines Area

f. Schedules A and B are deleted and replaced with the attached.

g. Schedule C is added from the attached.

2. This By-law shall come into effect on the date of passage.

PASSED this ____ day of _____, 2021.

Brian Campbell, Reeve

Amanda Mabo, Clerk



**THE CORPORATION OF TAY VALLEY TOWNSHIP
BY-LAW NO. 2019-045**

SCHEDULE “A”

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. Growth-Related Studies

Area-specific Services

7. Roads & Related – Maberly Pines Area



**THE CORPORATION OF TAY VALLEY TOWNSHIP
BY-LAW NO. 2019-045**

SCHEDULE "B"

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	\$ 3,880	\$ 2,468	\$ 2,328	\$ 3,113	\$ 1.89	\$ 3,880
Fire Protection	\$ 368	\$ 234	\$ 221	\$ 295	\$ 0.18	\$ 368
Parks & Recreation	\$ 545	\$ 347	\$ 327	\$ 437	\$ 0.16	\$ -
Library	\$ 64	\$ 41	\$ 38	\$ 51	\$ 0.02	\$ -
Waste Diversion	\$ 33	\$ 21	\$ 20	\$ 26	\$ 0.02	\$ -
Growth-Related Studies	\$ 361	\$ 230	\$ 217	\$ 290	\$ 0.17	\$ 361
Total Municipal Wide Services	\$ 5,251	\$ 3,341	\$ 3,151	\$ 4,212	\$ 2.44	\$ 4,609
Area-Specific Services:						
Roads & Related (Maberly Pines)	\$ 6,409	\$ 4,077	\$ 3,845	\$ 5,142	\$ -	\$ -
Total Area-Specific Services	\$ 6,409	\$ 4,077	\$ 3,845	\$ 5,142	\$ -	\$ -



**THE CORPORATION OF TAY VALLEY TOWNSHIP
BY-LAW NO. 2019-045**

SCHEDULE "C"

Map of Maberly Pines Area

