

Township of Southgate 2017 Development Charges Background Study

For Public Circulation and Comment

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 Planning for growth

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List of Acronyms and Abbreviations

D.C.	Development Charge
D.C.A.	Development Charges Act
E.S.A.	Environmentally Safe Area
G.F.A.	Gross floor area
mm	Millimeters
N.F.P.O.W.	No fixed place of work
O.M.B.	Ontario Municipal Board
O.Reg.	Ontario Regulation
para.	Paragraph
P.P.U.	Persons per unit
R.S.O.	Revised Statute of Ontario
sq.ft.	Square foot
s.s.	Subsection
kW	kilowatts

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.) and policies for the Township of Southgate (Township). The Township retained Watson & Associates Economists Ltd. (Watson) to undertake the D.C. background study process in 2017. Assisted by Triton Engineering Ltd. (Triton), Watson worked with senior staff of the Township in preparing this development charge 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 D).

In addition, the report is designed to set out sufficient background on the legislation, the Township's current D.C. policy (Chapter 2) and the policies underlying the proposed by-law, to make the exercise understandable to interested parties. Finally, the D.C. background study addresses post-adoption implementation requirements (Chapter 8) which are critical to the successful application of the new policy.

The chapters in the report are supported by Appendices containing the data required to explain and substantiate the calculation of the charge. A full discussion of the statutory requirements for the preparation of a background study and calculation of a development charge is provided herein.

1.2 Summary of the Process

The public meeting required under Section 12 of the D.C.A., 1997, has been scheduled for October 11, 2017. 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. Figure 1-1 outlines the proposed schedule to be followed with respect to the development charge by-law adoption process.

In accordance with the legislation, the D.C. background study and proposed D.C. by-law were available for public review on the Township's website commencing September 13, 2017.

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 no earlier than November 13, 2017.

**Figure 1-1
Schedule of Key Development Charge Process Dates**

Process Steps	Dates
1. Project initiation meetings with Township staff	January 2017
2. Data collection, staff interviews, preparation of D.C. calculations	January - August, 2017
3. Preparation of draft D.C. background study and review of draft findings with staff	August, 2017
4. Statutory notice of Public Meeting advertisement placed in newspaper(s)	No later than September 20, 2017
5. Council Workshop Presentation	September 6, 2017
6. D.C. background study and proposed D.C. by-law available to public	September 13, 2017
7. Public Meeting of Council	October 11, 2017
8. Council considers adoption of D.C. background study and passage of by-law	No earlier than November 13, 2017
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

2. Current Township of Southgate D.C. Policy

2.1 By-law Enactment

On April 16, 2015, the Township of Southgate passed By-law 36-2015; amending By-law 66-2015, was passed on September 2, 2015 under the *D.C.A., 1997*. The by-law came into effect on the day of its enactment and imposes D.C.s by service.

2.2 Services Covered

The following services are included under By-law 66-2015 as amended:

- Roads and Related Services;
- Fire Protection Services;
- Parks and Recreation Services;
- Library Services;
- General Government Services;
- Stormwater Services
- Water Services; and
- Wastewater Services.

The by-law provides for discretionary annual indexing of the charges. Table 2-1 provides the charges currently in effect, as well as a breakdown of the charges by service component. Moreover, the Township's current D.C. By-law imposes charges on wind turbine developments based on single detached residential dwelling unit equivalent basis for Services Related to Highways, Fire Protection and Administration Services. This charge is currently \$3,499 per wind turbine in 2017\$.

**Table 2-1
Township of Southgate Current D.C.s
(2017\$)**

Service	per Single & Semi Detached Dwelling	per m ² of GFA
Municipal Wide Services:		
Services Related to a Highway	2,961	2.16
Fire Protection Services	221	0.10
Parks and Recreation Services	912	0.13
Library Services	213	0.03
Administration	317	0.22
Waste Diversion	-	-
Total Municipal Wide Services	4,624	2.64
Area Specific Services:		
Stormwater Drainage and Control Services	490	0.22
Wastewater Services	4,556	2.80
Water Services	886	0.55
Total Area Specific Services	5,932	3.57
Grand Total - Urban Area	10,556	6.21

2.3 Timing of D.C. Calculation and Payment

D.C.s are due and payable in full to the Township on the date a building permit is issued for any land, buildings or structures affected by the applicable D.C. The by-law also allows the Township to enter into payment agreements with owners, to accelerate or defer payment of D.C.s.

2.4 Redevelopment Credit

The by-law provides D.C. credits for residential and non-residential redevelopments; however, additional floor area or dwellings created in excess of those demolished are subject to D.C.s (subject to certain statutory exemptions).

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 of the building – for industrial additions which exceed 50% of the existing gross floor area, only the portion of the addition in excess of 50% is subject to D.C.s;

- 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-law also provides non-statutory exemptions from payment of D.C.s with respect to:

- Non-residential farm building for a bona fide farm use, with a valid Farm Business Registration Number and assessed as Farmland Realty Tax Class;
- Places of worship, cemetery or burial ground exempt from taxation under the *Assessment Act*;
- Hospitals under the *Public Hospitals Act*; and
- The first 2,500 square feet of non-residential gross floor area for a new building within the Urban Area.

3. Anticipated Development in the Township of Southgate

3.1 Requirements 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 D.C.s can be imposed, must be estimated.”

The growth forecast contained in this chapter (with supplemental tables in Appendix A) provides for the anticipated development for which the Township of Southgate will be required to provide services, over a 10-year and 20-year time horizon.

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

The D.C. growth forecast, provided herein, has been updated from the Township of Southgate 2015 D.C.s Background Study, prepared by Watson. In compiling the growth forecast, the following information sources were also consulted to assess the residential and non-residential development potential for the Township over the forecast period, including:

- Grey County Growth Management Strategy Update, Hemson Consulting Ltd., December 17, 2015;
- Recent historical residential and non-residential development activity (i.e. building permits);
- Correspondence and discussions with the Township and Grey County staff regarding the anticipated residential and non-residential development trends for the Township of Southgate; and
- A review of anticipated residential development activity by location, timing and development type.

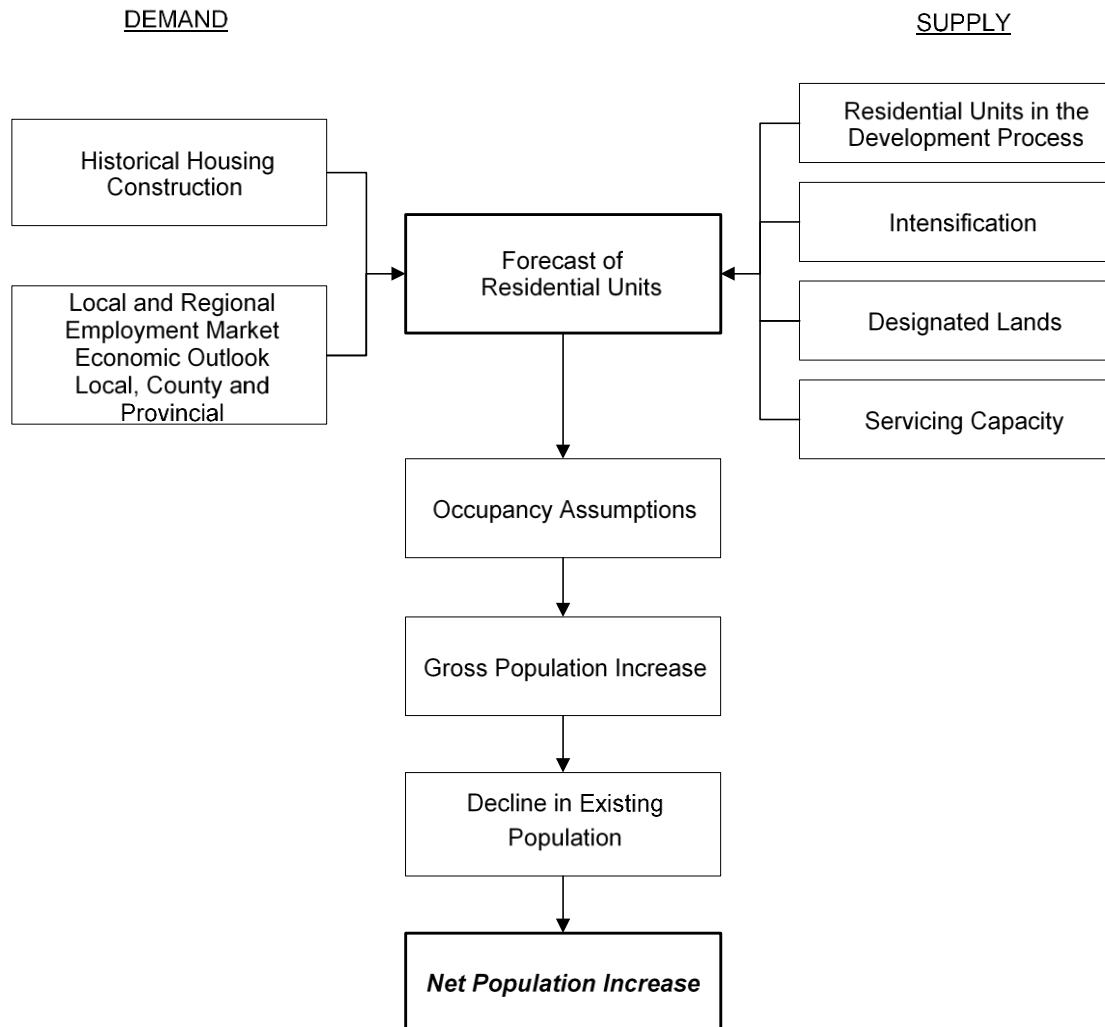
In light of the above review, a higher population and housing growth forecast has been assumed for the Township relative to the Township of Southgate 2015 D.C.s Background Study. It is acknowledged that the population growth forecast provided herein exceeds the population growth allocations for the Township of Southgate as per

the Grey County Growth Management Strategy Update, 2015. Watson has identified this issue with Grey County and the Township in the preparation of this growth forecast and Township Council has provided their expression to use this forecast as the basis for the D.C. Background Study and by-law. It is recognized that higher population growth potential in the Township may result in higher population growth for Grey County and/or a re-allocation of the Grey County population growth by local municipality. It is recognized that revisiting the County-wide growth analysis is beyond the scope of this study; however, the County may wish to explore an update to the Grey County Growth Management Update, in light of 2016 Census data and recent local development pressures within the Township.

3.3 Summary of Growth Forecast

A detailed analysis of the residential and non-residential growth forecasts is provided in Appendix A. 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 Figure 3-1, below, and Schedule 1 in Appendix A.

**Figure 3-1
Population and Household Forecast Model**



As identified in Table 3-1 and Schedule 1, the Township's population is anticipated to reach approximately 9,350 by 2027 and 10,790 by 2037. This represents an increase of approximately 1,940 persons and 3,380 persons, respectively, over the 10-year and 20-year forecast periods. The population forecast summarized in Schedule 1 excludes the net Census undercount. The Census undercount represents the net number of persons missed during Census enumeration. In calculating the D.C. for the Township, the net Census undercount has been excluded from the growth forecast. Accordingly, all references provided herein to the population forecast exclude the net Census undercount. Provided below is a summary of the key assumptions and findings regarding the Township D.C. growth forecast update.

1. Unit Mix (Appendix A – Schedules 1 through 7)

- The unit mix for the Township was derived from historical development activity (as per Schedule 7), active/anticipated development applications (as per Schedule 6) and discussions with planning staff regarding anticipated development trends for the Township.
- Based on the above, the 20-year (2017 to 2037) household growth forecast is comprised of 78% low-density development (single detached and semi-detached) and 22% medium-density development (multiples except apartments).

2. Geographic Location (Appendix A – Schedule 2)

- Schedule 2 summarizes the anticipated amount, type and location of residential development for the Township of Southgate by urban and rural area. Within the urban area, the residential growth forecast has been further disaggregated between Dundalk, remaining urban settlement areas and the rural area:
 - Dundalk – 88%;
 - Remaining Urban – 3%; and
 - Rural – 9%.

3. Planning Period

- Short-term 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. Roads and fire services utilize a 20-year planning period (i.e. 2017 to 2037).

**Table 3-1
Township of Southgate
Residential Growth Forecast Summary**

Year		Population (Excluding Census Undercount)	Housing Units					Total Households	Person Per Unit (PPU)
			Singles & Semi- Detached	Multiple Dwellings ¹	Apartments ²	Other			
Historical	<i>Mid 2001</i>	6,905	2,250	45	100	20	2,415	2.86	
	<i>Mid 2006</i>	7,167	2,445	20	95	10	2,570	2.79	
	<i>Mid 2011</i>	7,190	2,390	30	110	95	2,625	2.74	
	<i>Mid 2016</i>	7,354	2,473	31	111	95	2,710	2.71	
Forecast	<i>Mid 2017</i>	7,413	2,496	31	111	95	2,733	2.71	
	<i>Mid 2027</i>	9,352	3,105	202	111	95	3,513	2.66	
	<i>Mid 2037</i>	10,794	3,586	341	111	95	4,133	2.61	
Incremental	Mid 2001 - Mid 2006	262	195	-25	-5	-10	155		
	Mid 2006 - Mid 2011	23	-55	10	15	85	55		
	Mid 2011 - Mid 2016	164	83	1	1	0	85		
	Mid 2016 - Mid 2017	59	23	0	0	0	23		
	Mid 2017 - Mid 2027	1,939	609	171	0	0	780		
	Mid 2017 - Mid 2037	3,381	1,090	310	0	0	1,400		

Source: Watson & Associates Economists Ltd., 2017 in conjunction with Township staff.

1. Includes townhouses and apartments in duplexes.

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

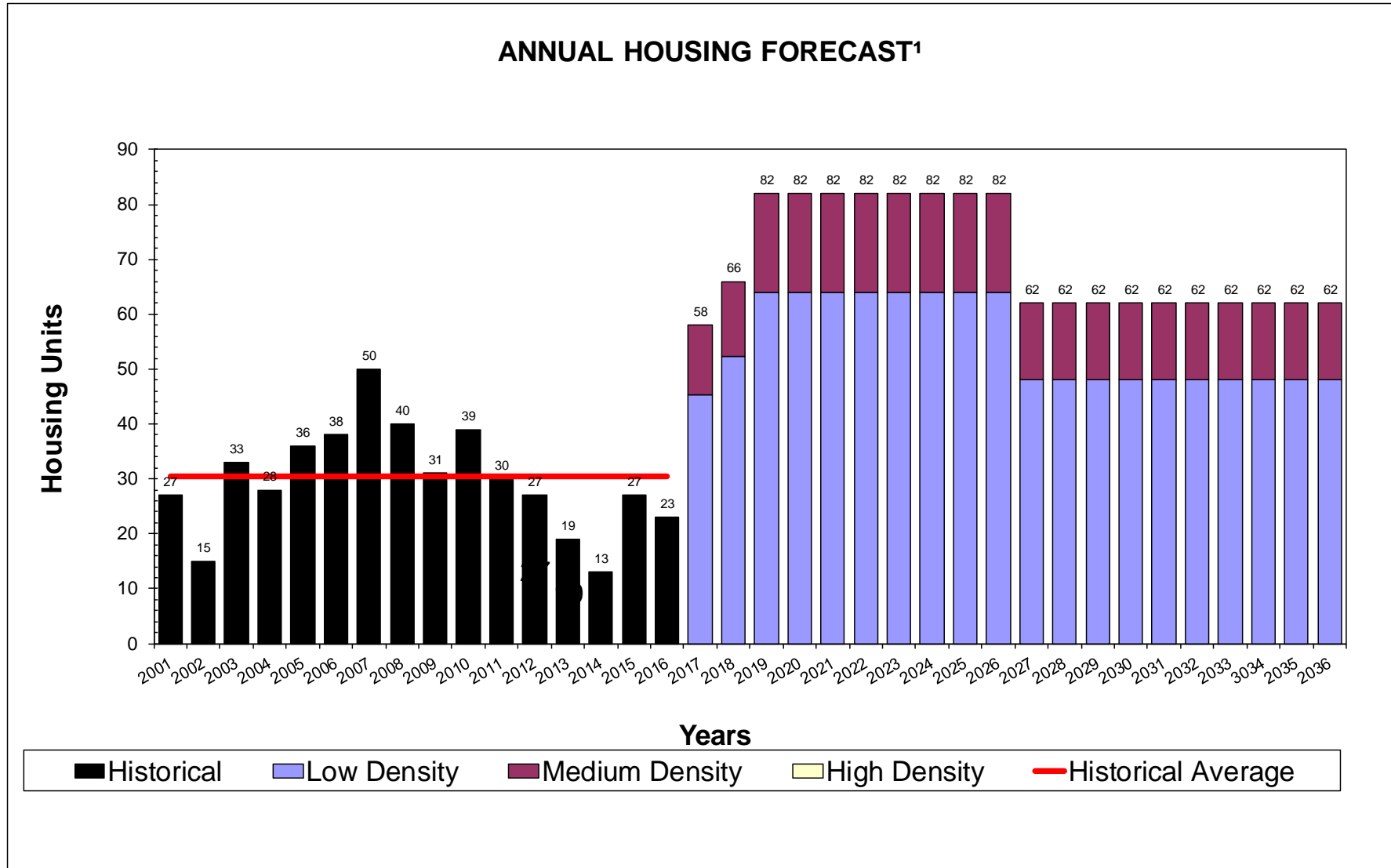
4. Population in New Units (Appendix A – Schedules 2 through 4)

- The number of housing units to be constructed in the Township of Southgate during the short-term and long-term periods is presented on Figure 3-2. Over the 20-year forecast period, the Township is anticipated to average 70 new housing units per year.
- Population in new units is derived from Schedules 3, 4, and 5, which incorporate historical development activity, anticipated units (see unit mix discussion) and average persons per unit by dwelling type for new units.
- Schedule 8a summarizes the average number of persons per unit (P.P.U.) for the new housing units by age and type of dwelling, based on 2011 custom Census data for the Township. Due to data limitations, medium- and high-density P.P.U.s were derived from the County of Grey as outlined in Schedule 8b. The 20-year average P.P.U.s by dwelling type are as follows:
 - Low density: 3.01;
 - Medium density: 2.10; and
 - High density: 1.76.

5. Existing Units and Population Change (Appendix A – Schedules 2, 3 and 4)

- Existing households as of 2017 are based on the 2016 Census households, plus estimated residential units constructed between 2016 and 2017, 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 2017 to 2037 forecast period is estimated at approximately 545.

Figure 3-2



Source: Historical housing activity (2001-2016) based on Statistics Canada building permits.

1. Growth forecast represents calendar year.

6. Employment (Appendix A – Schedules 10a through 12)

- The employment projections are largely based on the activity rate method, which is defined as the number of jobs in a Township 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.
- The Township's 2011¹ employment base by place of work is outlined in Schedule 10a. The 2011 employment base is comprised of the following sectors:
 - 156 primary (approx. 14%);
 - 204 work-at-home employment (approx. 19%);
 - 294 industrial (approx. 27%);
 - 336 commercial/population-related (approx. 30%); and
 - 106 institutional (approx. 10%).
- The 2011 employment base by usual place of work, including work-at-home, is approximately 1,095 jobs. By 2017, the Township's total employment base is forecast to grow to 1,134, based on recent non-residential development activity.
- Schedule 10b, Appendix A, summarizes the employment forecast, excluding work-at-home 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. Accordingly, work-at-home employees have been removed from the D.C. employment forecast and calculation.
- Total employment for the Township of Southgate (excluding work-at-home employment) is anticipated to reach approximately 1,280 by 2027 and 1,625 by 2037. This represents an employment increase of 370 and 710 additional jobs over the 10-year and 20-year forecast periods, respectively.
- Forecast employment growth is anticipated to be concentrated within Dundalk.

¹ 2016 Census data regarding employment is not available until October, 2017.

7. Non-Residential Sq.ft. Estimates (Gross Floor Area (G.F.A.) – Appendix A, Schedule 10b)

- Square footage estimates were calculated in Schedule 9b based on the following employee density assumptions:¹
 - 1,300 sq.ft. per employee for industrial;
 - 550 sq.ft. per employee for commercial/population-related; and
 - 700 sq.ft. per employee for institutional employment.
- The Township-wide incremental non-residential G.F.A. increase is anticipated to be 195,400 sq.ft. over the 10-year forecast period and 393,300 sq.ft. over the 20-year forecast period.
- In terms of percentage growth, the long-term incremental G.F.A. forecast by sector is broken down as follows:
 - Industrial – approx. 13%;
 - Commercial/population-related – approx. 76%; and
 - Institutional – approx. 11%.

¹ Based on Watson & Associates Economists Ltd. employment surveys across eastern Ontario.

4. The Approach to the Calculation of the Charge

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.

4.1 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. are indicated with a “Yes.”

4.2 Local Service Policy

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. Township Council provided its intention to meet the increase in need for service arising from development anticipated in the growth forecast at its meeting of August 30, 2017.

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.

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

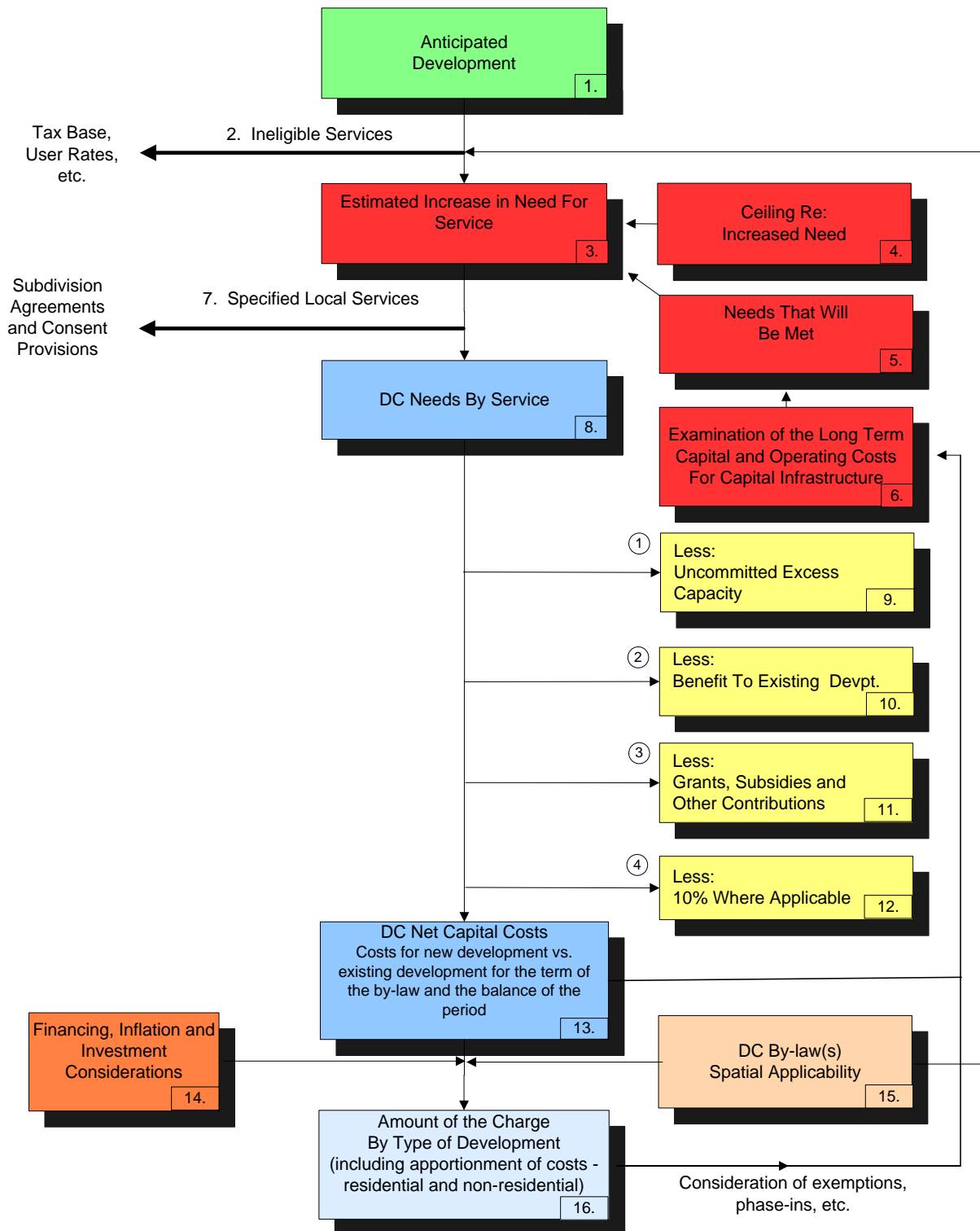


Table 4-1
Categories of Municipal Services
To Be Addressed as Part of the Calculation

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
	Local Service	1.3 Local roads	100
	No	1.4 Intersections and Traffic signals	100
	No	1.5 Sidewalks and streetlights	100
2. Other Transportation Services	n/a	2.1 Transit vehicles	90
	n/a	2.2 Other transit infrastructure	90
	n/a	2.3 Municipal parking spaces - indoor	90
	n/a	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 facilities	90
3. Storm Water Drainage and Control Services	Yes	3.1 Main channels and drainage trunks	100
	Yes	3.2 Channel connections	100
	Local Service	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	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
	Yes	5.5 Development of special purpose parks	90
	Yes	5.6 Parks rolling stock ¹ and yards	90

¹with 7+ year life time

²same 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 %
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
	Yes	7.2 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 ¹	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. Waste Water Services	Yes	10.1 Treatment plants	100
	Yes	10.2 Sewage trunks	100
	Local Service	10.3 Local systems	100
11. Water Supply Services	Yes	11.1 Treatment plants	100
	Yes	11.2 Distribution systems	100
	Local Service	11.3 Local systems	100
12. Waste Management Services	Yes	12.1 Collection, transfer vehicles and equipment	0
	Ineligible	12.3 Landfills and other disposal facilities	0
	Yes	12.3 Other waste diversion facilities	0
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
	n/a	13.4 Policing Contract	100
14. Homes for the Aged	n/a	14.1 Homes for the aged space	90
15. Day Care	n/a	15.1 Day care space	90

Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
16. Health	n/a	16.1 Health department space	90
17. Social Services	n/a	17.1 Social service space	90
18. Ambulance	n/a	18.1 Ambulance station space	90
	n/a	18.2 Vehicles ¹	90
19. Hospital Provision	Ineligible	19.1 Hospital capital contributions	0
20. Provision of Head-quarters for the General Administration of Municipalities and Area Municipal Boards	Ineligible	20.1 Office space (all services)	0
	Ineligible	20.2 Office furniture	0
	Ineligible	20.3 Computer equipment	0
21. Other Services	Yes	21.1 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
	No	21.2 Interest on money borrowed to pay for growth-related capital	0-100

Eligibility for Inclusion in the DC Calculation	Description
Yes	Municipality provides the service - service has been included in the DC Calculation
No	Municipality provides the service - service has not been included in the DC Calculation
n/a	Municipality does not provide the service
Ineligible	Service is ineligible for inclusion in the DC calculation

¹with 7+ year life time

²same percentage as service component to which it pertains
computer equipment excluded throughout

Local Service guidelines are summarized as follows:

4.2.1 Definitions

- a) “Road” means a municipally owned road allowance, including the right-of-way (ROW) and Services included in that roadway.
- b) “Local Roads” means a road or street that is primarily used to gain access to the property bordering it.
- c) “Collector Roads” means a road or street that is used to receive traffic from local roads, and distribute it to arterials
- d) “Arterial Roads” means a minor or major through road or street that are expected to carry large volumes of traffic from collector and local roads.
- e) “Developer” means the company that owns and acting as a leadership role of the project development.
- f) “Landowner” means the registered owner of the lands in the Ontario Land Registry.
- g) “Township” means the owner of the municipal Road and associated services installed in the Road allowance property.
- h) “Services” means municipal infrastructure installed in the ROW, Township owned property or easement in favor of the Township to provide stormwater, potable water and wastewater servicing to properties fronting onto the road allowance.
- i) “Area in which the Plan Relates” means projects external to a development that are solely for that development’s benefit as per Section 59 of the D.C.A.
- j) “Municipal Service Area(s)” means a part or section of the service area that receives benefits from and/or is served by a specific local piece of infrastructure. For example, a sewage pumping station that does not serve the entire system.

4.2.2 Infrastructure Assets Constructed by Developers

All infrastructure assets constructed in the Township of Southgate by Developers shall be in accordance with the following policies and standards:

- Southgate’s Municipal Servicing Standards;
- Southgate’s Residential & Non-Residential Building and Property Service Policy; and
- Southgate’s “Municipal Parks & Open Space Standards & Policy” that establishes the following types:
 - i. Community Park;
 - ii. Neighbourhood Park; or
 - iii. Linear Open Space for trails and naturalization areas.

4.2.3 Services Related to Roads

A road and services related to a road are intended for the transportation of people and goods via many different modes including, but not limited to passenger automobiles, commercial vehicles, transit vehicles, bicycles and pedestrians. The road shall consist of all land and associated infrastructure built to support and service the movement of people and goods regardless of the mode of the type of transportation employed, thereby achieving a complete street. A complete street is the concept whereby a road is planned, designed, operated and maintained to enable pedestrians, cyclists, motorists and goods to safely, efficiently and comfortably be moved. The associated infrastructure to achieve this concept shall include, but is not limited to road pavement structure and curbs; grade separation/bridge structures (for any vehicles, railways and/or pedestrians); grading, drainage and retaining wall features; culvert structures; storm water drainage systems; utilities; traffic control systems; signage; gateway features; street furniture; active transportation facilities (e.g. sidewalks, bike lanes, multi-use trails which interconnect the transportation network, etc.); lay-bys; roadway illumination systems; boulevard and median surfaces (e.g. sod & topsoil, paving, etc.); street trees and landscaping; parking lanes & lay-bys and driveway entrances; noise attenuation systems; railings and safety barriers to municipal standards.

4.2.3.1 Local Roads

- a) All Local Roads internal to a development are considered to be the developer's responsibility under s.59 of the D.C.A. as a local service.
- b) Local Roads external to development inclusive of all land and associated infrastructure requires improvements to support a specific development or required to link with the Area to which the Plan Relates, it is the developer's responsibility under s.59 of the D.C.A. Further the justification is where the existing infrastructure is satisfying the current local servicing requirements of the Township, all costs associated with infrastructure upgrades or replacement of services for the Area in which the Plan Relates, and will only benefit the landowner's/developer's project, it is the developers' responsibility. The length and location of road(s) that require reconstruction will be determined by the Township at the time of Draft Approval and will reflect those roads external to the development that, in the opinion of the Township, will be directly impacted by the development and require reconstruction to a higher service level.

4.2.3.2 Collector Roads

- a) Collector Roads internal to development, inclusive of all land and associated infrastructure is a direct developer responsibility under s.59 of the D.C.A., and is a local service.
- b) If the Collector Road external to development, inclusive of all land and associated infrastructure requires improvements to support a specific development or required to link with the Area to which the Plan Relates, it is the developer's responsibility under s.59 of the D.C.A. Further the justification is where the existing infrastructure is satisfying the current servicing requirements of the Township, all costs associated with infrastructure upgrades or replacement of services for the Area in which the Plan Relates, and will only benefit the landowner's/developer's project, it is the developers' responsibility. The length and location of road(s) that require reconstruction will be determined by the Township at the time of Draft Approval and will reflect those roads external to the development that, in the opinion of the Township, will be directly impacted by the development and require reconstruction to a higher service level.
- c) Collector Roads external to development, inclusive of all land and associated infrastructure requires upgrades, where other future developable lands benefit, the project should be included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A., dependent on local circumstances. The length and location of road(s) that require reconstruction will be the determined by the Township at the time of Draft Approval and will reflect those roads external to the development that, in the opinion of the Township, will be directly impacted by the development and require reconstruction to a higher service level.

4.2.3.3 Arterial Roads

- a) New, widened, extended or upgraded arterial roads, inclusive of all associated infrastructure, should be included as part of the roads program and included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A. The length and location of road(s) that require reconstruction will be the determined by the Township at the time of Draft Approval and will reflect those roads external to the development that, in the opinion of the Township, will be directly impacted by the development and require reconstruction to a higher service level.
- b) If the new, widened, extended or upgraded Arterial Road that is external to development, inclusive of all land and associated infrastructure requires improvements to support a specific development or required to link with the Area to which the Plan Relates, it is the developer's responsibility under s.59 of the

D.C.A. Further the justification is where the existing infrastructure is satisfying the current servicing requirements of the Township, all costs associated with infrastructure upgrades or replacement of services for the Area in which the Plan Relates, and will only benefit the landowner's/developer's project, it is the developers' responsibility. The length and location of road(s) that require reconstruction will be determined by the Township at the time of Draft Approval and will reflect those roads external to the development that, in the opinion of the Township, will be directly impacted by the development and require reconstruction to a higher service level.

- c) Land acquisition for arterial roads on existing rights-of-way to achieve a complete street dedication under the Planning Act provisions (s. 41, 51 and s. 53) through development lands, in an area with limited development should be included as part of the roads program included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.
- d) Land acquisition for arterial roads on new rights-of-way to achieve a complete street dedication, where possible, under the Planning Act provisions (s. 51 and s. 53) through development lands up, to the ROW specified in the Official Plan should be included as part of the roads program and included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.
- e) Land acquisition beyond normal dedication requirements to achieve transportation corridors as services related to roads, including grade separation infrastructure for the movement of pedestrians, cyclists, public transit and/or railway vehicles, should be included as part of the roads program and included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.

4.2.4 Bridges and Culverts

- a) Bridges and culverts internal to development - All structures that service local and collector roads internal to a plan of subdivision, or in the area to which the plan relates, are direct developer responsibility under s.59 of the DCA.
- b) Bridges and culverts external to development on a Local Road adjacent to the development may be included in Municipal DC where existing and/or other developments will benefit. However, if the present structures serve the existing municipal use and it is in the opinion of the Township, that the increased type/volume of traffic flow will be directly impacted by the subject development, and the Township will require replacement/upgrading of the structures to a higher service level with consideration for present and required load carrying capacity, these works will be direct developer responsibility under s.59 of D.C.A.

- c) Bridges and culverts external to the development associated with Arterial and Collector Roads; the project should be included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A. The length and location of each bridge or culvert required to be replaced or upgraded will be determined by the Township at the time of Draft Approval and will reflect those bridges and culverts external to the development that, in the opinion of the Township, will be directly impacted by the development and require reconstruction to a higher service level. Project will be inclusive of all land requirements and associated infrastructure.
- d) Bridges and culverts external to the development associated with Arterial and Collector Roads to support a specific development, or required to link with the Area to which the Plan Relates; it is the developer's responsibility under s.59 of the D.C.A. Further the justification is where the existing infrastructure is satisfying the current servicing requirements of the Township, all costs associated with infrastructure upgrades or replacement of services for the Area in which the Plan Relates, that will only benefit the landowner's/developer's project, is the developers' responsibility. The length and location of each bridge or culvert required to be replaced or upgraded will be determined by the Township at the time of Draft Approval and will reflect those bridges and culverts external to the development that, in the opinion of the Township, will be directly impacted by the development and require reconstruction to a higher service level. Project will be inclusive of all land requirements and associated infrastructure.

4.2.5 Traffic Control Systems, Signals and Intersection Improvements

- a) Infrastructure located on local or collector roads, or for any private site entrances or entrances to specific development, are direct developer responsibility under s.59 of D.C.A., as a local service to the project.
- b) Infrastructure located on new arterial roads and arterial road improvements unrelated to a specific development, should be included as part of the road program and included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.
- c) Infrastructure located on arterial or collector road intersections with County roads, are a County responsibility, or in certain circumstances, may be a direct developer responsibility under s.59 of the D.C.A.
- d) Intersection improvements, new or modified signalization, signal timing & optimization plans, and area traffic studies for roads attributed to growth and

unrelated to a specific development, should be included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.

4.2.6 Streetlights

- a) Streetlights on new arterial roads and existing arterial road improvements is considered part of the complete street and included as part of the road program and should be included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A. or in exceptional circumstances, may be direct developer responsibility through local service provisions (s.59 of D.C.A.).
- b) Streetlights on local and collector roads internal to development is considered part of the complete street and included as a direct developer responsibility under s.59 of the D.C.A., as a local service.
- c) Streetlights on local and collector roads external to development, needed to support a specific development or required to link with the area to which the plan relates is considered part of the complete street and included as a direct developer responsibility under s. 59 of the D.C.A., as a local service.

4.2.7 Active Transportation related to Pedestrian and Cycling Facilities

- a) Sidewalks, multi-use trails, cycle tracks, and bike lanes, inclusive of all required infrastructure, located within arterial roads, County roads and provincial highway corridors is considered part of the complete street and included in D.C.'s, or, in exceptional circumstances, may be direct developer responsibility through local service provisions (s.59 of D.C.A.).
- b) Sidewalks, multi-use trails, cycle tracks, and bike lanes, inclusive of all required infrastructure, located within the development or linking to non-arterial road corridors internal to development is considered part of the complete street and a direct developer responsibility under s.59 of D.C.A., being a local service.
- c) Pedestrian traffic signals- Direct developer responsibility under s.59 of D.C.A., being a local service.
- d) Other sidewalks, multi-use trails, cycle tracks, and bike lanes, inclusive of all required infrastructure, located within local and collector road corridors external to development and needed to support a specific development or required to link with the area to which the plan relates, is a direct developer responsibility under s.59 of D.C.A., being a local service.
- e) Multi-use trails within the development or to connect to local existing trails external to the development, not associated with a road, inclusive of all land and required infrastructure, that go beyond the function of a parkland recreational trail

and form part of the Township's active transportation network for cycling and/or walking, is a direct developer responsibility under s.59 of D.C.A., being a local service.

- f) Multi-use trails external to the development, not associated with a road, inclusive of all land and required infrastructure, that go beyond the function of a parkland recreational trail and form part of the Township's active transportation network for cycling and/or walking, should be included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.

4.2.8 Noise Abatement Measures

- a) Noise abatement measures external and internal to development where it is related to, or a requirement of a specific development, is a direct developer responsibility under s.59 of D.C.A. (as a local service)
- b) Noise abatement measures on new arterial roads and existing arterial road improvements abutting an existing community and unrelated to a specific development: should be included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.

4.2.9 Parkland and Open Space Development

4.2.9.1 Recreational Trails

Recreational trails or multi-use trails that do not form part of the Township's active transportation network, and their associated infrastructure (landscaping, bridges, trail surface, etc.), should be included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.

4.2.9.2 Parkland

- a) Parkland development for Neighbourhood Parks and Open Space for trails and naturalization areas is a direct developer responsibility to provide an appropriate standard, as defined in the Township of Southgate Municipal Parks & Open Space Development Standards & Policy, as a local service provision, including but not limited to pre-grading, sodding or seeding, supply and installation of amended topsoil to the Township's required depth, landscape features, perimeter fencing, servicing, utilities, signage and amenities and all planting.
- b) Parkland Development for Community Parks should be included in the DC calculation to the extent permitted under s.5(1) of the D.C.A.

- c) Program facilities, amenities, and furniture, within Neighbour parkland should be included in the DC calculation to the extent permitted under s.5(1) of the D.C.A. or in exceptional circumstances, may be direct developer responsibility through local service provisions (s.59 of D.C.A.).

Note: For more detail on park and open space standards and policies please refer to the Township of Southgate's "Municipal Parks & Open Space Standards & Policy".

4.2.10 Landscape Buffer Blocks, Features, Cul-De-Sac Islands, Berms, Grade Transition Areas, Walkway Connections to Adjacent Arterial Roads, Open Space, Etc.

The cost of developing all landscape buffer blocks, landscape features, cul-de-sac islands, berms, grade transition areas, walkway connections to adjacent arterial roads, open space and other remnant pieces of land conveyed to the Township shall be a direct developer responsibility as a local service. Such costs include, but are not limited to pre-grading, sodding or seeding, supply and installation of amended topsoil (to the Township's required depth), landscape features, perimeter fencing, servicing, utilities, signage and amenities and all planting.

4.2.11 Natural Heritage System (N.H.S.)

N.H.S. includes engineered and existing stream corridors, natural buffers for woodlots, wetland remnants, etc. within the boundaries of the Township. N.H.S. is a direct developer responsibility as a local service provision including, but not limited to the following:

- a) Riparian planting and landscaping requirements (as required by the Township, Conservation Authority or other authorities having jurisdiction) as a result of creation of, or construction within in the N.H.S. and associated buffers.
- b) Perimeter fencing of the N.H.S. to the Township standard located on the public property side of the property line adjacent land uses (residential, industrial, commercial) as required by the Township.
- c) All works to be in conformance with the Conservation Authority (CA) and/or Department of Fisheries & Oceans (DFO) guidelines/requirements for stream corridors, natural buffers and wetland areas as directed by the approved studies and reports related to the area that development occurs in.

4.2.12 Land Acquisition for Road Allowance

- a) Land acquisition for arterial roads for dedication under the Planning Act subdivision provisions (s.51), through development lands with greater than a 27m right-of-way; for corridor acquisition, should be included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.
- b) Land Acquisition for collector roads for dedication under the Planning Act subdivision provisions (s.51), through development lands with up to 27 m right-of-way, for corridor acquisition, should be a direct developer responsibility under s.59 of the D.C.A. as a local service.
- c) Land acquisition for local roads is a direct developer responsibility under s.59 of the D.C.A. as a local service.

4.2.13 Land Acquisition for Easements & Registration

Easement costs external to subdivisions required to support the development are a direct developer responsibility under s.59 of the D.C.A as a local service. Where other future developable lands will benefit, the costs should be included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.

4.2.14 Stormwater Management

- a) Stormwater management facilities for quality and/or quantity control that is internal to the development, including land acquisition, all associated infrastructure, landscaping, perimeter fencing if required and monitoring is a direct developer responsibility under s.59 of D.C.A., being a local service.
- b) Stormwater management works, external to the development, that benefits multiple developments, will be subject to negotiations and cost sharing agreements between affected land owner(s).
- c) Stormwater management works that are required for a specific development, either internal or external to the Area to which the Plan Relates is a direct developer responsibility under s. 59 of the D.C.A. as a local service.
- d) Erosion works internal or within area related to the development, inclusive of all restoration requirements, related to a development application is a direct developer responsibility under s. 59 of the D.C.A. as a local service.
- e) Basement and foundation drain gravity systems (third pipe drainage systems) that are placed in the public road allowance, within the area related to a development, is a direct developer responsibility under s. 59 of the D.C.A. as a local service. Developers should be further aware that when selling properties with a third pipe drainage system that they communicate to their buyers an area

rated monthly maintenance charge will be added to bi-monthly water and wastewater billings where applicable.

- f) A third pipe drainage system outlet or a connection to the existing municipal systems internal to the plan of subdivision or external, within the area to which the plan relates, is a direct developer responsibility under s. 59 of the D.C.A. as a local service.

4.2.15 Water

- a) Area wide water system features internal and external to the development including storage facilities, pumping stations, booster stations, re-chlorination stations and wells associated with Municipal Service Area(s) should be included within the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.
- b) Watermains, appurtenances and sampling stations internal to the development are direct developer responsibility under s.59 of the DCA as a local service.
- c) Watermains external to a plan of subdivision, which upgrade the size of the main or provides new watermains of 250 mm nominal diameter or greater (over sizing), should be included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.
- d) Over sizing costs of waterworks within the plan of subdivision greater than 250 mm nominal diameter should be included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.
- e) Extension of watermain external to the development required to connect a specific development/area to the existing distribution system to be direct developer's responsibility under s.59 of the D.C.A. as a local service.
- f) The expansion of the Township's Water Meter Collection System ("Advanced Metering Infrastructure" (AMI)), to extend the data collectors service area where others outside the development benefit, the costs should be included in D.C. calculation to the extent permitted under s.5(1) of the D.C.A.

4.2.16 Wastewater

- a) Pumping stations and forcemains external, or internal, to the development and associated with a Municipal Service Area, should be included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.
- b) Pumping stations and forcemains internal to a development, required to service that specific development shall be a direct developer responsibility under s.59 of the D.C.A. as a local service.

- c) Sewers and appurtenances internal to the development are direct developer responsibility under s.59 of the D.C.A. as a local service
- d) Sanitary sewers and forcemains external to a plan of subdivision, which upgrades the size of an existing pipe to accommodate only the specific development is a direct developer responsibility under s.59 of the D.C.A as a local service. If the upgraded pipe is intended to service additional future developable lands the incremental costs should be included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.
- e) Marginal costs of sanitary sewer works within the plan of subdivision, which benefits upstream developers, should be included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A. The marginal costs include sewer oversizing above 300 mm nominal diameter or additional sewer depth of 2 meters or greater than required for local servicing.

Note: Please refer to the Township's policy, titled "Residential and Non-residential Building and Property Service Policy" for detailed information on the Township of Southgate's building and property specific requirements. The policy is specifically for new construction development, to provide to builders or property owners the requirements for civic number addressing, waste collection carts and water metering.

4.3 Capital Forecast

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

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

The capital costs include:

- a) costs to acquire land or an interest therein (including a leasehold interest);
- b) costs to improve land;
- c) costs to acquire, lease, construct or improve buildings and structures;
- d) costs to acquire, lease or improve facilities including rolling stock (with a useful life of 7 or more years), furniture and equipment (other than computer equipment), materials acquired for library circulation, reference or information purposes;

- e) interest on money borrowed to pay for the above-referenced costs;
- f) costs to undertake studies in connection with the above-referenced matters; and
- g) costs of the D.C. background study.

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

4.4 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 currently has no outstanding credit obligations.

4.5 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.

4.6 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 uncommitted D.C. Reserve Funds balances, by service, as at December 31, 2016, are presented in Table 4-2 below. These balances have been applied against future spending requirements for all services.

Table 4-2
Township of Southgate
D.C. Reserve Funds Balances (as at December 31, 2016)

Service	Totals
Administration Studies	\$11,178
Fire Protection Services	\$152,224
Services Related to a Highway	\$198,716
Stormwater Services	\$47,876
Wastewater Services	\$297,439
Water Services	\$151,219
Parks and Recreation Services	\$77,584
Library Services	\$9,297
Total	\$945,534

4.7 Deductions

The D.C.A., 1997 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:

4.7.1 Reduction Required by Level of Service Ceiling

This is designed to ensure that the increase in need 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.

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

4.7.2 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.

4.7.3 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 4.4 is related, but is not the identical requirement. Wastewater (sanitary), stormwater and water trunks are highly localized to growth areas and can be more readily allocated in this regard than other services such as roads which do not have a fixed service area.

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

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

4.7.4 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 particular growth-related capital projects.

4.7.5 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, libraries, childcare/social services, ambulance, homes for the aged, health and transit.

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.

5. Development Charge 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 Township-wide uniform basis and area-specific basis for water, wastewater and stormwater management services. 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 were prepared with the assistance of Triton Engineering and Township staff, and 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 Township-wide D.C. Calculation

This section evaluates the development-related capital requirements for select services over the 10-year planning period (2017-2026). 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 *Administrative (Growth-Related Studies)*

The D.C.A. permits the inclusion of studies undertaken to facilitate the completion of the Township's capital works program. The Township has made provision for the inclusion of a new study undertaken to facilitate this D.C. process, as well as other studies which benefit growth, including an official plan update, zoning by-law updates, and various master plans.

The cost of these projects totals approximately \$608,400 over the 10-year forecast period. A deduction of \$11,178 has been applied for existing reserve fund balances and \$348,650 has been deducted in recognition of the studies' benefits to the existing population. Deducting the 10% statutory deduction, the net growth-related capital costs included in the charge totals \$232,257.

These costs have been allocated 84% residential and 16% non-residential based on the incremental growth in population to employment for the 10-year forecast period.

5.1.2 Parks and Recreation Services

The Township currently maintains 35.3 acres of developed parkland and 0.6 km of trails within its jurisdiction. Furthermore, the Township provides a variety of amenities, trails and boardwalks in its parks and operates 36,610 square feet of indoor recreation facility space. The Township's level of service over the historical 10-year period averaged \$1,555 per capita. In total, the maximum D.C.-eligible amount for parks and recreation services over the 10-year forecast period is approximately \$3.02 million based on the established level of service standards.

The 10-year capital needs for parks and recreation services to accommodate growth have a total gross capital cost of approximately \$5.45 million. These capital needs include amenities, trail development and a multi-use space. Approximately \$2.58 million has been deducted to reflect the benefit to the existing portion of the identified projects and \$875,000 has been deducted for post period benefit. The statutory 10% deduction applicable for parks and recreation services totals \$174,250 resulting in net growth-related capital costs for inclusion in the calculation of approximately \$1.49 million.

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.

5.1.3 Library Services

Southgate currently provides 5,300 sq.ft. of library space and approximately 13,100 collection materials for residents to use. The Township's level of service over the historical 10-year period averaged \$252 per capita. In total, the maximum D.C.-eligible amount for library services over the 10-year forecast period is approximately \$487,680 based on the established level of service standards.

The gross capital cost included in the D.C. calculation, is \$185,000 over the 10-year forecast. These capital needs are for collection materials including collections, reference materials and furniture and fixtures, as well as expansion of the library building. \$12,000 has been deducted to reflect the benefit to the existing portion of the identified projects. Additionally, approximately \$9,300 for existing reserve fund balances

and \$17,300 for the required 10% deduction have been applied. The resulting net capital cost of approximately \$146,400 has been included in the calculation.

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.

5.1.4 Waste Diversion Services

The Township currently provides approximately 29,000 sq.ft. of waste disposal space to diversion activities. Additionally, the Township owns and operates 6,767 individual vehicles and equipment for the purposes of diversion, including trucks, payloaders, bins and collection carts. The historic 10-year level of service averaged \$349 per capita. The maximum D.C.-eligible amount for waste diversion over the 10-year forecast period is approximately \$643,000 based on the historic level of service standards.

The total capital projects included in the 10-year forecast totals just over \$179,000. These capital needs are for upgrades to the Dundalk Transfer Station, new bins and a hazardous waste container. The total has been reduced by \$65,730 for Other Deductions, \$79,298 has been removed to reflect the benefit to existing portion of the identified projects and \$3,430 has been net off for the required 10% deduction. The resulting capital cost for inclusion totals \$30,868.

These costs have been allocated 84% residential and 16% 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 – Administration (Growth-Related Studies)

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2017\$)	Post Period Benefit	Net Capital Cost	Less:		Subtotal	Less: Other (e.g. 10% Statutory Deduction)	Potential DC Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development			Total	Residential Share	Non-Residential Share
	2017-2026										84%	16%
1	Official Plan Update	2017	20,000	-	20,000	10,000		10,000	1,000	9,000	7,560	1,440
2	Official Plan Update	2020-2021	20,000	-	20,000	10,000		10,000	1,000	9,000	7,560	1,440
3	Development Charge Study	2017	28,700	-	28,700	-		28,700	2,870	25,830	21,697	4,133
4	Development Charge Addendum	2017	15,000	-	15,000	-		15,000	1,500	13,500	11,340	2,160
5	Development Charge Study	2020	28,700	-	28,700	-		28,700	2,870	25,830	21,697	4,133
6	Road Needs Study Update	2019	25,000	-	25,000	22,500		2,500		2,500	2,100	400
7	Road Needs Study Update	2024	25,000	-	25,000	22,500		2,500		2,500	2,100	400
8	Community Action Plan (Strategic Plan)	2018-2019	25,000	-	25,000	6,250		18,750	1,875	16,875	14,175	2,700
9	Community Action Plan (Strategic Plan)	2023-2024	25,000	-	25,000	6,250		18,750	1,875	16,875	14,175	2,700
10	Bridge Study	2017-2024	216,000	-	216,000	194,400		21,600		21,600	18,144	3,456
11	Asset Management Plan	2019-2020	10,000	-	10,000	9,000		1,000	100	900	756	144
12	Asset Management Plan	2023-2024	10,000	-	10,000	9,000		1,000	100	900	756	144
13	Urban Expansion Study	2017	10,000	-	10,000	2,500		7,500	750	6,750	5,670	1,080
14	Zoning By-law Review	2017	10,000	-	10,000	5,000		5,000	500	4,500	3,780	720
15	Zoning By-law Review	2021-2022	10,000	-	10,000	5,000		5,000	500	4,500	3,780	720
16	Water/Wastewater Rate Study	2017-2022	25,000	-	25,000	18,750		6,250		6,250	5,250	1,000
17	Community Improvement Plan	2017-2020	15,000	-	15,000	3,750		11,250	1,125	10,125	8,505	1,620
18	Water Distribution System Review	2017-2020	35,000	-	35,000	8,750		26,250		26,250	22,050	4,200
19	Wastewater Collection System Review	2017-2020	50,000	-	50,000	12,500		37,500		37,500	31,500	6,000
20	Municipal Servicing Standards Update	2018-2022	5,000	-	5,000	2,500		2,500	250	2,250	1,890	360
	Reserve Fund Adjustment									(11,178)	(9,389)	(1,788)
	Total		608,400	-	608,400	348,650	-	259,750	16,315	232,257	195,096	37,161

5.2 Service Levels and 20-Year Capital Costs for Township-wide D.C. Calculation

5.2.1 Services Related to a Highway

The Township has a current inventory of 497.4 kilometres of arterial and collector roads. This historical level of infrastructure investment equates to \$55,383 per capita level of service. When applied to the forecast population growth to 2036 (i.e. 3,381 population), a maximum D.C.-eligible cost of approximately \$187.25 million could be expected to meet the future increase in needs for service.

In addition to roads, the Township's public works department utilizes 28,260 square feet of facility space and operates a fleet of 30 pieces of rolling stock. In this regard, an historical average level of service of \$934 per capita has been provided, resulting in a D.C.-eligible cap of approximately \$3.16 million.

The review of the Township's roads and related needs for the forecast period identified \$5.67 million in gross capital costs. These capital needs include various road projects as well as new public works facilities. A reduction of \$850,000 was introduced for post period benefits. Approximately \$198,716 has been deducted for existing reserve fund balances, accounting for funds already secured towards these future needs.

Recognizing the benefit to existing development, approximately \$1.01 million has been deducted. As a result, approximately \$3.60 million in capital needs has been included in the D.C. calculation.

The net growth-related costs for roads and related services have been allocated between future residential and non-residential development on the basis of incremental population to employment growth over the 20-year forecast period (i.e. 83% residential/ 17% non-residential).

5.2.2 Fire Protection Services

The Township currently has one fire station and shares a fire station with the Township of Wellington North, which provide a combined total of 9,163 square feet of floor space. The fire department also has a current inventory of 7.65 vehicles and provides 39 sets of equipment for firefighter outfitting, as well as various specialty equipment. In total, the inventory of fire protection assets provides an historical average level of service of approximately \$542 per capita. The historical level of investment in fire services provides for a D.C.-eligible amount over the forecast period of nearly \$1.83 million.

Based on discussions with staff, the Township will require funds for an additional service bay, eight sets of bunker gear, jaws of life, defibrillators and the growth-related capital requirements of the service agreement with Wellington North. The gross capital cost estimates for the increase in service total \$1.15 million. In total, the growth-related capital costs for fire services over the forecast period are approximately \$396,800 after reductions of \$390,475 recognizing the benefit to existing development, \$215,000 for post period benefits and over \$152,000 for existing reserve fund balances, accounting for funds already secured towards these future needs.

The allocation of net growth-related costs for fire protection services between residential and non-residential development is 83% residential and 17% non-residential, based on area coverage of residential and non-residential development over the 20-year forecast period.

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

Prj .No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2017\$)	Post Period Benefit	Net Capital Cost	Less:		Potential DC Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 83%	Non-Residential Share 17%
	2017-2036									
1	Fire Facilities - Fire Station Expansion 22' x 42' Bay	2020-2022	250,000	125,000	125,000	-		125,000	103,750	21,250
2	Fire Equipment-Bunker Gear 5 units	2021-2030	31,000	-	31,000	-		31,000	25,730	5,270
3	Bunker Gear - 3 units	2017-2025	18,600	-	18,600	-		18,600	15,438	3,162
4	Jaws of Life	2017-2026	35,000	-	35,000	8,750		26,250	21,788	4,463
5	Defibrillator	2017-2024	3,000	-	3,000	-		3,000	2,490	510
6	Defibrillator	2025-2034	3,000	-	3,000	-		3,000	2,490	510
7	Service Agreements - Wellington North Fire Capital Needs	2017-2034	280,900	-	280,900	70,225		210,675	174,860	35,815
8	Second Set of Bunker Gear (12 units)	2017-2017	24,000	-	24,000	12,000		12,000	9,960	2,040
9	Bunker Gear Washing Machine	2017-2017	14,000	-	14,000	7,000		7,000	5,810	1,190
10	Fire & Rescue Pumper Truck	2017-2020	450,000	90,000	360,000	270,000		90,000	74,700	15,300
11	Fire Pickup Crew Cab Truck	2017-2026	45,000	-	45,000	22,500		22,500	18,675	3,825
	Reserve Fund Adjustment							(152,224)	(126,346)	(25,878)
	Total		1,154,500	215,000	939,500	390,475	0	396,801	329,344	67,456

5.3 Urban 20-Year Capital Costs for Township Urban Service Area

D.C. Calculation

This D.C. background study provides for the application of water, wastewater, and stormwater charges within the municipally serviced urban areas. The anticipated development-related capital requirements for these services have been considered over the urban 20-year forecast period.

5.3.1 Water Services

The water program includes a new well, a new water tower, watermain servicing on Highway #10, as well as the upsizing of existing water mains on Main Street to accommodate growth within the Township.

In total, the gross capital cost estimates amount to \$10.56 million. A benefit-to-existing deduction of \$1.88 million has been recognized, including a deduction of approximately \$151,200 in light of the existing reserve fund balance. Additionally, a reduction of \$369,500 is included to account for post period benefits, and \$1.03 million for the growth-related share of anticipated grants. The net capital costs identified for inclusion in the calculation total approximately \$7.13 million.

These costs have been allocated 84% residential and 16% non-residential, based on incremental population to employment growth over the urban 20-year forecast period.

5.3.2 Wastewater Services

The capital program for wastewater services includes upgrades to the sewage treatment facility and waste water technology, as well as sewer main servicing on Highway #10. The gross capital costs are estimated at \$17.32 million with the applicable reduction for the benefit to existing residents of \$1.63 million and anticipated grant funding of \$3.66 million. Adjustments for reserve funds of just under \$297,440 have been deducted, in addition to a reduction of \$272,000 for post period benefits. The net capital costs identified for inclusion in the calculation total just over \$11.45 million.

Similar to water, these costs have been allocated 84% to residential and 16% to non-residential development on the basis of incremental population to employment growth over the urban 20-year forecast period.

5.3.2 Stormwater Services

The stormwater program includes a new main at the Main Street crossing and improvements to the Highpoint Drain, to accommodate growth within the Township.

In total, the gross capital cost estimates amount to \$1.44 million. A benefit-to-existing deduction of \$216,000 and a reduction of \$666,000 for post period benefits has been recognized, as well as a deduction of approximately \$47,880 in light of the existing reserve fund balance. The net capital costs identified for inclusion in the calculation total approximately \$510,120.

These costs have been allocated 87% residential and 13% non-residential, based on area coverage of residential and non-residential development, over the urban 20-year forecast period.

6. Development Charge Calculation

Table 6-1 calculates the proposed D.C.s to be imposed for stormwater, wastewater and water services in the municipally serviced area over the urban 20-year forecast period. Table 6-2 calculates the proposed D.C. for transportation services and fire protection services to be imposed on anticipated development in the Township over the 20-year forecast period. Table 6-3 calculates the proposed D.C. to be imposed on anticipated development in the Township over the 10-year planning horizon for all remaining 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, bachelor and 1-bedroom apartments, and other multiples). The non-residential D.C. has been calculated on a per square foot of gross floor area basis for commercial, industrial and institutional development. Wind turbines and solar farms are included within the forecast of industrial development. As these developments do not produce gross floor area similar to other industrial developments, a charging mechanism is deemed. Wind turbines and each 500 kilowatts of nameplate generating capacity of solar farms are deemed to be equivalent to a residential single detached unit, as it relates to transportation, fire protection services, and administration studies only.

The D.C.-eligible costs for each service component are provided in Chapter 5 for all municipal services, based on their proposed capital programs.

For the residential calculations, the total cost is divided by the “gross” (new resident) population to determine the per capita amount. The eligible D.C. cost calculations are based on the net anticipated population increase (the forecast new unit population less the anticipated decline in existing units). The cost per capita is then multiplied by the average occupancy of the new units (Appendix A) to calculate the charge.

With respect to non-residential development generating additional floor area, the total costs (based on need for service) have been divided by the anticipated development over the planning period to calculate a cost per sq.ft. of gross floor area.

Table 6-4 summarizes the calculated maximum D.C.s that could be imposed by Council by residential dwelling type, non-residential gross floor area, per wind turbine and per 500 kW of nameplate generating capacity for solar farms. Table 6-5 compares the Township’s existing charges to the charges proposed herein, for single detached residential development and non-residential development.

**Table 6-1
D.C. Calculation
Township-wide Urban
2017-Urban Build Out**

SERVICE	2017 \$ DC Eligible Cost		2017 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft ²
	\$	\$	\$	\$
1. <u>Stormwater Drainage and Control Services</u>				
1.1 Channels, drainage and ponds	443,808	66,316	375	0.17
	443,808	66,316	375	0.17
2. <u>Wastewater Services</u>				
2.1 Treatment plants & Sewers	9,621,146	1,832,599	8126	4.77
	9,621,146	1,832,599	8,126	4.77
3. <u>Water Services</u>				
3.1 Treatment, storage and distribution systems	5,989,231	1,140,806	5058	2.97
	5,989,231	1,140,806	5,058	2.97
TOTAL	\$16,054,185	\$3,039,721	\$13,559	7.91
DC ELIGIBLE CAPITAL COST	\$16,054,185	\$3,039,721		
Build out Gross Population / GFA Growth (ft ²)	3,564	384,000		
Cost Per Capita / Non-Residential GFA (ft ²)	\$4,504.54	\$7.92		
<u>By Residential Unit Type</u>	<u>D.P.U</u>			
Single and Semi-Detached Dwelling	3.01	\$13,559		
Apartments - 2 Bedrooms +	1.93	\$8,694		
Apartments - Bachelor and 1 Bedroom	1.24	\$5,586		
Other Multiples	2.10	\$9,460		
Special Care/Special Dwelling Units	1.00	\$4,505		

**Table 6-2
D.C. Calculation
Township -wide Services
2017-2036**

SERVICE	2017 \$ DC Eligible Cost		2017 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft ²
	\$	\$	\$	\$
4. <u>Services Related to a Highway</u>				
4.1 Roads and Related	2,991,141	612,643	2,293	1.56
	2,991,141	612,643	2,293	1.56
5. <u>Fire Protection Services</u>				
5.1 Fire facilities, vehicles & equipment	329,344	67,456	253	0.17
	329,344	67,456	253	0.17
TOTAL	\$3,320,486	\$680,099	\$2,546	\$1.73
DC ELIGIBLE CAPITAL COST	\$3,320,486	\$680,099		
20 Year Gross Population / GFA Growth (ft ²)	3,926	393,300		
Cost Per Capita / Non-Residential GFA (ft ²)	\$845.77	\$1.73		
<u>By Residential Unit Type</u>	<u>D.P.U</u>			
Single and Semi-Detached Dwelling	3.01	\$2,546		
Apartments - 2 Bedrooms +	1.93	\$1,632		
Apartments - Bachelor and 1 Bedroom	1.24	\$1,049		
Other Multiples	2.10	\$1,776		
Special Care/Special Dwelling Units	1.00	\$846		

**Table 6-3
D.C. Calculation
Township -wide Services
2017-2036**

SERVICE	2017 \$ DC Eligible Cost		2017 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft ²
	\$	\$	\$	\$
6. <u>Parks and Recreation Services</u>				
6.1 Recreation facilities, vehicles and equipment	1,416,132	74,533	1,947	0.38
	1,416,132	74,533	1,947	0.38
7. <u>Library Services</u>				
7.1 Library facilities, materials and vehicles	139,082	7,320	191	0.04
	139,082	7,320	191	0.04
8. <u>Administration</u>				
8.1 Studies	195,096	37,161	268	0.19
9. <u>Waste Diversion</u>				
9.1 Waste diversion facilities, vehicles, equipment and other	25,929	4,939	36	0.03
	25,929	4,939	36	0.03
TOTAL	\$1,776,240	\$123,953	\$2,442	\$0.64
DC ELIGIBLE CAPITAL COST	\$1,776,240	\$123,953		
10 Year Gross Population / GFA Growth (ft ² .)	2,189	195,400		
Cost Per Capita / Non-Residential GFA (ft ² .)	\$811.44	\$0.63		
<u>By Residential Unit Type</u>	<u>p.p.u</u>			
Single and Semi-Detached Dwelling	3.01	\$2,442		
Apartments - 2 Bedrooms +	1.93	\$1,566		
Apartments - Bachelor and 1 Bedroom	1.24	\$1,006		
Other Multiples	2.10	\$1,704		
Special Care/Special Dwelling Units	1.00	\$811		

**Table 6-4
D.C. Calculation
All Services**

Service	RESIDENTIAL				NON-RESIDENTIAL		
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	Wind Turbines	Solar Farm (per 500 kW)	ICI (per ft ² of Gross Floor Area)
Municipal Wide Services:							
Services Related to a Highway	2,293	1,470	945	1,600	2,293	2,293	1.56
Fire Protection Services	253	162	104	177	253	253	0.17
Parks and Recreation Services	1,947	1,248	802	1,358	-	-	0.38
Library Services	191	122	79	133	-	-	0.04
Administration	268	172	110	187	268	268	0.19
Waste Diversion	36	23	15	25	-	-	0.03
Total Municipal Wide Services	4,988	3,197	2,055	3,480	2,814	2,814	2.37
Urban Services							
Stormwater Drainage and Control Services	375	240	154	262	-	-	0.17
Wastewater Services	8,126	5,210	3,348	5,669	-	-	4.77
Water Services	5,058	3,243	2,084	3,529	-	-	2.97
Total Urban Services	13,559	8,693	5,586	9,460	-	-	7.91
GRAND TOTAL RURAL AREA	4,988	3,197	2,055	3,480	2,814	2,814	2.37
GRAND TOTAL URBAN AREA	18,547	11,890	7,641	12,940	2,814	2,814	10.28

**Table 6-5
Comparison of Current and Calculated D.C.s for Specific Types of Development**

Residential (Single Detached) Comparison

Service	Current	Calculated
Municipal Wide Services:		
Services Related to a Highway	\$ 2,961	\$ 2,293
Fire Protection Services	\$ 221	\$ 253
Parks and Recreation Services	\$ 912	\$ 1,947
Library Services	\$ 213	\$ 191
Administration	\$ 317	\$ 268
Waste Diversion	\$ -	\$ 36
Total Municipal Wide Services	\$ 4,624	\$ 4,988
Area Specific Services:		
Stormwater Drainage and Control Services	\$ 490	\$ 375
Wastewater Services	\$ 4,556	\$ 8,126
Water Services	\$ 886	\$ 5,058
Total Area Specific Services	\$ 5,932	\$ 13,559
Grand Total - Urban Area	\$ 10,556	\$ 18,547

Non-Residential (per ft².) Comparison

Service	Current	Calculated
Municipal Wide Services:		
Services Related to a Highway	\$ 2.16	\$ 1.56
Fire Protection Services	\$ 0.10	\$ 0.17
Parks and Recreation Services	\$ 0.13	\$ 0.38
Library Services	\$ 0.03	\$ 0.04
Administration	\$ 0.22	\$ 0.19
Total Municipal Wide Services	\$ 2.64	\$ 2.37
Area Specific Services:		
Stormwater Drainage and Control Services	\$ 0.22	\$ 0.17
Wastewater Services	\$ 2.80	\$ 4.77
Water Services	\$ 0.55	\$ 2.97
Total Area Specific Services	\$ 3.57	\$ 7.91
Grand Total - Urban Area	\$ 6.21	\$ 10.28

7. Development Charge Policy Recommendations and Development Charge By-law Rules

This chapter outlines the D.C. policy recommendations and by-law rules. The rules provided are based on the Township's existing policies; however, there are items under consideration at this time and these may be refined prior to adoption of the by-law.

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.

7.1 D.C. By-law Structure

It is recommended that:

- the Township impose a uniform municipal-wide D.C. calculation for all municipal services, except for water, wastewater, and stormwater services;

- D.C.s for water, wastewater, and stormwater services be imposed in the municipal urban serviced areas only; and
- one municipal D.C. by-law be used for all services.

7.2 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:

7.2.1 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.

7.2.2 Determination of the Amount of the Charge

The following conventions be adopted:

- 1) Costs allocated to residential uses will be assigned to different types of residential units based on the average occupancy for each housing type constructed during the previous decade. Costs allocated to non-residential uses will be assigned to industrial and commercial/institutional uses based on the gross floor area constructed. In the case of wind turbines and solar farms

respectively, costs will be allocated per wind turbine and per 500 kW of nameplate generating capacity.

- 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.

7.2.3 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:

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

The demolition credit is allowed only if the land was improved by occupied structures, and if the demolition permit related to the site was issued less than 60 months (5 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.

7.2.4 Exemptions (full or partial)

- a) Statutory exemptions
 - Industrial building additions of up to and including 50% of the existing gross floor area (defined in O.Reg. 82/98, s.1) of the building; for industrial building additions which exceed 50% of the existing gross floor area, only the portion of the addition in excess of 50% is subject to D.C.s (s.4(3));
 - Buildings or structures owned by and used for the purposes of any Township, 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).

b) Non-statutory exemptions

- Non-residential farm building for a bona fide farm use, with a valid Farm Business Registration Number and assessed as Farmland Realty Tax Class;
- Places of worship, cemetery or burial ground exempt from taxation under the *Assessment Act*;
- Hospitals under the *Public Hospitals Act*; and
- The first 2,500 square feet of non-residential gross floor area for a new building within the Urban Area.

7.2.5 Phase in Provision(s)

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

7.2.6 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.

7.2.7 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 Other D.C. By-law Provisions

7.3.1 Categories of Services for Reserve Fund and Credit Purposes

It is recommended that the Township's D.C. collections be contributed into nine (9) separate reserve funds, including: Services Related to Highways (Roads and Related); Fire Protection, Parks and Recreation; Library; Administration; Waste Diversion; Water; Wastewater; and Stormwater Drainage and Control Services.

7.3.2 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.

7.3.3 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).

7.4 Other Recommendations

It is recommended that Council:

“Approve the capital project listing set out in Chapter 5 of the D.C.s Background Study dated September 12, 2017, subject to further annual review during the capital budget process;”

“Approve the D.C.s Background Study dated September 12, 2017;”

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

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

8. By-law Implementation

8.1 Public Consultation

This chapter addresses the mandatory, formal public consultation process (subsection 8.1.2), as well as the optional, informal consultation process (subsection 8.1.3). The latter is designed to seek the co-operation and involvement of those involved, in order to produce the most suitable policy. Section 8.2 addresses the anticipated impact of the D.C. on development, from a generic viewpoint.

8.1.1 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 O.M.B.

8.1.2 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, gross floor area exclusions such as basement, mechanical or indoor parking areas, or exemptions and phase-in or capping provisions in order to moderate the impact.

8.2 Anticipated Impact of the Charge on Development

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

On the other hand, D.C.s or other 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.

8.3 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.

8.3.1 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 not later than 20 days after the day the by-law is passed (i.e. as of the day of newspaper publication or the mailing of the notice).

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

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

8.3.2 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 O.M.B., 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.

8.3.3 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 O.M.B. Hearing in response to an appeal. Any person or organization may appeal a D.C. by-law to the O.M.B. 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.

8.3.4 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 O.M.B.

8.3.5 Credits

Sections 38 to 41 of the D.C.A., 1997 set out a number of credit requirements, which apply where a Township 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.

8.3.6 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.

8.3.7 Severance and Subdivision Agreement Conditions

Section 59 of the D.C.A., 1997 prevents a Township 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 Township 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 Township 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.

Appendix A – Background Information on Residential and Non-residential Growth Forecast

Appendix A – Background Information on Residential and Non-residential Growth Forecast

The following appendix contains the tables outlining the detailed growth forecast calculations as follows:

- Page A-3 Residential Growth Forecast Summary and Annual Housing Forecast
- Page A-4 Estimate of the Anticipated Amount, Type and Location of Residential Development for which Development Charges can be Imposed
- Page A-5 Current Year Growth Forecast
- Page A-6 Ten Year Growth Forecast
- Page A-7 Twenty Year Growth Forecast
- Page A-8 Summary of Units in the Development Process
- Page A-9 Historical Residential Building Permits
- Page A-10 Persons Per Unit by Age and Type of Dwelling (Southgate)
- Page A-11 Persons Per Unit by Age and Type of Dwelling (Grey County)
- Page A-12 Graphical Presentations of Persons Per Unit by Age and Type of Dwelling (Southgate)
- Page A-13 Employment Forecast, 2017 to 2037
- Page A-14 Employment Gross Floor Area (G.F.A.) Forecast, 2017 to 2037
- Page A-15 Non-residential Construction Value, Years 2017-2037
- Page A-16 Employment to Population Ratio by Major Employment Sector, 2001 to 2011

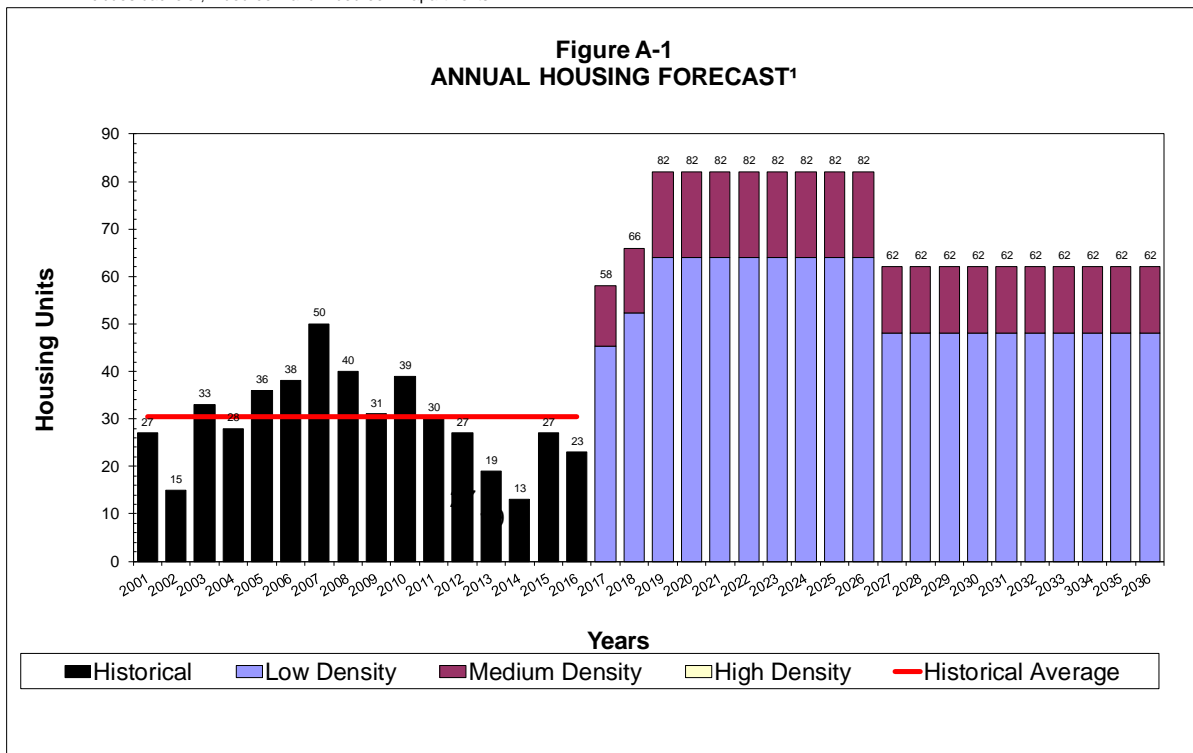
**SCHEDULE 1
TOWNSHIP OF SOUTHGATE
RESIDENTIAL GROWTH FORECAST SUMMARY**

Year		Population (Excluding Census Undercount)	Housing Units					Person Per Unit (PPU)
			Singles & Semi- Detached	Multiple Dwellings ¹	Apartments ²	Other	Total Households	
Historical	Mid 2001	6,905	2,250	45	100	20	2,415	2.86
	Mid 2006	7,167	2,445	20	95	10	2,570	2.79
	Mid 2011	7,190	2,390	30	110	95	2,625	2.74
	Mid 2016	7,354	2,473	31	111	95	2,710	2.71
Forecast	Mid 2017	7,413	2,496	31	111	95	2,733	2.71
	Mid 2027	9,352	3,105	202	111	95	3,513	2.66
	Mid 2037	10,794	3,586	341	111	95	4,133	2.61
Incremental	Mid 2001 - Mid 2006	262	195	-25	-5	-10	155	
	Mid 2006 - Mid 2011	23	-55	10	15	85	55	
	Mid 2011 - Mid 2016	164	83	1	1	0	85	
	Mid 2016 - Mid 2017	59	23	0	0	0	23	
	Mid 2017 - Mid 2027	1,939	609	171	0	0	780	
	Mid 2017 - Mid 2037	3,381	1,090	310	0	0	1,400	

Source: Watson & Associates Economists Ltd., 2017 in conjunction with Township staff.

1. Includes townhouses and apartments in duplexes.

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



Source: Historical housing activity (2001-2016) based on Statistics Canada building permits.

1. Growth forecast represents calendar year.

**SCHEDULE 2
TOWNSHIP OF SOUTHGATE
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 POPULATION IN NEW UNITS	EXISTING UNIT POPULATION CHANGE	NET POPULATION INCREASE
Dundalk	2017 - 2027	504	171	-	675	1,874	(75)	1,799
	2017 - 2037	920	310	-	1,230	3,415	(163)	3,251
Remaining Urban	2017 - 2027	25	-	-	25	75	(25)	50
	2017 - 2037	50	-	-	50	149	(54)	95
Rural	2017 - 2027	80	-	-	80	240	(150)	90
	2017 - 2037	120	-	-	120	361	(327)	34
Township of Southgate	2017 - 2027	609	171	-	780	2,189	(250)	1,939
	2017 - 2037	1,090	310	-	1,400	3,926	(545)	3,381

Source: Watson & Associates Economists Ltd., 2017

Residential distribution based on a combination of historical permit activity, available housing supply and discussions with Township staff regarding future development prospects.

1. Includes townhomes and apartments in duplexes.

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

**SCHEDULE 3
TOWNSHIP OF SOUTHGATE
CURRENT YEAR GROWTH FORECAST
MID 2016 TO MID 2017**

		POPULATION
Mid 2016 Population		7,354
Occupants of New Housing Units, Mid 2016 to Mid 2017	<i>Units (2)</i>	23
	<i>multiplied by persons per unit (3)</i>	2.58
	<i>gross population increase</i>	59
		59
Decline in Housing Unit Occupancy, Mid 2016 to Mid 2017	<i>Units (4)</i>	2,625
	<i>multiplied by ppu decline rate (5)</i>	0.0001
	<i>total decline in population</i>	0
		0
Population Estimate to Mid 2017		7,413
<i>Net Population Increase, Mid 2016 to Mid 2017</i>		59

- (1) 2016 population based on StatsCan Census unadjusted for Census Undercount.
- (2) Estimated residential units constructed, Mid 2016 to the beginning of the growth period, assuming a six month lag between construction and occupancy.
- (3) Average number of persons per unit (ppu) is assumed to be:

Structural Type	Persons Per Unit ¹	% Distribution of Estimated Units ²	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	2.58	100%	2.58
<i>Multiples (6)</i>	2.10	0%	0.00
<i>Apartments (7)</i>	1.76	0%	0.00
Total		100%	2.58

¹ Based on 2011 Census custom database

² Based on Building permit/completion activity

- (4) 2016 households taken from StatsCan Census.
- (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.

**SCHEDULE 4
TOWNSHIP OF SOUTHGATE
TEN YEAR GROWTH FORECAST
MID 2017 TO MID 2027**

		POPULATION
Mid 2017 Population		7,413
Occupants of New Housing Units, Mid 2017 to Mid 2027	<i>Units (2)</i>	780
	<i>multiplied by persons per unit (3)</i>	2.81
	<i>gross population increase</i>	2,189
Decline in Housing Unit Occupancy, Mid 2017 to Mid 2027	<i>Units (4)</i>	2,710
	<i>multiplied by ppu decline rate (5)</i>	-0.0923
	<i>total decline in population</i>	-250
Population Estimate to Mid 2027		9,352
<i>Net Population Increase, Mid 2017 to Mid 2027</i>		1,939

(1) Mid 2017 Population based on:

2016 Population (7,354) + Mid 2016 to Mid 2017 estimated housing units to beginning of forecast period (23 x 2.58 = 59) + (2,625 x 0.0001 = 0) = 7,413

(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	% Distribution of Estimated Units ²	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	3.01	78%	2.35
<i>Multiples (6)</i>	2.10	22%	0.46
<i>Apartments (7)</i>	1.76	0%	0.00
<i>one bedroom or less</i>	1.24		
<i>two bedrooms or more</i>	1.93		
Total		100%	2.81

¹ Persons per unit based on adjusted Statistics Canada Custom 2011 Census database.

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

(4) Mid 2017 households based upon 2,625 (2016 Census) + 23 (Mid 2016 to Mid 2017 unit estimate) = 2,733

(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.

**SCHEDULE 5
TOWNSHIP OF SOUTHGATE
TWENTY YEAR GROWTH FORECAST
MID 2017 TO MID 2037**

		POPULATION
Mid 2017 Population		7,413
Occupants of New Housing Units, Mid 2017 to Mid 2037	<i>Units (2)</i>	1,400
	<i>multiplied by persons per unit (3)</i>	2.80
	<i>gross population increase</i>	3,926
Decline in Housing Unit Occupancy, Mid 2017 to Mid 2037	<i>Units (4)</i>	2,710
	<i>multiplied by ppu decline rate (5)</i>	-0.2011
	<i>total decline in population</i>	-545
Population Estimate to Mid 2037		10,794
<i>Net Population Increase, Mid 2017 to Mid 2037</i>		3,381

(1) Mid 2017 Population based on:

2016 Population (7,354) + Mid 2016 to Mid 2017 estimated housing units to beginning of forecast period (23 x 2.58 = 59) + (2,625 x 0.0001 = 0) = 7,413

(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	% Distribution of Estimated Units ²	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	3.01	78%	2.34
<i>Multiples (6)</i>	2.10	22%	0.46
<i>Apartments (7)</i>	1.76	0%	0.00
<i>one bedroom or less</i>	1.24		
<i>two bedrooms or more</i>	1.93		
Total		100%	2.80

¹ Persons per unit based on adjusted Statistics Canada Custom 2011 Census database.

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

(4) Mid 2017 households based upon 2,625 (2016 Census) + 23 (Mid 2016 to Mid 2017 unit estimate) = 2,733

(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.

SCHEDULE 6
TOWNSHIP OF SOUTHGATE
SUMMARY OF ANTICIPATED RESIDENTIAL DEVELOPMENT ACTIVITY, 2017 TO 2036

Developer Name	Development Timing	Single or Semi-detached	Townhomes	Total
Highway #10 property owned by Southgate	2027-2046	39	25	64
Flato East - (10 yr)	2018-2028	310	90	400
Flato East - (20 yr)		0	100	100
Flato North	2018-2026	267	0	267
Keating Property	20127-2036	30	0	30
Flato West	2017	70	0	70
Breamore Street	2027-2036	30	10	40
Gilas Development - (10 yr)	2020-2030	45	0	45
Gilas Development - (20 yr)		55	30	85
White Rose Park	2017-2020	54	12	66
Chan Property	2027-2036	10	0	10
Young Street infill project	2017-2026	10	0	10
Flato Eco Park Lands	2018-2036	0	43	43
Southgate - Village of Dundalk		920	310	1,230

Source: Derived by Watson & Associates Economists Ltd. based on Township of Southgate Building Department.

Represents units expected to be completed construction within long-term forecast period.

SCHEDULE 7

**TOWNSHIP OF SOUTHGATE
HISTORICAL RESIDENTIAL BUILDING PERMITS
YEARS 2007 - 2016**

Year	RESIDENTIAL BUILDING PERMITS			
	Singles & Semi Detached	Multiples ¹	Apartments ²	Total
2007	50	0	0	50
2008	40	0	0	40
2009	31	0	0	31
2010	39	0	0	39
2011	28	1	1	30
Sub-total	188	1	1	190
Average (2007 - 2011)	38	0	0	38
% Breakdown	98.9%	0.5%	0.5%	100%
2012	27	0	0	27
2013	19	0	0	19
2014	13	0	0	13
2015	27	0	0	27
2016	23	0	0	23
Sub-total	109	0	0	109
Average (2012 - 2016)	22	0	0	22
% Breakdown	100.0%	0.0%	0.0%	100%
2007 - 2016				
Total	297	1	1	299
Average	30	0	0	30
% Breakdown	99.3%	0.3%	0.3%	100%

Sources:

Building Permits - Statistics Canada Publication.

Township of Southgate Building Department.

1. Includes townhouses and apartments in duplexes.

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

SCHEDULE 8a

**TOWNSHIP OF SOUTHGATE
PERSONS PER UNIT BY AGE AND TYPE OF DWELLING
(2011 CENSUS)**

Age of Dwelling	SINGLES AND SEMI-DETACHED						20 Year Average
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total	
1-5	-	-	-	2.556	-	2.556	
6-10	-	-	-	2.600	5.333	3.103	
11-15	-	-	3.000	3.481	-	3.260	
16-20	-	-	-	3.063	3.286	3.103	3.01
20-25	-	-	-	2.677	-	2.677	
25-35	-	-	-	3.526	-	3.526	
35+	-	-	1.786	2.659	4.036	2.621	
Total	-	-	2.139	2.807	4.098	2.802	

1. The Census PPU has been adjusted to account for the downward PPU trend which has been recently experienced in both new and older units, largely due to the aging of the population.

2. Includes townhouses and apartments in duplexes.

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

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

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

SCHEDULE 8b

**GREY COUNTY
PERSONS PER UNIT BY AGE AND TYPE OF DWELLING
(2011 CENSUS)**

Age of Dwelling	SINGLES AND SEMI-DETACHED						Adjusted PPU ¹	20 Year Average
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	1.982	2.684	3.125	2.620	2.56	
6-10	-	-	2.205	2.494	3.814	2.613	2.58	
11-15	-	-	2.207	2.793	3.240	2.702	2.69	
16-20	-	-	1.821	2.893	3.115	2.795	2.79	2.65
20-25	-	-	2.255	2.564	3.411	2.602	2.60	
25-35	-	-	1.900	2.608	4.136	2.530	2.53	
35+	0.786	1.581	2.030	2.559	3.374	2.500	2.50	
Total	0.606	1.628	2.045	2.599	3.412	2.553		

Age of Dwelling	MULTIPLES ²						Adjusted PPU ¹	20 Year Average
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	1.378	1.769	-	1.519	1.45	
6-10	-	-	1.417	-	-	1.609	1.57	
11-15	-	-	1.357	-	-	2.111	2.09	
16-20	-	-	1.923	2.417	-	3.290	3.27	2.10
20-25	-	-	-	2.286	-	2.025	2.02	
25-35	-	-	-	3.077	-	2.818	2.81	
35+	0.431	1.429	3.250	2.756	-	1.899	1.90	
Total	0.793	1.414	2.039	2.583	-	2.015		

Age of Dwelling	APARTMENTS ³						Adjusted PPU ¹	20 Year Average
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	1.474	-	-	-	1.957	2.19	
6-10	-	-	2.667	-	-	1.842	1.95	
11-15	-	-	1.545	-	-	1.438	1.48	
16-20	-	1.344	1.500	-	-	1.424	1.44	1.76
20-25	-	-	1.722	-	-	1.723	1.74	
25-35	-	1.080	1.926	-	-	1.449	1.45	
35+	1.643	1.145	1.782	2.371	-	1.523	1.53	
Total	0.921	1.175	1.795	2.658	-	1.535		

Age of Dwelling	ALL DENSITY TYPES					
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total
1-5	-	1.548	1.737	2.653	3.179	2.417
6-10	-	-	2.028	2.456	3.814	2.525
11-15	-	-	2.000	2.767	3.259	2.564
16-20	-	1.268	1.667	2.815	3.633	2.587
20-25	-	1.500	1.981	2.505	3.411	2.467
25-35	-	1.136	1.939	2.547	3.957	2.304
35+	1.063	1.233	1.914	2.548	3.294	2.315
Total	1.059	1.251	1.909	2.573	3.396	2.374

1. The Census PPU has been adjusted to account for the downward PPU trend which has been recently experienced in both new and older units, largely due to the aging of the population.

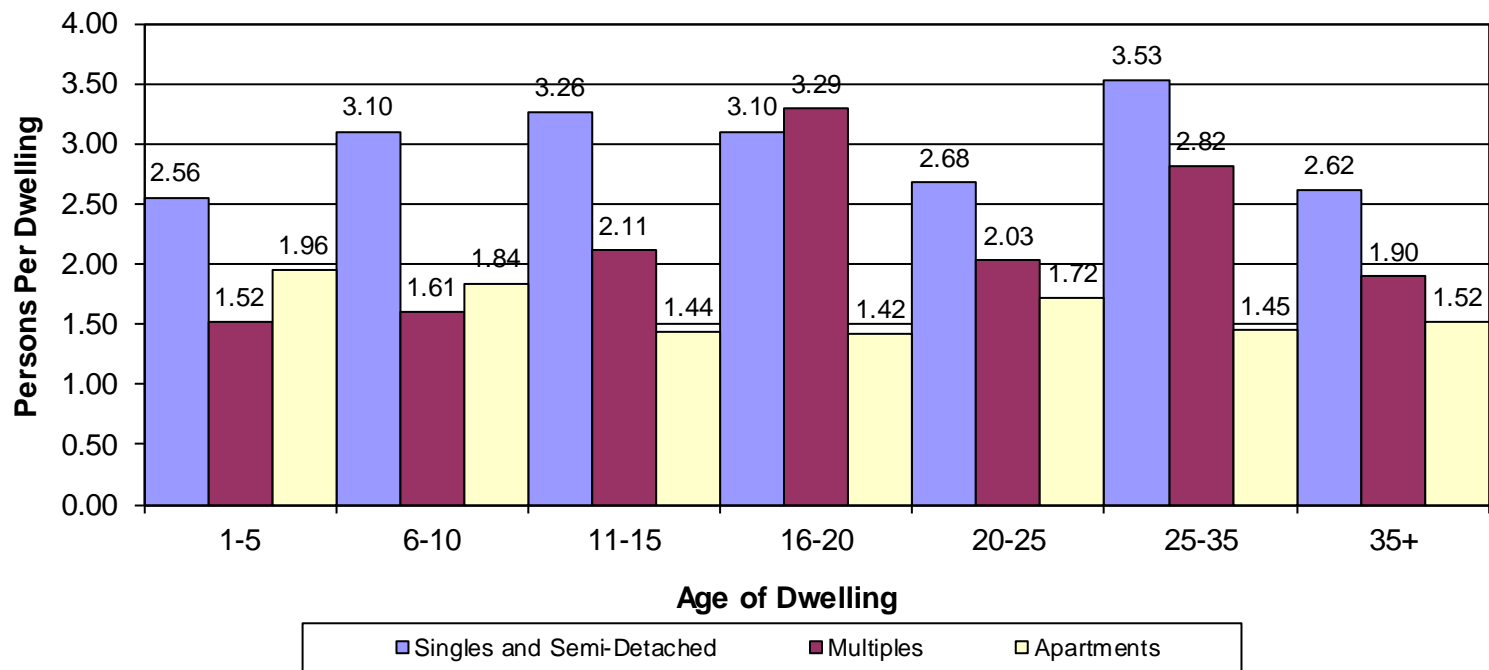
2. Includes townhomes and apartments in duplexes.

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

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

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

**SCHEDULE 9
TOWNSHIP OF SOUTHGATE
PERSONS PER UNIT BY STRUCTURAL TYPE AND AGE OF DWELLING
(2011 CENSUS)**



Multiple and Apartment PPU's are based on Grey County .

SCHEDULE 10a
TOWNSHIP OF SOUTHGATE
EMPLOYMENT FORECAST, 2017 TO 2037

Period	Population	Activity Rate						Employment					
		Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total	Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total Employment
Mid 2001	6,905	0.008	0.106	0.054	0.038	0.020	0.228	55	735	376	266	140	1,571
Mid 2006	7,167	0.015	0.076	0.049	0.036	0.017	0.193	110	545	348	258	120	1,381
Mid 2011¹	7,190	0.022	0.028	0.041	0.047	0.015	0.152	156	204	294	336	106	1,095
Mid 2016²	7,354	0.021	0.029	0.048	0.037	0.015	0.000	156	216	356	275	108	1,111
Mid 2017	7,413	0.022	0.029	0.051	0.037	0.015	0.154	156	217	378	275	108	1,134
Mid 2027	9,352	0.020	0.030	0.042	0.059	0.016	0.167	190	278	388	554	151	1,561
Mid 2037	10,794	0.020	0.029	0.039	0.075	0.016	0.180	216	315	421	815	172	1,939
Incremental Change													
Mid 2001 - Mid 2006	262	0.007	-0.030	-0.006	-0.002	-0.004	-0.035	55	-190	-28	-8	-20	-190
Mid 2006 - Mid 2011	23	0.0063	-0.0477	-0.0077	0.0107	-0.0020	-0.0404	46	-341	-54	78	-14	-286
Mid 2011 - Mid 2016	164	-0.0004	0.0010	0.0076	-0.0093	0.0000	-0.1523	0	12	62	-61	2	16
Mid 2016 - Mid 2017	59	0.0004	-0.0001	0.0026	-0.0002	-0.0001	0.1536	0	1	22	0	0	23
Mid 2017 - Mid 2027	1,939	-0.0013	0.0004	-0.0095	0.0221	0.0016	0.0133	34	61	10	279	43	427
Mid 2017 - Mid 2037	3,381	-0.0016	-0.0001	-0.0120	0.0383	0.0014	0.0261	60	98	43	540	64	805
Annual Average													
Mid 2001 - Mid 2006	52	0.00148	-0.00608	-0.00117	-0.00049	-0.00071	-0.00697	11	-38	-6	-2	-4	-38
Mid 2006 - Mid 2011	5	0.0013	-0.0095	-0.0015	0.0021	-0.0004	-0.0081	9	-68	-11	16	-3	-57
Mid 2011 - Mid 2016	33	-0.0001	0.0002	0.0015	-0.0019	0.0000	-0.0305	0	2	12	-12	0	3
Mid 2016 - Mid 2017	10	0.0004	-0.0001	0.0026	-0.0002	-0.0001	0.1536	0	1	22	0	0	23
Mid 2017 - Mid 2027	194	-0.00013	0.00004	-0.00095	0.00221	0.00016	0.00133	3	6	1	28	4	43
Mid 2017 - Mid 2037	169	-0.00008	0.00000	-0.00060	0.00192	0.00007	0.00130	3	5	2	27	3	40

Source: Watson & Associates Economists Ltd., 2017 in conjunction with Township staff.

1. Derived from Economic Modelling Specialists International (EMSI) 2014 data for the Township of Southgate.
2. Derived from EMSI 2014 data for the Township of Southgate adjusted for recent non-residential development activity.

SCHEDULE 10b
TOWNSHIP OF SOUTHGATE
EMPLOYMENT (Excluding Work at Home) & GROSS FLOOR AREA (GFA) FORECAST, 2017 TO 2037

Period	Population	Employment					Gross Floor Area in Square Feet (Estimated) ³			
		Primary	Industrial	Commercial/ Population Related	Institutional	Total	Industrial	Commercial/ Population Related	Institutional	Total
Mid 2001	6,905	55	376	266	140	836				
Mid 2006	7,167	110	348	258	120	836				
Mid 2011 ¹	7,190	156	294	336	106	891				
Mid 2016 ²	7,354	156	356	275	108	895				
Mid 2017	7,413	156	378	275	108	917				
Mid 2027	9,352	190	388	554	151	1,283				
Mid 2037	10,794	216	421	815	172	1,624				
Incremental Change										
Mid 2001 - Mid 2006	262	55	-28	-8	-20	0				
Mid 2006 - Mid 2011	23	46	-54	78	-14	55				
Mid 2011 - Mid 2016	164	0	62	-61	2	4				
Mid 2016 - Mid 2017	59	0	22	0	0	22	26,500	0	0	26,500
Mid 2017 - Mid 2027	1,939	34	10	279	43	366	11,900	153,400	30,100	195,400
Mid 2017 - Mid 2037	3,381	60	43	540	64	707	51,500	297,000	44,800	393,300
Annual Average										
Mid 2001 - Mid 2006	52	11	-6	-2	-4	0				
Mid 2006 - Mid 2011	5	9	-11	16	-3	11				
Mid 2011 - Mid 2016	33	0	12	-12	0	1				
Mid 2016 - Mid 2017	10	0	4	0	0	4	26,500	0	0	26,500
Mid 2017 - Mid 2027	194	3	1	28	4	37	1,190	15,340	3,010	19,540
Mid 2017 - Mid 2037	169	3	2	27	3	35	2,575	14,850	2,240	19,665

Source: Watson & Associates Economists Ltd., 2017 in conjunction with Township staff.

1. Derived from EMSI 2014 data for the Township of Southgate.
2. Derived from EMSI 2014 data for the Township of Southgate adjusted for recent non-residential development activity.
3. Square Foot Per Employee Assumptions

Industrial	1,300
Commercial/ Population Related	550
Institutional	700

SCHEDULE 10c
ESTIMATE OF THE ANTICIPATED AMOUNT, TYPE AND LOCATION OF
NON-RESIDENTIAL DEVELOPMENT FOR WHICH DEVELOPMENT CHARGES CAN BE IMPOSED

DEVELOPMENT LOCATION	TIMING	INDUSTRIAL	COMMERCIAL	INSTITUTIONAL	TOTAL NON-RES	EMPLOYMENT
		GFA S.F.	GFA S.F.	GFA S.F.	GFA S.F.	INCREASE ¹
Dundalk	2017 - 2027	11,900	139,100	30,100	181,100	306
	2017 - 2037	51,500	275,500	44,800	371,800	608
Remaining Urban	2017 - 2027	-	5,600	-	5,600	10
	2017 - 2037	-	12,200	-	12,200	22
Rural	2017 - 2027	-	8,800	-	8,800	50
	2017 - 2037	-	9,400	-	9,400	77
Township of Southgate	2017 - 2027	11,900	153,400	30,100	195,400	366
	2017 - 2037	51,500	297,000	44,800	393,300	707

Source: Watson & Associates Economists Ltd., 2017

1. Employment Increase does not include No Fixed Place of Work.

2. Square feet per employee assumptions:

Industrial	1,200
Commercial	550
Institutional	700

SCHEDULE 11

TOWNSHIP OF SOUTHGATE

EMPLOYMENT TO POPULATION RATIO BY MAJOR EMPLOYMENT SECTOR, 2001 TO 2011

NAICS		Year			Change		Comments
		2001	2006	2011	01-06	06-11	
Employment by industry							
Primary Industry Employment							
11	<i>Agriculture, forestry, fishing and hunting</i>	520	390	173	-130	-217	Categories which relate to local land-based resources.
21	<i>Mining and oil and gas extraction</i>	0	0	10	0	10	
Sub-total		520	390	183	-130	-207	
Industrial and Other Employment							
22	<i>Utilities</i>	10	0	11	-10	11	Categories which relate primarily to industrial land supply and demand.
23	<i>Construction</i>	85	40	62	-45	22	
31-33	<i>Manufacturing</i>	255	245	81	-10	-164	
41	<i>Wholesale trade</i>	65	35	108	-30	73	
48-49	<i>Transportation and warehousing</i>	85	85	127	0	42	
56	<i>Waste management and remediation services</i>	13	18	5	5	-13	
Sub-total		513	423	394	-90	-29	
Population Related Employment							
44-45	<i>Retail trade</i>	110	65	205	-45	140	Categories which relate primarily to population growth within the municipality.
51	<i>Information and cultural industries</i>	15	20	10	5	-10	
52	<i>Finance and insurance</i>	25	30	61	5	31	
53	<i>Real estate and rental and leasing</i>	35	15	19	-20	4	
54	<i>Professional, scientific and technical services</i>	40	80	11	40	-69	
55	<i>Management of companies and enterprises</i>	10	0	0	-10	0	
56	<i>Administrative and support</i>	13	18	5	5	-13	
71	<i>Arts, entertainment and recreation</i>	20	10	10	-10	0	
72	<i>Accommodation and food services</i>	50	30	22	-20	-8	
81	<i>Other services (except public administration)</i>	55	135	44	80	-91	
Sub-total		373	403	387	30	-16	
Institutional							
61	<i>Educational services</i>	70	65	75	-5	10	
62	<i>Health care and social assistance</i>	50	65	19	15	-46	
91	<i>Public administration</i>	45	35	37	-10	2	
Sub-total		165	165	131	0	-34	
Total Employment		1,571	1,381	1,095	-190	-286	
Population		6,905	7,167	7,190	262	23	
Employment to Population Ratio							
Industrial and Other Employment		0.07	0.06	0.05	-0.02	0.00	
Population Related Employment		0.05	0.06	0.05	0.00	0.00	
Institutional Employment		0.02	0.02	0.02	0.00	0.00	
Primary Industry Employment		0.08	0.05	0.03	-0.02	-0.03	
Total		0.23	0.19	0.15	-0.03	-0.04	

Source: Statistics Canada Employment by Place of Work.

Note: 2001-2011 employment figures are classified by North American Industry Classification System (NAICS) Code.

Appendix B – Level of Service

Appendix B – Level of Service

The following appendix contains the tables outlining the detailed service standard calculations as follows:

- Page B-3 Parkland Development
- Page B-4 Parkland Amenities
- Page B-5 Parks Vehicles and Equipment
- Page B-6 Indoor Recreation Facilities
- Page B-7 Library Facilities
- Page B-8 Library Materials
- Page B-9 Waste Diversion Facilities
- Page B-10 Waste Diversion Vehicles and Equipment
- Page B-11 Roads
- Page B-12 Depots and Domes
- Page B-13 Roads and Related Vehicles
- Page B-14 Fire Facilities
- Page B-15 Fire Vehicles
- Page B-16 Fire Small Equipment and Gear

**Township of Southgate
Service Standard Calculation Sheet**

Service: Parkland Development
Unit Measure: Acres of Parkland

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 Value (\$/Acre)
Dundalk Memorial Park	11	11	11	11	11	11	11	11	11	11	\$51,900
Dales Memorial Park	2	2	2	2	2	2	2	2	2	2	\$51,900
Hopeville Ball Park	8	8	8	8	8	8	8	8	8	8	\$10,900
Dromore Park	2	2	2	2	2	2	2	2	2	2	\$28,200
Holstein Park	10	10	10	10	10	10	10	10	10	10	\$13,600
Proton Station	2	2	2	2	2	2	2	2	2	2	\$21,400
Lisanti Park	-	-	-	1	1	1	1	1	1	1	\$51,900
Trails (km)	-	-	-	1	1	1	1	1	1	1	\$21,000
Total	35	35	35	36	36	36	36	36	36	36	

Population	7,164	7,196	7,203	7,186	7,190	7,239	7,282	7,305	7,312	7,354
Per Capita Standard	0.0049	0.0048	0.0048	0.0050	0.0050	0.0050	0.0049	0.0049	0.0049	0.0049

10 Year Average	2007-2016
Quantity Standard	0.0049
Quality Standard	\$28,710
Service Standard	\$141

DC Amount (before deductions)	10 Year
Forecast Population	1,939
\$ per Capita	\$141
Eligible Amount	\$272,779

**Township of Southgate
Service Standard Calculation Sheet**

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

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 Value (\$/item)
Ball Diamonds - Lit	3	3	3	3	3	3	3	3	3	3	\$191,700
Play Structures/Equipment	6	6	6	6	6	6	7	7	7	7	\$52,600
Picnic Pavilion/Canteen/Washrooms (Hopeville)	1	1	1	1	1	1	1	1	1	1	\$303,500
Lawn Bowling	1	1	1	1	1	1	1	1	1	1	\$5,700
Outdoor Pool	1	1	1	1	1	1	1	1	1	1	\$156,500
Pool Change House	1	1	1	1	1	1	1	1	1	1	\$114,300
Ball Diamond - Unlit	1	1	1	1	1	1	1	1	1	1	\$36,200
Concession Booth/Washrooms (Holstein)	1	1	1	1	1	1	1	1	1	1	\$97,000
Picnic Shelter at Dromore	1	1	1	1	1	1	1	1	1	1	\$28,200
Dundalk Pavilion	1	1	1	1	1	1	1	1	1	1	\$210,200
Total	17	17	17	17	17	17	18	18	18	18	

Population	7,164	7,196	7,203	7,186	7,190	7,239	7,282	7,305	7,312	7,354
Per Capita Standard	0.0024	0.0024	0.0024	0.0024	0.0024	0.0023	0.0025	0.0025	0.0025	0.0024

10 Year Average	2007-2016
Quantity Standard	0.0024
Quality Standard	\$107,188
Service Standard	\$257

DC Amount (before deductions)	10 Year
Forecast Population	1,939
\$ per Capita	\$257
Eligible Amount	\$498,808

**Township of Southgate
Service Standard Calculation Sheet**

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

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 Value (\$/Vehicle)
Lawn Mower Zero	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	\$10,300
Pickup Truck	-	-	-	-	-	0.50	0.50	0.50	0.50	0.50	\$17,200
Tractor	-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	\$17,200
Trailer	-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	\$5,800
Ice Resurfacer	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	\$86,200
Total	2	2	2	2	4	5	5	5	5	5	

Population	7,164	7,196	7,203	7,186	7,190	7,239	7,282	7,305	7,312	7,354
Per Capita Standard	0.0003	0.0003	0.0003	0.0003	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006

10 Year Average	2007-2016
Quantity Standard	0.0005
Quality Standard	\$31,620
Service Standard	\$16

DC Amount (before deductions)	10 Year
Forecast Population	1,939
\$ per Capita	\$16
Eligible Amount	\$30,656

**Township of Southgate
Service Standard Calculation Sheet**

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

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 Bld'g Value (\$/ft ²)	Value/ft ² with land, site works, etc.
Arena & Community Centre	31,278	31,278	31,278	31,278	31,278	31,278	31,278	31,278	31,278	31,278	\$208	\$233
Swinton Park Community Hall	1,606	1,606	1,606	1,606	1,606	1,606	1,606	1,606	1,606	1,606	\$149	\$168
F. Macintyre Building	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	\$169	\$190
Cedarville Hall	1,150	1,150	-	-	-	-	-	-	-	-	\$236	\$0
Holstein Pavilion	2,646	2,646	2,646	2,646	2,646	2,646	2,646	2,646	2,646	2,646	\$169	\$190
Total	37,760	37,760	36,610	36,610	36,610	36,610	36,610	36,610	36,610	36,610		

Population	7,164	7,196	7,203	7,186	7,190	7,239	7,282	7,305	7,312	7,354
Per Capita Standard	5.2708	5.2474	5.0826	5.0946	5.0918	5.0573	5.0275	5.0116	5.0068	4.9782

10 Year Average	2007-2016
Quantity Standard	5.0869
Quality Standard	\$224
Service Standard	\$1,141

DC Amount (before deductions)	10 Year
Forecast Population	1,939
\$ per Capita	\$1,141
Eligible Amount	\$2,212,864

**Township of Southgate
Service Standard Calculation Sheet**

Service: Library Facilities
Unit Measure: ft² of building area

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 Bld'g Value (\$/ft²)	Value/ft² with land, site works, etc.
The Ruth Hargrave Memorial Library	3,200	3,200	3,200	5,300	5,300	5,300	5,300	5,300	5,300	5,300	\$202	\$248
Total	3,200	3,200	3,200	5,300	5,300	5,300	5,300	5,300	5,300	5,300		

Population	7,164	7,196	7,203	7,186	7,190	7,239	7,282	7,305	7,312	7,354
Per Capita Standard	0.4467	0.4447	0.4443	0.7375	0.7371	0.7321	0.7278	0.7255	0.7248	0.7207

10 Year Average	2007-2016
Quantity Standard	0.6441
Quality Standard	\$248
Service Standard	\$160

DC Amount (before deductions)	10 Year
Forecast Population	1,939
\$ per Capita	\$160
Eligible Amount	\$309,755

**Township of Southgate
Service Standard Calculation Sheet**

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

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 Value (\$/item)
Volumes and Audiobooks	12,923	12,923	12,923	12,923	12,923	12,923	12,923	12,923	12,923	12,923	\$50
Uncatalogued Volumes	140	140	140	140	140	140	140	140	140	140	\$50
Micromaterials - Periodicals and Newspapers	23	23	23	23	23	23	23	23	23	23	\$455
CD-ROMs	1	1	1	1	1	1	1	1	1	1	\$39
e-books consortium	-	-	-	-	-	-	1	1	1	1	\$1,682
e-books	-	-	-	-	-	-	-	15	15	15	\$53
Total	13,087	13,087	13,087	13,087	13,087	13,087	13,088	13,103	13,103	13,103	

Population	7,164	7,196	7,203	7,186	7,190	7,239	7,282	7,305	7,312	7,354
Per Capita Standard	1.8268	1.8186	1.8169	1.8212	1.8202	1.8078	1.7973	1.7937	1.7920	1.7818

10 Year Average	2007-2016
Quantity Standard	1.8076
Quality Standard	\$51
Service Standard	\$92

DC Amount (before deductions)	10 Year
Forecast Population	1,939
\$ per Capita	\$92
Eligible Amount	\$177,923

**Township of Southgate
Service Standard Calculation Sheet**

Service: Waste Diversion - Facilities - Stations/Depots
Unit Measure: ft² of building area

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Diversion Percentage	2017 Bld'g Value (\$/ft ²)	Value/ft ² with land, site works, etc.
Egremont Waste Works Garage (60% diversion)	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	60%	\$40	\$48
Egremont Administration Building (60% diversion)	750	750	750	750	750	750	750	750	750	750	60%	\$107	\$121
Egremont Recycle Building	1,638	1,638	1,638	1,638	1,638	1,638	1,638	1,638	1,638	1,638	100%	\$37	\$44
Egremont Transfer Station Special Waste B	832	832	832	832	832	832	832	832	832	832	100%	\$31	\$38
Dundalk Transfer Station Special Waste Bu	678	678	678	678	678	678	678	678	678	678	100%	\$15	\$20
Egremont Transfer Station & Compost Pad	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	75%	\$23	\$33
Dundalk Transfer Station	7,826	7,826	7,826	7,826	7,826	7,826	7,826	7,826	7,826	7,826	60%	\$23	\$35
Total	40,085	40,085	40,085	40,085	40,085	40,085	40,085	40,085	40,085	40,085			
Total Eligible Portion of Facilities	29,060	29,060	29,060	29,060	29,060	29,060	29,060	29,060	29,060	29,060			

Population	7,164	7,196	7,203	7,186	7,190	7,239	7,282	7,305	7,312	7,354
Per Capita Standard	4.0564	4.0384	4.0344	4.0440	4.0417	4.0144	3.9907	3.9781	3.9743	3.9516

10 Year Average	2007-2016
Quantity Standard	4.0124
Quality Standard	\$36
Service Standard	\$145

DC Amount (before deductions)	10 Year
Forecast Population	1,939
\$ per Capita	\$145
Eligible Amount	\$281,543

**Township of Southgate
Service Standard Calculation Sheet**

Service: Waste Diversion - Vehicles & Equipment
Unit Measure: No. of vehicles and equipment

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Diversion Percentage	2017 Value (\$/Vehicle)
Roll-off Truck 2003	1	1	1	1	1	1	1	1	1	1	60%	\$191,700
Garage Equipment	1	1	1	1	1	1	1	1	1	1	60%	\$28,500
30 Yard Recycle Containers	3	3	3	3	3	3	3	3	3	3	60%	\$19,500
40 Yard Bins	11	11	11	11	11	11	11	11	11	11	60%	\$72,820
50 Yard Bins	2	2	2	2	2	2	2	2	2	2	60%	\$16,000
1999 Payloader	1	1	1	1	1	1	1	1	1	1	60%	\$300,000
Egremont Transfer Station Weigh Scale	1	1	1	1	1	1	1	1	1	1	60%	\$70,000
Collection Truck 2009			1	1	1	1	1	1	1	1	60%	\$325,000
Collection Truck 2013							1	1	1	1	60%	\$325,000
Orange Drop Hazardous Waste Container				1	1	1	1	1	1	1	100%	\$17,000
Collection Carts - 240 litre Green Organics	2,810	2,810	2,810	2,810	2,810	2,810	2,810	2,810	2,810	2,810	100%	\$53
Collection Carts - 360 litre Green Organics	10	10	10	10	10	10	10	10	10	10	100%	\$62
Collection Carts - 240 litre Blue Recycle	270	270	270	270	270	270	270	270	270	270	100%	\$53
Collection Carts - 240 litre Blue Recycle	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	100%	\$53
Collection Carts - 360 litre Blue Recycle	50	50	50	50	50	50	50	50	50	50	100%	\$62
Collection Carts - 360 litre Blue Recycle	300	300	300	300	300	300	300	300	300	300	100%	\$62
Collection Carts - 360 litre Blue Recycle								513	513	513	100%	\$62
Total	6,260	6,260	6,261	6,262	6,262	6,262	6,263	6,776	6,776	6,776		
Total Eligible Portion of Facilities	6,252	6,252	6,253	6,254	6,254	6,254	6,254	6,767	6,767	6,767		

Population	7,164	7,196	7,203	7,186	7,190	7,239	7,282	7,305	7,312	7,354
Per Capita Standard	0.87	0.87	0.87	0.87	0.87	0.86	0.86	0.93	0.93	0.92

10 Year Average	2007-2016
Quantity Standard	0.8845
Quality Standard	\$231
Service Standard	\$204

DC Amount (before deductions)	10 Year
Forecast Population	1,939
\$ per Capita	\$204
Eligible Amount	\$395,478

**Township of Southgate
Service Standard Calculation Sheet**

Service: Roads
Unit Measure: km of roadways

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 Value (\$/km)
Rural Kilometers											
2 lane	477	477	477	479	479	479	479	479	479	479	\$780,000
3 lane	-	-	-	-	-	-	-	-	-	-	\$0
Urban Kilometers											
2 lane	10	10	11	9	9	9	9	9	9	9	\$1,763,500
3 lane	-	-	-	-	-	-	-	-	-	-	\$0
Semi-Urban Kilometers											
2 lane	8	8	8	10	10	10	10	10	10	10	\$1,271,800
3 lane	-	-	-	-	-	-	-	-	-	-	\$0
Total	495	495	496	497	497	497	497	497	497	497	

Population	7,164	7,196	7,203	7,186	7,190	7,239	7,282	7,305	7,312	7,354
Per Capita Standard	0.0691	0.0688	0.0689	0.0692	0.0692	0.0687	0.0683	0.0681	0.0680	0.0676

10 Year Average	2007-2016
Quantity Standard	0.0686
Quality Standard	\$807,325
Service Standard	\$55,383

DC Amount (before deductions)	20 Year
Forecast Population	3,381
\$ per Capita	\$55,383
Eligible Amount	\$187,248,233

**Township of Southgate
Service Standard Calculation Sheet**

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

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 Bld'g Value (\$/ft ²)	Value/ft ² with land, site works, etc.
Works Garage - Village Dundalk	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	\$78	\$90
Hopeville Yard	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	\$78	\$90
Holstein Yard	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	\$78	\$90
Hopeville Storage/Sand Dome	1,000	1,000	5,900	5,900	5,900	5,900	5,900	5,900	5,900	5,900	\$63	\$73
Holstein Sand Dome	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	\$63	\$73
Storage Shed Holstein	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	\$70	\$81
Total	23,760	23,760	28,660	28,660	28,660	28,660	28,660	28,660	28,660	28,660		

Population	7,164	7,196	7,203	7,186	7,190	7,239	7,282	7,305	7,312	7,354
Per Capita Standard	3.3166	3.3018	3.9789	3.9883	3.9861	3.9591	3.9357	3.9233	3.9196	3.8972

10 Year Average	2007-2016
Quantity Standard	3.8207
Quality Standard	\$86
Service Standard	\$327

DC Amount (before deductions)	20 Year
Forecast Population	3,381
\$ per Capita	\$327
Eligible Amount	\$1,106,601

**Township of Southgate
Service Standard Calculation Sheet**

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

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 Value (\$/Vehicle)
1 Ton Pickup	2	2	2	2	2	2	2	2	2	2	\$67,800
Dodge Dakota Pickup	1	-	-	-	-	-	-	-	-	-	\$43,700
Street Sweeper	1	1	1	1	1	-	-	-	-	-	\$125,100
New Holland Tractor/Loader	1	1	1	1	1	1	1	1	1	1	\$101,300
Sidewalk Sander	1	1	1	1	1	-	-	-	-	-	\$4,700
Riding Lawn Mower	2	2	2	2	2	2	2	2	2	2	\$9,500
Bobcat Skid Steer	1	1	1	1	1	1	1	1	1	1	\$74,100
Tandem Axle Trucks	5	5	5	6	6	6	6	6	6	6	\$231,200
Single Axle Trucks	1	1	1	1	1	1	1	1	1	1	\$121,300
Pickup Trucks	4	4	3	5	5	5	6	6	6	6	\$33,300
Bucket Truck	-	-	-	1	1	1	1	1	1	1	\$315,300
Road Graders	5	6	6	6	6	6	6	6	6	6	\$301,300
Wheel Loader	2	2	2	2	2	2	2	2	2	2	\$155,100
Excavator	1	1	1	1	1	1	1	1	1	1	\$60,900
Tool Cat	-	-	-	-	-	1	1	1	1	1	\$52,600
Total	27	27	26	30	30	29	30	30	30	30	

Population	7,164	7,196	7,203	7,186	7,190	7,239	7,282	7,305	7,312	7,354
Per Capita Standard	0.0038	0.0038	0.0036	0.0042	0.0042	0.0039	0.0041	0.0040	0.0040	0.0040

10 Year Average	2007-2016
Quantity Standard	0.0040
Quality Standard	\$151,568
Service Standard	\$606

DC Amount (before deductions)	20 Year
Forecast Population	3,381
\$ per Capita	\$606
Eligible Amount	\$2,049,799

**Township of Southgate
Service Standard Calculation Sheet**

Service: Fire Facilities
Unit Measure: ft² of building area

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 Bld'g Value (\$/ft ²)	Value/ft ² with land, site works, etc.
Southgate Fire Hall	6,480	6,480	6,480	6,480	6,480	6,480	6,480	6,480	6,480	6,480	\$128	\$152
Wellington North (Southgate Share - 33%)	2,683	2,683	2,683	2,683	2,683	2,683	2,683	2,683	2,683	2,683	\$152	\$179
Total	9,163	9,163	9,163	9,163	9,163	9,163	9,163	9,163	9,163	9,163		

Population	7,164	7,196	7,203	7,186	7,190	7,239	7,282	7,305	7,312	7,354
Per Capita Standard	1.2791	1.2734	1.2721	1.2752	1.2744	1.2658	1.2583	1.2544	1.2532	1.2460

10 Year Average	2007-2016
Quantity Standard	1.2652
Quality Standard	\$160
Service Standard	\$202

DC Amount (before deductions)	20 Year
Forecast Population	3,381
\$ per Capita	\$202
Eligible Amount	\$684,010

**Township of Southgate
Service Standard Calculation Sheet**

Service: Fire Vehicles
Unit Measure: No. of vehicles

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 Value (\$/Vehicle)
Rescue Van	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	\$282,300
Pumper	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	\$367,700
Tanker	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	\$281,600
Pumper	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	\$546,100
UTV	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	\$21,000
Pickup Truck	-	-	-	-	-	-	1.00	1.00	1.00	1.00	\$31,500
Wellington North (Southgate Share 33%)											
Tanker	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	\$234,600
Rescue Van	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	\$218,900
Pumper	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	\$547,500
Pumper	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33	\$46,900
Total	6	6	6	7	7	7	8	8	8	8	

Population	7,164	7,196	7,203	7,186	7,190	7,239	7,282	7,305	7,312	7,354
Per Capita Standard	0.0008	0.0008	0.0008	0.0009	0.0009	0.0009	0.0011	0.0010	0.0010	0.0010

10 Year Average	2007-2016
Quantity Standard	0.0009
Quality Standard	\$311,633
Service Standard	\$280

DC Amount (before deductions)	20 Year
Forecast Population	3,381
\$ per Capita	\$280
Eligible Amount	\$948,269

**Township of Southgate
Service Standard Calculation Sheet**

Service: Fire Small Equipment and Gear
Unit Measure: No. of equipment and gear

Description	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 Value (\$/item)
Hurst Auto Extractor	1	1	1	1	1	1	1	1	1	1	\$14,800
S.C.B.A.'s	10	10	10	10	10	10	10	12	12	12	\$8,600
Defibrillators	1	1	1	1	1	1	1	1	1	1	\$8,600
Trunk Radios	2	2	2	2	2	2	2	1	1	1	\$6,200
Portable Pumps	4	4	4	4	4	4	4	2	2	2	\$7,800
Ram Kits	1	1	1	1	1	1	1	-	-	-	\$8,300
AirBags	4	4	4	4	4	4	4	4	4	4	\$9,000
TMX Gas Detectors	1	1	1	1	1	1	1	1	1	1	\$5,500
Thermal Imaging Camera	1	1	1	-	1	1	1	1	1	1	\$11,500
Fire Fighter Equipment											
Southgate Fire Fighters	27	27	27	27	27	27	27	32	32	32	\$6,200
Wellington North Firefighters (Southgate Share 33%)	7	7	7	7	7	7	7	7	7	7	\$6,200
Total	59	59	59	58	59	59	59	62	62	62	

Population	7,164	7,196	7,203	7,186	7,190	7,239	7,282	7,305	7,312	7,354
Per Capita Standard	0.0082	0.0082	0.0082	0.0081	0.0082	0.0081	0.0081	0.0085	0.0085	0.0084

10 Year Average	2007-2016
Quantity Standard	0.0083
Quality Standard	\$7,135
Service Standard	\$59

DC Amount (before deductions)	20 Year
Forecast Population	3,381
\$ per Capita	\$59
Eligible Amount	\$200,223

Appendix C – Long-term Capital and Operating Cost Examination

Appendix C – Annual Operating Costs and Asset Management Plan

C.1 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. square foot of building space, per vehicle, etc.). This was undertaken through a review of the Township's 2015 Financial Information Return.

Table C-1
Operating Expenditure Impacts for Future Capital Expenditures

SERVICE	GROSS COST LESS BENEFIT TO EXISTING	ANNUAL OPERATING EXPENDITURES
1. <u>Stormwater Drainage and Control Services</u>		
1.1 Channels, drainage and ponds	1,224,000	0
2. Wastewater Services		
2.1 Treatment plants & Sewers	15,687,580	141,596
3. Water Services		
3.1 Treatment, storage and distribution systems	8,680,776	240,691
4. Services Related to a Highway		
4.1 Roads and Related	4,652,500	17,306
5. Fire Protection Services		
5.1 Fire facilities, vehicles & equipment	764,025	38,302
6. Parks and Recreation Services		
6.1 Recreation facilities, vehicles and equipment	2,867,500	34,557
7. Library Services		
7.1 Library facilities, materials and vehicles	173,000	4,388
8. Administration		
8.1 Studies	259,750	0
9. Waste Diversion		
9.1 Waste diversion facilities, vehicles, equipment and other	179,325	866
Total	34,488,456	477,706

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

C.2 Asset Management Plan

The changes to the D.C.A. (new section 10(c.2)) require that the Background Study must include an asset management plan related to new infrastructure. Section 10 (3) of the D.C.A. provides:

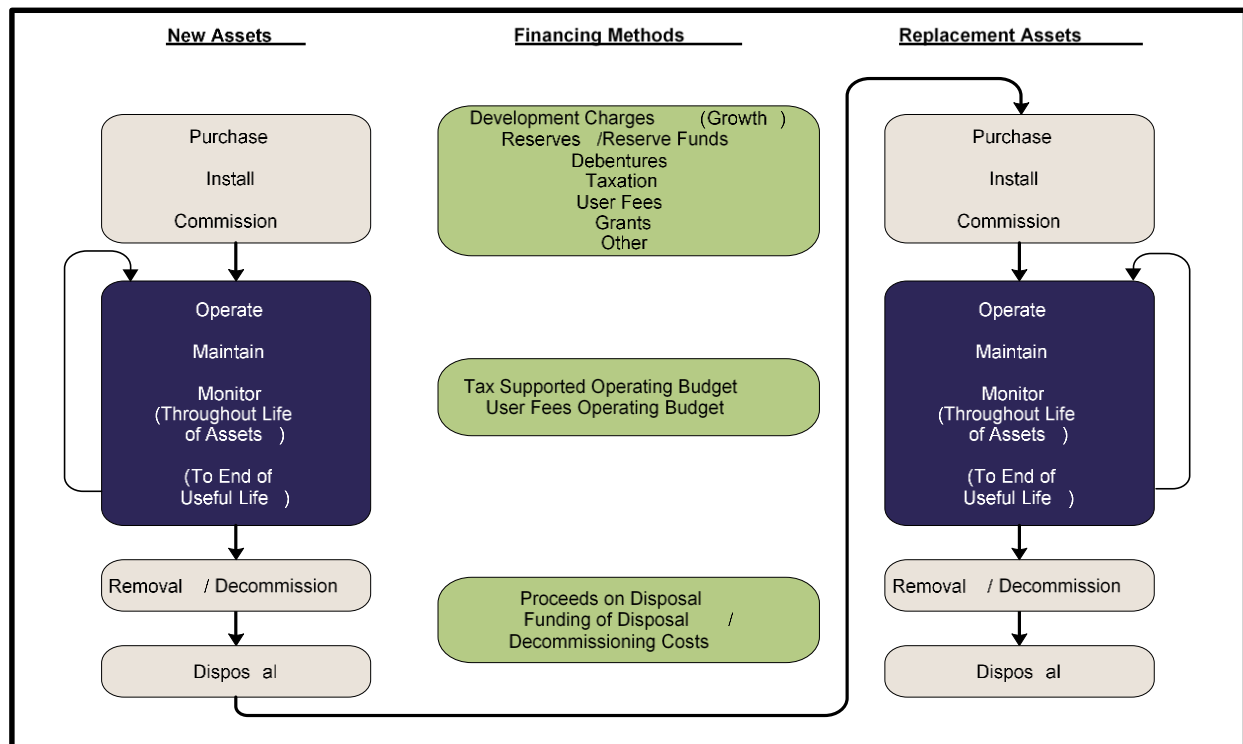
The asset management plan shall,

- (a) deal with all assets whose capital costs are proposed to be funded under the D.C. 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, section 8 of the Regulations was amended to include subsections (2), (3) and (4) which set out for specific detailed requirements for transit (only). For all services except transit, there are no prescribed requirements at this time thus requiring the municipality to define the approach to include within the Background Study.

At a broad level, the Asset Management Plan 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 recognition to the schematic above, the following table (presented in 2017\$) has been developed to provide the annualized expenditures and revenues associated with new growth. Note that the D.C.A. does not require an analysis of the non-D.C. capital needs or their associated operating costs so these are omitted from the table below. Furthermore, as all existing assets for the categories of assets included in the D.C. eligible capital costs are not included in the Township's Asset Management Plan, the present infrastructure gap and associated funding plan has not been considered at this time. Hence 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 will require financing from the Township's financial resources (i.e. taxation, rates, fees, etc.). This amount has been presented on an annual debt charge amount based on 20-year financing. It is noted that some of these non-growth costs may already be reflected in the Township's Asset Management Plan.
2. Lifecycle costs for the 2017 D.C. capital works have been presented based on a sinking fund basis. The assets have been considered over their estimated useful lives.
3. Incremental operating costs for the D.C. services (only) have been included.
4. The resultant total annualized expenditures are \$2.31 million.
5. Consideration was given to the potential new taxation and user fee revenues which will be generated as a result of new growth. These revenues will be available to finance the expenditures above. The new operating revenues are approximately \$2.80 million. This amount, totalled with the existing operating revenues of just under \$9.12 million, will provide annual revenues of \$11.98 million by the end of the forecast period.
6. In consideration of the above, the capital plan is deemed to be financially sustainable.

Table C-2
Township of Southgate
Asset Management – Future Expenditures and Associated Revenues (2017\$)

	Sub-Total	2036 (Total)
Expenditures (Annualized)		
Annual Debt Payment on Non-Growth Related Capital ¹ (2014 DC and 2016 updates)		946,240
Annual Debt Payment on Post Period Capital ²		244,792
Lifecycle:		
Annual Lifecycle - Town Wide Services	\$253,008	
Annual Lifecycle - Water & Wastewater Services	\$387,559	
Sub-Total - Annual Lifecycle	\$640,567	\$640,567
Incremental Operating Costs (for D.C. Services)		\$477,706
Total Expenditures		\$2,064,513
Revenue (Annualized)		
Total Existing Revenue ³		\$9,188,264
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)		\$2,792,067
Total Revenues		\$11,980,331

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

Appendix D – Proposed Development Charge By-law

Appendix D – Proposed Development Charge By-law

The Corporation of the Township of Southgate By-Law No. ____-2017 Being a By-law With Respect to Development Charges

WHEREAS the Township of Southgate will experience growth through development and re-development;

AND WHEREAS development and re-development requires the provision of physical and social services by the Township of Southgate;

AND WHEREAS Council desires to ensure that the capital cost of meeting growth-related demands for or burden on municipal services does not place an excessive financial burden on the Township of Southgate or its existing taxpayers, while at the same time ensuring new taxpayers contribute no more than the net capital cost attributable to providing the current level of municipal services;

AND WHEREAS the Development Charges Act, 1997 (the “Act”) provides that the Council of a Township may by by-law impose development charges against land to pay for increased capital costs required because of increased needs for services;

AND WHEREAS a development charge background study has been completed in accordance with the Act;

AND WHEREAS the Council of The Corporation of the Township of Southgate has given notice of and held a public meeting on the 11th day of October, 2017 in accordance with the Act and the regulations thereto;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE Township OF Southgate ENACTS AS FOLLOWS:

1. Interpretation

1.1 In this By-law the following items shall have the corresponding meanings:

“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;

“Act” means the Development Charges Act, 1997, as amended, or any successor thereof;

“agriculture uses” means a bona fide farm operation including use of land, buildings or structures for the purposes of beekeeping, dairying, fallow, field crops, fruit farming, horticulture, market gardening, pasturage, raising of livestock or any other farming use;

“apartment unit” means any residential unit within a building containing more than four dwelling units where the units are connected by an interior corridor;

“bedroom” means a habitable room which can be used as sleeping quarters, but does not include a bathroom, living room, dining room or kitchen;

“board of education” has the same meaning as set out in the Education Act, R.S.O. 1990, Chap. E.2, as amended, or any successor thereof;

“bona fide farm uses” means the proposed development that will qualify as a farm business operating with a valid Farm Business Registration Number issued by the Ontario Ministry of Agriculture, Food and Rural Affairs and be assessed in the Farmland Realty Tax Class by the Ontario Property Assessment Corporation;

“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;

“Building Code Act” means the Building Code Act, S.O. 1992, as amended, or any successor thereof;

“capital cost” means costs incurred or proposed to be incurred by the Township or a local board thereof directly or by others on behalf of and as authorized by the Township or local board,

- (a) to acquire land or an interest in land, including a leasehold interest,
- (b) to improve land,
- (c) to acquire, lease, construct or improve buildings and structures,
- (d) to acquire, construct or improve facilities including,

- (i) rolling stock with an estimated useful life of seven years or more,
 - (ii) furniture and equipment other than computer equipment,
 - (iii) material acquired for circulation, reference or information purposes by a library board as defined in the Public Libraries Act, R.S.O. 1990, Chap. P.44, as amended, or any successor thereof;
- (e) to undertake studies in connection with any matter under the Act and any of the matters in clauses (a) to (d) above, including the development charge background study required for the provision of services designated in this By-law within or outside the Township, including interest on borrowing for those expenditures under clauses (a) to (e) above that are growth-related; and
- (f) for interest on money borrowed to pay for costs described in clauses (a) to (d) above;

“commercial” means any use of land, structures or buildings for the purposes of buying or selling commodities and services, but does not include industrial or agricultural uses, but does include hotels, motels, motor inns and boarding, lodging and rooming houses;

“Council” means the Municipal Council of the Corporation of the Township of Southgate;

“development” means the construction, erection or placing of one or more buildings or structures on land or the making of an addition or alteration to a building or structure that increases the size of, usability thereof, or change of use thereof, and includes redevelopment;

“development charge” means a charge imposed with respect to this By-law;

“dwelling unit” means a room or rooms located within a building or structure which are occupied or designed or intended to be occupied by one or more persons as a single housekeeping unit and for which a separate private entrance (from outdoors or a common hallway), bathroom and kitchen facilities are provided; but does not mean or include tent, trailer, or a room or a suite of rooms in a boarding house, hotel, motel, motor home or tourist home;

“duplex” means a building that is divided horizontally into two separate dwelling units, each of which has an independent entrance;

“existing” means the number, use and size that existed as of the date this by-law was passed;

“farm building” means that part of a bona fide farming operation encompassing barns, silos and other ancillary development to an agricultural use, but excludes residential uses;

“garden suite” means a building containing one (1) dwelling unit where the garden suite is detached from and ancillary to an existing single detached dwelling or semi-detached dwelling on the lands and such building is designed to be portable;

“gross floor area” means:

- (a) in the case of a residential building or structure, the total area of all floors above grade of a dwelling unit measured between the outside surfaces of exterior walls or between the outside surfaces of exterior walls and the centre line of party walls dividing the dwelling unit from any other dwelling unit or other portion of a building; and
- (b) in the case of a non-residential building or structure, or in the case of a mixed-use building or structure in respect of the non-residential portion thereof, the total area of all building floors above or below grade measured between the outside surfaces of the exterior walls, or between the outside surfaces of exterior walls and the centre line of party walls dividing a non-residential use and a residential use, except for:
 - (i) a room or enclosed area within the building or structure above or below that is used exclusively for the accommodation of heating, cooling, ventilating, electrical, mechanical or telecommunications equipment that service the building;
 - (ii) loading facilities above or below grade; and
 - (iii) a part of the building or structure below grade that is used for the parking of motor vehicles or for storage or other accessory use;

“industrial” means lands, buildings or structures used or designed or intended for use for manufacturing, processing, fabricating or assembly of raw goods, warehousing or bulk storage of goods, and includes office uses and the sale of commodities to the general public where such uses are accessory to an industrial use, but does not include the sale of commodities and the supplying of personal services or as otherwise defined in the zoning by-law. Wind turbines and solar farms are included as industrial developments;

“institutional” means land, buildings, structures or any part thereof used by any organization, group or association for promotion of charitable, educational or benevolent objectives and not for profit or gain;

“local board” means a school board, municipal service board, transportation commission, public library board, board of health, police services board, planning board, or any other board, commission, committee, body or local authority established or exercising any power or authority under any general or special Act with respect to any of the affairs or purposes, including school purposes, of a Township or of two or more municipalities or parts thereof;

“local services” means those services, facilities or things which are under the jurisdiction of the Township of Southgate and are related to a plan of subdivision or within the area to which the plan relates in respect of the lands under Sections 41, 51 or 53 of the Planning Act, R.S.O. 1990, Chap. P.13, as amended, or any successor thereof;

“mobile home” means any dwelling that is designed to be made mobile, and constructed or manufactured to provide a permanent residence for one or more persons, but does not include a travel trailer or tent trailer or trailer otherwise designed;

“multiple dwellings” means all dwellings other than single detached, semi-detached and apartment unit dwellings;

“Township” means the Corporation of the Township of Southgate and the area within the geographic limits of the Township of Southgate;

“non-residential use” means a building or structure of any kind whatsoever used, designed or intended to be used for other than a residential use;

“Official Plan” means the Official Plan adopted by the Township, as amended and approved;

“owner” means the owner of land or a person who has made application for an approval for the development of land upon which a development charge is imposed;

“place of worship” means that part of a building or structure that is exempt from taxation as a place of worship under the Assessment Act, R.S.O. 1990, Chap. A.31, as amended, or any successor thereof;

“rate” means the interest rate established weekly by the Bank of Canada based on Treasury Bills having a term of 91 days;

“regulation” means any regulation made pursuant to the Act;

“residential dwelling” means a building, occupied or capable of being occupied as a home, residence or sleeping place by one or more persons, containing one or more dwelling units but not including motels, hotels, tents, truck campers, tourist trailers, mobile camper trailers, or boarding, lodging or rooming houses;

“residential use” means the use of a building or structure or portion thereof for one or more dwelling units; this also includes a dwelling unit on land that is used for an agricultural use;

“row dwelling” means a building containing three or more attached dwelling units in a single row, each of which dwelling units has an independent entrance from the outside and is vertically separated from any abutting dwelling unit;

“semi-detached dwelling” means a dwelling unit in a residential building consisting of two dwelling units having one vertical wall or one horizontal wall, but not other parts, attached or another dwelling unit where the residential units are not connected by an interior corridor;

“service” means a service designed in Schedule “A” to this By-law, and “services” shall have a corresponding meaning;

“servicing agreement” means an agreement between a landowner and the Township relative to the provision of municipal services to specified land within the Township;

“single detached dwelling unit” means a residential building consisting of one dwelling unit and not attached to another structure;

“solar farm” means any solar energy system comprised of one or more solar energy conversion panels and associated control or conversion electronics that converts sunlight into electricity, with a combined nameplate generating capacity greater than or equal to 500 kilowatts. A solar farm may be connected to the electricity grid to provide electricity off-site for sale to an electrical utility or other intermediary;

“structure” means anything constructed or erected, either permanent or temporary, the use of which requires location on the ground or attachment to something having location on the ground;

“wind turbine” means a part of a system that converts energy into electricity, and consists of a wind turbine, a tower and associated control or conversion electronics. A wind turbine and energy system may be connected to the electricity grid in circuits at a substation to provide electricity off-site for sale to an electrical utility or other intermediaries; and

“Zoning By-Law” means the Zoning By-Law of the Township of Southgate or any successor thereof passed pursuant to Section 34 of the Planning Act, S.O. 1998.

2. Designation of Services

2.1 The categories of services for which development charges are imposed under this By-law are as follows:

- (a) Services related to a Highway;
- (b) Fire Protection Services;
- (c) Parks and Recreation Services;
- (d) Library Services;
- (e) Administration Services;
- (f) Waste Diversion Services;
- (g) Storm Drainage and Control Services;
- (h) Wastewater Services; and
- (i) Water Services.

2.2 The components of the services designated in Section 2.1 are described in Schedule A.

3. Application of By-law Rules

3.1 Development charges shall be payable in the amounts set out in this By-law where:

- (a) the lands are located in the area described in Section 3.2; and
- (b) the development of the lands requires any of the approvals set out in subsection 3.4(a).

Area to Which By-law Applies

- 3.2 Subject to Section 3.3, this By-law applies to all lands in the Township of Southgate whether or not the land or use thereof is exempt from taxation under s.13 of the Assessment Act.
- 3.3 Notwithstanding clause 3.2 above, this By-law shall not apply to lands that are owned by and used for the purposes of:
- (a) the Township or a local board thereof; or
 - (b) the County of Simcoe or any local board thereof; or
 - (c) a board of education as defined in Section 1(1) of the Education Act.

Approvals for Development

- 3.4 (a) Development charges shall be imposed on all lands, buildings or structures that are developed for residential or non-residential uses if the development requires:
- (i) the passing of a zoning by-law or of an amendment to a zoning by-law under Section 34 of the Planning Act;
 - (ii) the approval of a minor variance under Section 45 of the Planning Act;
 - (iii) a conveyance of land to which a by-law passed under subsection 50(7) of the Planning Act applies;
 - (iv) the approval of a plan of subdivision under Section 51 of the Planning Act;
 - (v) a consent under Section 53 of the Planning Act;
 - (vi) 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
 - (vii) the issuing of a permit under the Building Code Act in relation to a building or structure.
- (b) No more than one development charge for each service designated in Section 2.1 shall be imposed upon any lands, buildings or structures to which this By-law applies, even though two or more of the actions described in subsection 3.4(a) are required before the lands, buildings or structures can be developed.
- (c) Despite subsection 3.4(b), if two or more of the actions described in subsection 3.4(a) occur at different times, additional development charges

shall be imposed if the subsequent action has the effect of increasing the need for services.

Exemptions

- 3.5 Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to:
- (a) an enlargement to an existing dwelling unit;
 - (b) one or two additional dwelling units in an existing single detached dwelling; or
 - (c) one additional dwelling unit in any other existing residential building.
- 3.6 Notwithstanding subsection 3.5(b), development charges shall be imposed if the total gross floor area of the additional one or two units exceeds the gross floor area of the existing dwelling unit.
- 3.7 Notwithstanding Section 3.5, development charges shall be imposed if the additional unit has a gross floor area greater than
- (a) in the case of a semi-detached or row dwelling, the gross floor area of the existing dwelling unit; and
 - (b) in the case of any other residential building, the gross floor area of the smallest dwelling unit contained in the residential building.
- 3.8 **Exemption for Industrial Development:**
- (a) Notwithstanding any other provision of this By-law, no development charge is payable with respect to an enlargement of the gross floor area of an existing industrial building where the gross floor area is enlarged by 50 percent or less.
 - (b) If the gross floor area of an existing industrial building is enlarged by greater than 50 percent, the amount of the development charge payable in respect of the enlargement is the amount of the development charge that would otherwise be payable, multiplied by the fraction determined as follows:
 - (i) determine the amount by which the enlargement exceeds 50 percent of the gross floor area before the enlargement;
 - (ii) divide the amount determined under subsection 3.8(a)(i) by the amount of the enlargement.

- (c) For the purpose of Section 3.8 herein, “existing industrial building” is used as defined in the Regulation made pursuant to the Act.

3.9 Other Exemptions:

Notwithstanding the provision of this By-law, development charges shall not be imposed with respect to:

- (a) Non-residential farm building for a bona fide farm use, with a valid Farm Business Registration Number and assessed as Farmland Realty Tax Class;
- (b) Places of worship, cemetery or burial ground exempt from taxation under the *Assessment Act*;
- (c) Hospitals under the *Public Hospitals Act*; and
- (d) The first 2,500 square feet of non-residential gross floor area for a new building within the Urban Area.

Amount of Charges

Residential

3.10 The development charges set out in Schedule B shall be imposed on residential uses of lands, buildings or structures, including a dwelling unit accessory to a non-residential use and, in the case of a mixed-use building or structure, on the residential uses in the mixed-use building or structure, according to the type of residential unit, and calculated with respect to each of the services according to the type of residential use.

Non-Residential

3.11 The development charges described in Schedule B to this By-law shall be imposed on non-residential uses of lands, buildings or structures and, in the case of a mixed-use building or structure, on the non-residential uses in the mixed-use building or structure, and calculated with respect to each of the services according to the total floor area of the non-residential use.

Wind Turbines and Solar Farms

3.12 Notwithstanding s.3.10 and s.3.11, the development charges described in Schedule B to this by-law shall be imposed per wind turbine and per 500 kW of nameplate generating capacity for solar farms, and calculated at the single-

detached and semi-detached dwelling rate, with respect to services related to a highway, fire protection services, and administration services.

Reduction of Development Charges for Redevelopment

3.13 Despite any other provisions of this By-law, where, as a result of the redevelopment of land, a building or structure existing on the same land within 60 months (5 years) prior to the date of payment of development charges in regard to such redevelopment was or is to be demolished in whole or in part, or converted from one principal use to another principal use on the same land in order to facilitate the redevelopment, the development charges otherwise payable with respect to such redevelopment shall be reduced by the following amounts:

- (a) in the case of a residential building or structure, or in the case of a mixed-use building or structure, the residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charge under subsection 3.10 by the number, according to type, of dwelling units that have been or will be demolished or converted to another principal use; and
- (b) in the case of a non-residential building or structure or, in the case of a mixed-use building or structure, the non-residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charges under Section 3.11, by the gross floor area that has been or will be demolished or converted to another principal use;

provided that such amounts shall not exceed, in total, the amount of the development charges otherwise payable with respect to the redevelopment.

Time of Payment of Development Charges

3.14 Development charges shall be calculated and payable in money or by provision of service as may be agreed upon, or by credit granted under the Act, on the date that the building permit is issued in relation to a building or structure on land to which the development charge applies.

3.15 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.

3.16 This shall not be deemed to limit the authority of the Council to enter into an agreement for payment of the development charges before or after the date of building permit issuance subject to Section 27 of the Development Charges Act, 1997.

4. **Payment of Services**

4.1 Despite the payment required under Sections 3.10, 3.11 and 3.12, Council may, by agreement, give a credit towards a development charge in exchange for work that relates to a service to which a development charge relates under this By-law.

5. **Indexing**

5.1 Development charges imposed pursuant to this By-law shall be adjusted annually on January 1, without amendment to this By-law, in accordance with the third quarter of the prescribed index in the Act.

6. **Front-end Financing**

6.1 The Township may enter into front-end agreements with owners in accordance with the provisions of the Act.

7. **Accountability**

7.1 All monies paid pursuant to this By-law shall be maintained separately from all other revenues or receipts of the Township. The Treasurer of the Township shall establish separate reserve funds, pursuant to the categories of services designated in Section 2.1.

7.2 The Treasurer of the Township shall provide to the Council an annual financial statement related to this By-law and the development charge reserve funds established under Section 7.1 of this By-law. This annual statement shall be provided on a date directed by Council.

7.3 The Township shall pay interest on a refund under subsections 18(3), 18(5) and 25(2) or Section 36 of the Act at a rate equal to the Bank of Canada rate on the date this By-law comes into force, updated on the first business day of every January, April, July and October thereafter.

8. **Schedules**

8.1 The following schedules shall form part of this By-law:

Schedule A – Components of Services Designated in Section 2.1; and
Schedule B – Schedule of Development Charges.

9. **Conflicts**

- 9.1 Where the Township and an owner or former owner have entered into an agreement with respect to land within the area to which this By-law applies, and a conflict exists between the provisions of this By-law and such agreement, the provisions of the agreement shall prevail to the extent that there is a conflict.
- 9.2 Notwithstanding Section 9.1, where a development which is the subject of an agreement to which Section 9.1 applies, is subsequently the subject of one or more of the actions described in subsection 3.4(a), an additional development charge in respect of the development permitted by the action shall be calculated, payable and collected in accordance with the provisions of this By-law if the development has the effect of increasing the need for services, unless such agreement provides otherwise.

10. **Severability**

- 10.1 If, for any reason, any provision of this By-law is held to be invalid, it is hereby declared to be the intention of Council that all the remainder of this By-law shall continue in full force and effect until repealed, re-enacted, amended or modified.

11. **Date By-law In Force**

- 11.1 This By-law shall come into effect at 12:01 AM on _____, 2017.

12. **Date By-law Expires**

- 12.1 This By-law will expire at 12:01 AM on _____, 2022 unless it is repealed by Council at an earlier date.

13. **Existing By-law Repealed**

13.1 By-laws No. 36-2015 and No. 66-2015 are hereby repealed upon the enforcement of this By-law.

PASSED THIS ____ day of _____, 2017

Mayor

Township Clerk

**Schedule “A”
To By-law ___-2017
Components of Services Designated in Section 2.1**

100% Eligible Services

Transportation Services

Roads

Public Works Facilities

Public Works Vehicles and Equipment

Fire Protection Services

Fire Facilities

Fire Vehicles

Fire Small Equipment and Gear

90% Eligible Services

Parks and Recreation Services

Parkland Development

Parkland Amenities

Parkland Vehicles and Equipment

Recreation Facilities

Library Services

Library Facilities

Library Collection Materials

Waste Diversion

Waste Diversion Facilities

Waste Diversion Vehicles and Equipment

Administration Services

Growth-related Studies

Urban Area Services

Storm Drainage and Control Services

Wastewater Services

Water Services

Schedule "B"
To By-law ___-2017
Schedule of Development Charges

Service	RESIDENTIAL				NON-RESIDENTIAL		
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	Wind Turbines	Solar Farm (per 500 kW)	ICI (per ft ² of Gross Floor Area)
Municipal Wide Services:							
Services Related to a Highway	2,293	1,470	945	1,600	2,293	2,293	1.56
Fire Protection Services	253	162	104	177	253	253	0.17
Parks and Recreation Services	1,947	1,248	802	1,358	-	-	0.38
Library Services	191	122	79	133	-	-	0.04
Administration	268	172	110	187	268	268	0.19
Waste Diversion	36	23	15	25	-	-	0.03
Total Municipal Wide Services	4,988	3,197	2,055	3,480	2,814	2,814	2.37
Urban Services							
Stormwater Drainage and Control Services	375	240	154	262	-	-	0.17
Wastewater Services	8,126	5,210	3,348	5,669	-	-	4.77
Water Services	5,058	3,243	2,084	3,529	-	-	2.97
Total Urban Services	13,559	8,693	5,586	9,460	-	-	7.91
GRAND TOTAL RURAL AREA	4,988	3,197	2,055	3,480	2,814	2,814	2.37
GRAND TOTAL URBAN AREA	18,547	11,890	7,641	12,940	2,814	2,814	10.28