



**Tuesday, September 14th, 2021
5:30 p.m.
Via GoToMeeting**

GoToMeeting: <https://global.gotomeeting.com/join/718738277>

Members of the Public:

Meetings are being held using GoToMeeting - Video Conferencing. By clicking the link above (allow extra time for downloading the program if it is the first time you have used GoToMeeting on your device), you will be able to see the agenda, see Members of Council and hear the proceedings of the meeting. Please ensure the volume on your device is **on** and **turned up** to hear the meeting. The Public is asked to ensure that their mic and camera buttons are off for the entire meeting.

As the province of Ontario continues to take significant steps to limit the transmission of the COVID-19 virus, the Township continues to protect the health and safety of the public, Council, Committee and Board Members, and employees. Therefore, the Township is holding an electronic public meeting, as per the Procedural By-Law, in accordance with the *Development Charges Act, 1997*, Section 12.

There will **NOT** be any ability to attend the public meeting in person to help prevent the spread of COVID-19. The public may participate by alternate means. The Township strongly encourages written comments to be submitted prior to the public meeting to treasurer@tayvalleytwp.ca. A video conference link will be available during the public meeting to enable the public to participate and make oral representations. There will also be the ability to view the meeting agenda and materials on an electronic device. The details to join the video conference and view the materials are located above.

Video Conference Participation Etiquette

- a meeting via video conference shall never be treated differently than a meeting in person, whereby all attendees shall abide by proper meeting procedure and etiquette;
 - we ask that all public attendees mute their cameras and mics; doing so will eliminate any background noise and create a much more seamless process;
 - the Chair will call the meeting to order at the time indicated on the agenda;
 - the Chair will then remind all attendees to place their devices on mute;
 - just as during an in-person meeting, Members will be required to raise their hand and the Chair will call on you to speak;
 - the same process will be used when the Public are asked for comments, anyone wishing to speak will need to unmute their mic and state their name and upon completion of your comment, re-mute your device.
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5:30 p.m. *Public Meeting: Development Charges*

Chair, Deputy Reeve Barrie Crampton

1. CALL TO ORDER

2. INTRODUCTION

Deputy Reeve, Barrie Crampton

- The purpose of this public meeting is to hear feedback on a proposed update to the Development Charges By-Law due to recent changes to the Development Charges Act.
- The Consultants will provide a presentation. Then, any person or public body will be heard.

3. DEVELOPMENT CHARGES UPDATE

Andrew Grunda and Matt Bouroukis, Watson & Associates Economists Ltd.

- Development Charges Update Study (2021)
<https://www.tayvalleytwp.ca/DevelopmentChargesUpdate/>
- Presentation – *attached, page 4.*
- Area Rated Development Charge – Maberly Pines Subdivision – Scenario – *attached, page 11.*

4. COMMENTS AND QUESTIONS

5. NEXT STEPS

Acting Treasurer, Richard Bennett

Committee of the Whole Meeting – October 5th, 2021 – Discussion by Council

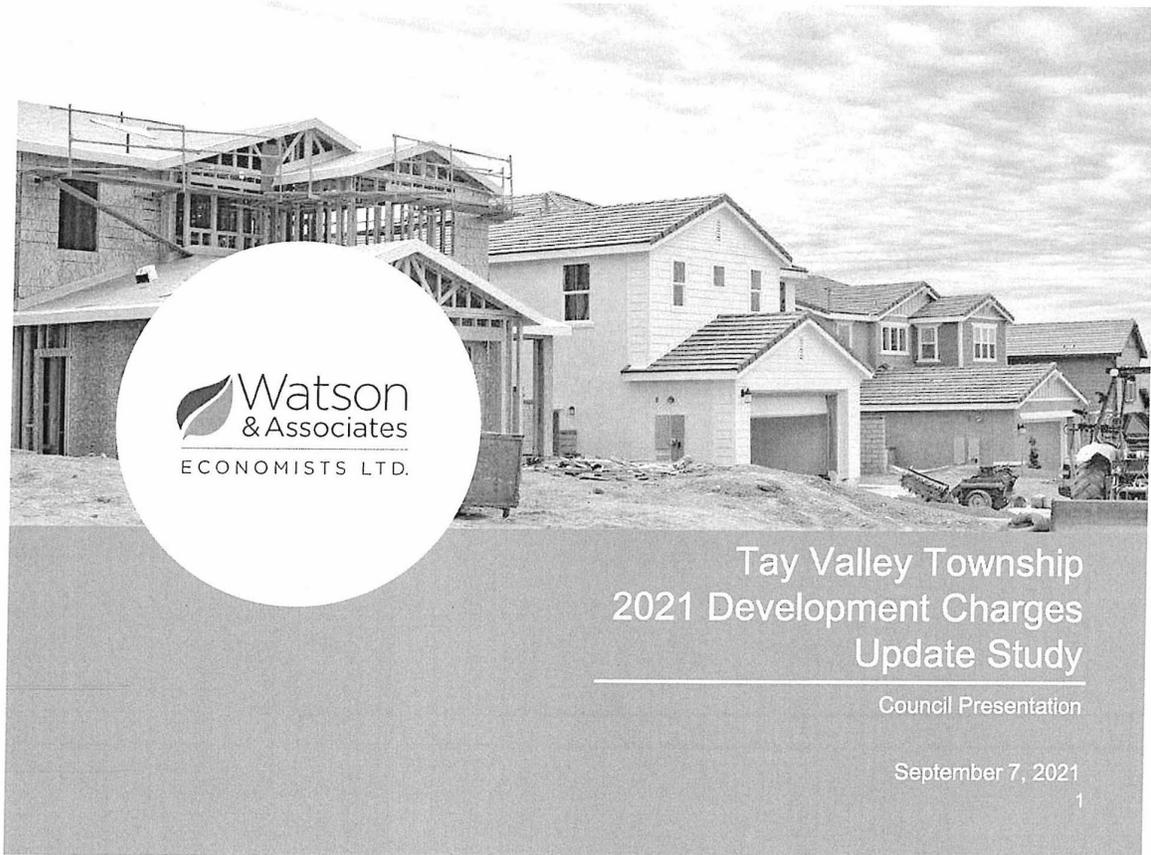
“Special” Council Meeting – November 9th, 2021 – Adoption of By-Law

Notice of Passing – November 10th, 2021

End of 40-day Appeal Period – December 20th, 2021

Effective Date – November 9th, 2021

6. ADJOURNMENT



Tay Valley Township 2021 Development Charges Update Study

Council Presentation

September 7, 2021

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Introduction

Development Charges



- Purpose of Development Charges (D.C.) is to recover the capital costs associated with the increase in need for services arising from residential and non-residential growth within a municipality
- Municipalities are empowered to impose D.C. via the Development Charges Act, 1997 (D.C.A.)
- The Tay Valley Township D.C. By-law 2019-045 came into effect on December 2, 2019

Service	RESIDENTIAL				NON-RESIDENTIAL (per sq.ft. of Gross Floor Area)	GREEN ENERGY (per 500 kW generating capacity)
	Single and Semi- Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples		
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	\$ 2,366	\$ 3,160	\$ 1.75	\$ 3,093

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Introduction

Development Charges Update Study and By-law Amendment



- D.C. Update Study prepared to amend the Township's 2019 D.C. Background Study and By-law 2019-045
- Purpose of the proposed D.C. by-law amendment is to:
 - Reflect recent amendments to the D.C.A. made through the *More Homes, More Choice Act*, and *COVID-19 Economic Recovery Act*, including:
 - Changes to the D.C. recoverable costs (i.e. removal of the 10% statutory deduction, updates to capital cost estimates and reallocation of service specific growth-related studies);
 - Introduce area-specific D.C.s for the Maberly Pines Area to recover costs to develop local service roads internal to an existing plan of subdivision; and
 - Statutory changes to by-law rules, i.e. timing of calculation, collection of D.C., and statutory exemptions

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Development Charges Update Study

Growth Forecast Assumptions



- Township-wide growth forecast assumptions maintained from 2019 D.C. Background Study
- Area-specific D.C. for Maberly Pines Area would be applicable only within the key map area identified below, and imposed on the remaining 48 dwelling units to be developed in the future



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2021 D.C. Update Study
Changes to D.C. Eligible Costs



- Removal of the 10% statutory deduction from the calculation of the charge
- Updates to capital cost estimates and inclusion of additional projects
- Introduction of area-specific D.C. for Maberly Pines Area

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

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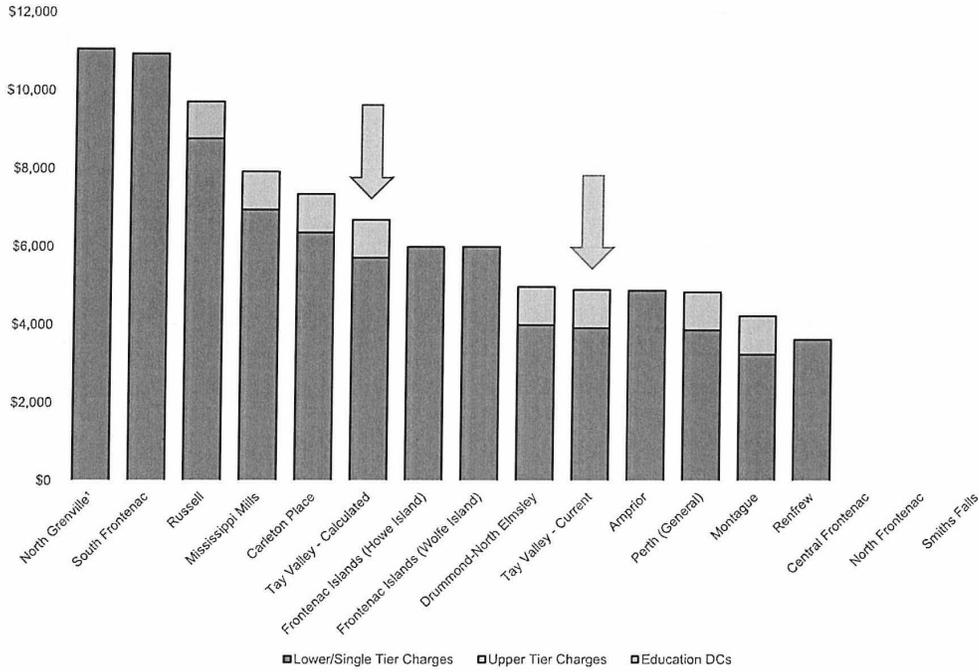
2021 D.C. Amendment
Comparison of current and calculated rates (indexed to 2021)



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	\$ -	\$ -	\$ -	\$ -

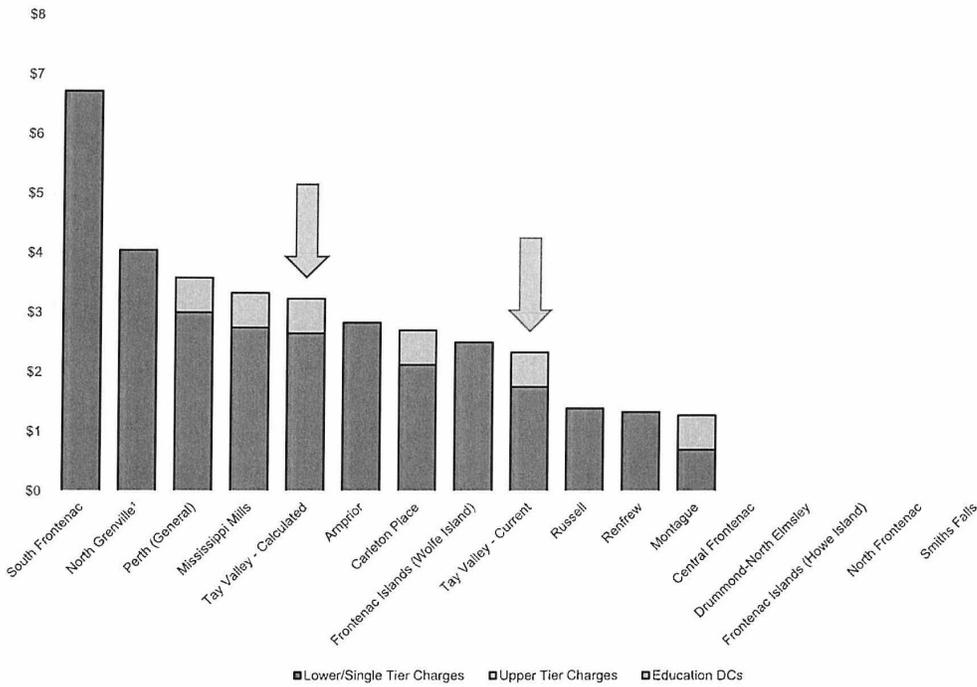
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Municipal D.C. Comparison Residential Development Charges excl. Water & Wastewater Charges (per Fully Serviced Single Detached Dwelling)



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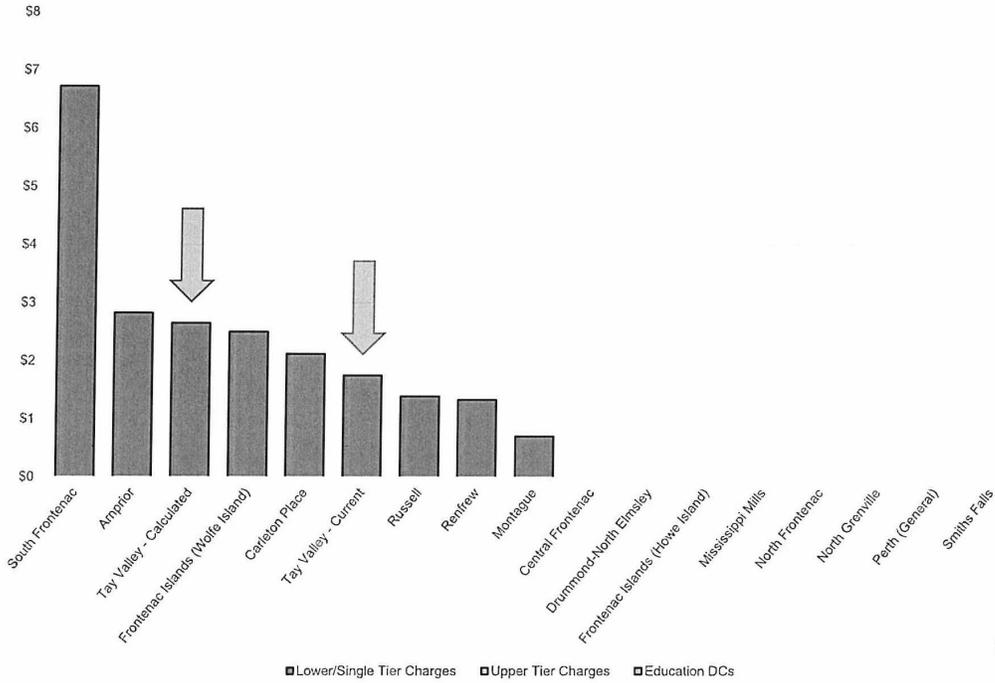
Municipal D.C. Comparison Commercial Development Charges (per sq.ft. of GFA)



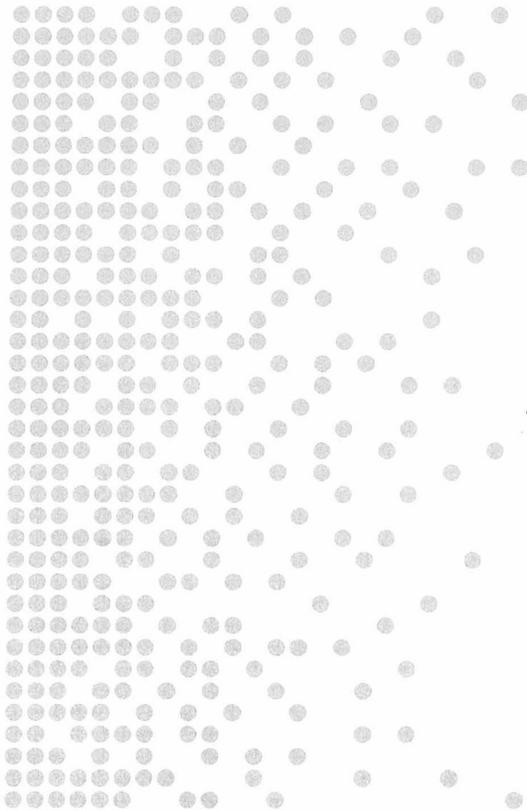
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Municipal D.C. Comparison

Industrial Development Charges (per sq.ft. of GFA)



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D.C. By-law Policies

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D.C. By-Law Policies



- **Except for the following revisions, policies contained within By-law 2019-045, remain unchanged**
- Rental housing and institutional developments will pay D.C.s in 6 equal annual payments, commencing from the date of occupancy
- Non-profit housing will pay D.C.s in 21 equal annual payments, commencing from the date of occupancy
- D.C. for developments proceeding through Site Plan or Zoning By-law Amendment will be determined based on the charges in effect on the day the application is made
 - Charges to be frozen for a maximum period of 2 years after planning application approval
- Interest on installment payments and charges calculated at Site Plan or Zoning By-Law Amendment application will be imposed at the Bank of Canada prime lending rate plus 2%

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D.C. By-Law Policies



Statutory Exemptions

- Residential intensification (within existing residential buildings or structures ancillary to existing residential buildings):
 - May add up to two apartments for a single detached home as long as size of home doesn't double
 - Add one additional unit in medium & high density buildings
- The creation of a second dwelling unit in prescribed classes of new residential buildings, including structures ancillary to dwellings
- A University that receives regular and ongoing operating funds from the government for the purposes of post-secondary education.

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Next Steps

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Next Steps



- Receive comments from Council on the D.C. Update Study and draft amending By-Law
- Public Meeting (September 14, 2021)
- Council to approve D.C Update Study, as amended, and consider adoption of amending D.C. By-law

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MABERLY PINES SUBDIVISION							
Scenario:							
If the Township institutes an area development charge for the cost of the roads and the Township proceeds with hard surfacing and assuming the roads within the subdivision in the same or a subsequent year, the following outlines the Township's return on investment.							
Assumptions:							
1	The value of land doubles with the completion of the roads and the water issues resolved, resulting in an automatic increase in revenue due to taxation						
2	Two new homes are built each year with a value of \$250,000 (and 2% inflation factor) added to assessment.						
3	Municipal Tax Rate increases by 1.5% per year.						
Costs of Development:							
\$372,000 estimate for the roads and \$20,000 estimate for hydrogeological study split between 48 lots would amount to \$8,167 per lot.							
Suggestion:							
Set a Special Area Development Charge (on top of the normal Township DC) of \$4,000							
This Special DC should increase each year (same as normal DC charge), estimate 3% per year.							
If two homes are built each year it would be 24 years before all lots contribute to this Special DC charge.							
	Land Value Increase	Building Value Increase	Additional Assessment	Municipal Tax Rate	Additional Municipal Tax	Special Area DC Revenue	Total Revenue
Year 1	1,550,000	500,000	2,050,000	0.00455772	9,343	8,000	17,343
Year 2		510,000	2,560,000	0.00462609	11,843	8,240	20,083
Year 3		520,200	3,080,200	0.00469548	14,463	8,487	22,950
Year 4		530,604	3,610,804	0.00476591	17,209	8,742	25,951
Year 5		541,216	4,152,020	0.00483740	20,085	9,004	29,089
Year 6		552,040	4,704,060	0.00490996	23,097	9,274	32,371
Year 7		563,081	5,267,142	0.00498361	26,249	9,552	35,802
Year 8		574,343	5,841,485	0.00505836	29,548	9,839	39,387
Year 9		585,830	6,427,314	0.00513424	32,999	10,134	43,134
Year 10		597,546	7,024,860	0.00521125	36,608	10,438	47,047
Year 11		609,497	7,634,358	0.00528942	40,381	10,751	51,133
Year 12		621,687	8,256,045	0.00536876	44,325	11,074	55,399
Year 13		634,121	8,890,166	0.00544929	48,445	11,406	59,851
Year 14		646,803	9,536,969	0.00553103	52,749	11,748	64,498
Year 15		659,739	10,196,708	0.00561400	57,244	12,101	69,345
Year 16		672,934	10,869,643	0.00569821	61,937	12,464	74,401
Year 17		686,393	11,556,035	0.00578368	66,836	12,838	79,674
Year 18		700,121	12,256,156	0.00587044	71,949	13,223	85,172
Year 19		714,123	12,970,279	0.00595849	77,283	13,619	90,903
Year 20		728,406	13,698,685	0.00604787	82,848	14,028	96,876
Year 21		742,974	14,441,659	0.00613859	88,651	14,449	103,100
Year 22		757,833	15,199,492	0.00623067	94,703	14,882	109,585
Year 23		772,990	15,972,482	0.00632413	101,012	15,329	116,341
Year 24		788,450	16,760,931	0.00641899	107,588	15,789	123,377
					<u>1,217,398</u>	<u>275,412</u>	<u>1,492,810</u>
Note: At year 8, the roads would require a micro-surface treatment estimated at \$130,000 and at year 18 they would require a pavement preservation treatment estimated at \$260,000.							
Summary:							
At year 12 the Township's upfront costs of \$392,000 are paid back.							