



2022 Development Charges Background Study

Township of Southgate

For Public Circulation and Comment

August 2, 2022

Watson & Associates Economists Ltd.
905-272-3600
info@watsonecon.ca



Table of Contents

| | Page |
|---|------------|
| 1. Introduction..... | 1-1 |
| 1.1 Purpose of this Document..... | 1-1 |
| 1.2 Summary of the Process..... | 1-2 |
| 1.3 Changes to the Development Charges Act, 1997: More Homes, More Choice Act (Bill 108) the Plan to Build Ontario Together Act (Bill 138), and the COVID-19 Economic Recovery Act (Bill 197) | 1-3 |
| 1.4 Other Legislative Changes..... | 1-6 |
| 2. Current Township of Southgate D.C. Policy | 2-1 |
| 2.1 By-law Enactment..... | 2-1 |
| 2.2 Services Covered | 2-1 |
| 2.3 Timing of D.C. Calculation and Payment | 2-1 |
| 2.4 Indexing | 2-1 |
| 2.5 Redevelopment Credits | 2-2 |
| 2.6 Area to Which the By-law Applies and Exemptions | 2-2 |
| 3. Anticipated Development in the Township of Southgate..... | 3-1 |
| 3.1 Requirements of the Act | 3-1 |
| 3.2 Basis of Population, Household and Non-Residential Gross Floor Area Forecast | 3-1 |
| 3.3 Summary of Growth Forecast | 3-2 |
| 4. The Approach to the Calculation of the Charge | 4-1 |
| 4.1 Introduction | 4-1 |
| 4.2 Local Service Policy..... | 4-1 |
| 4.3 Services Potentially Involved | 4-1 |
| 4.4 Increase in Need for Service..... | 4-2 |
| 4.5 Capital Forecast..... | 4-7 |
| 4.6 Treatment of Credits | 4-8 |
| 4.7 Classes of Services | 4-8 |
| 4.8 Eligible Debt and Committed Excess Capacity | 4-9 |



Table of Contents (Cont'd)

| | Page |
|---|------------|
| 4.9 Existing Reserve Funds | 4-10 |
| 4.10 Deductions | 4-11 |
| 4.10.1 Reduction Required by Level of Service Ceiling | 4-11 |
| 4.10.2 Reduction for Uncommitted Excess Capacity | 4-12 |
| 4.10.3 Reduction for Benefit to Existing Development | 4-12 |
| 4.10.4 Reduction for Anticipated Grants, Subsidies, and Other Contributions | 4-13 |
| 4.11 Municipal-Wide vs. Area Rating | 4-13 |
| 4.12 Allocation of Development | 4-14 |
| 5. Development Charge Eligible Cost Analysis by Service | 5-1 |
| 5.1 Service Levels and 24-Year Capital Costs for Township-Wide D.C. Calculation | 5-1 |
| 5.1.1 Services Related to a Highway | 5-1 |
| 5.1.2 Fire Protection Services | 5-2 |
| 5.1.3 Parks and Recreation Services | 5-3 |
| 5.1.4 Library Services | 5-3 |
| 5.1.5 Waste Diversion Services | 5-4 |
| 5.1.6 Growth Studies | 5-4 |
| 5.2 Urban 24-Year Capital Costs for Township Urban Service Area D.C. Calculation | 5-12 |
| 5.2.1 Stormwater Services | 5-12 |
| 5.2.2 Wastewater Services | 5-12 |
| 5.2.3 Water Services | 5-13 |
| 6. D.C. Calculation | 6-1 |
| 7. D.C. Policy Recommendations and D.C. Policy Rules | 7-1 |
| 7.1 Introduction | 7-1 |
| 7.2 D.C. By-law Structure | 7-2 |
| 7.3 D.C. By-law Rules | 7-2 |
| 7.3.1 Payment in any Particular Case | 7-2 |
| 7.3.2 Determination of the Amount of the Charge | 7-2 |
| 7.3.3 Application to Redevelopment of Land (Demolition and Conversion) | 7-3 |
| 7.3.4 Exemptions (full or partial) | 7-3 |
| 7.3.5 Phase in Provision(s) | 7-5 |
| 7.3.6 Timing of Collection | 7-5 |
| 7.3.7 Indexing | 7-6 |
| 7.3.8 D.C. Spatial Applicability | 7-6 |
| 7.4 Other D.C. By-law Provisions | 7-8 |



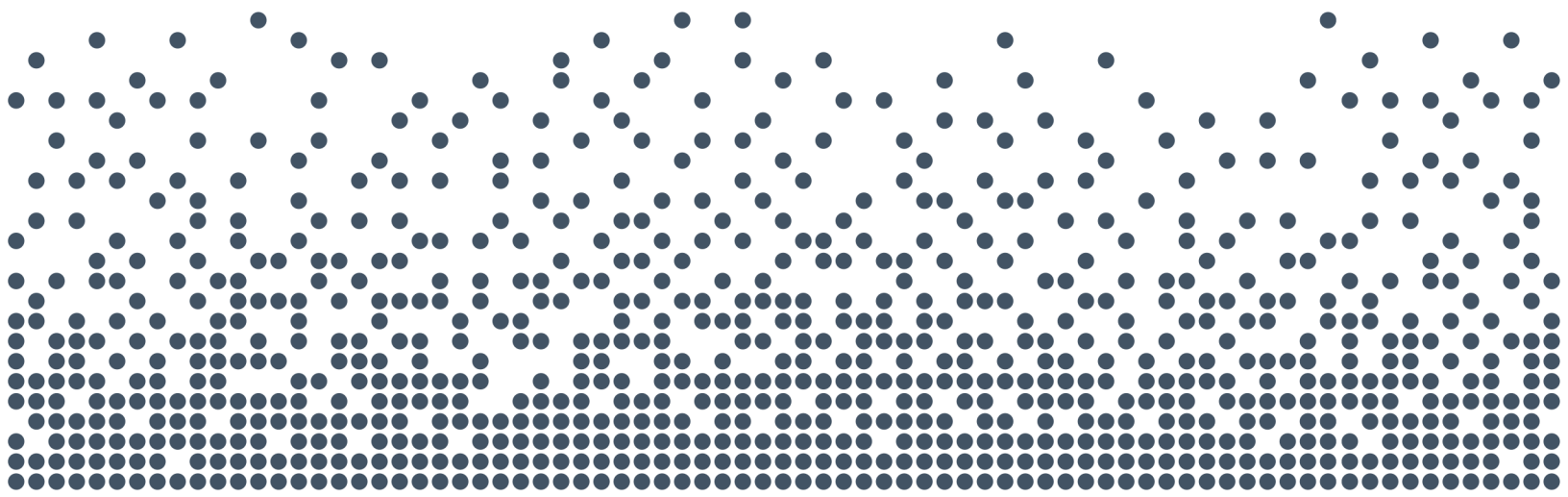
Table of Contents (Cont'd)

| | Page |
|--|------------|
| 7.4.1 Categories of Services for Reserve Fund and Credit Purposes..... | 7-8 |
| 7.4.2 By-law In-force Date | 7-8 |
| 7.4.3 Minimum Interest Rate Paid on Refunds and Charged for Inter-Reserve Fund Borrowing..... | 7-8 |
| 7.5 Other Recommendations | 7-9 |
| 8. Asset Management Plan | 8-1 |
| 8.1 Introduction | 8-1 |
| 9. By-law Implementation | 9-1 |
| 9.1 Public Consultation Process | 9-1 |
| 9.1.1 Introduction | 9-1 |
| 9.1.2 Public Meeting of Council..... | 9-1 |
| 9.1.3 Other Consultation Activity..... | 9-1 |
| 9.2 Anticipated Impact of the Charge on Development..... | 9-2 |
| 9.3 Implementation Requirements | 9-3 |
| 9.3.1 Introduction | 9-3 |
| 9.3.2 Notice of Passage..... | 9-3 |
| 9.3.3 By-law Pamphlet | 9-3 |
| 9.3.4 Appeals..... | 9-4 |
| 9.3.5 Complaints | 9-4 |
| 9.3.6 Credits | 9-4 |
| 9.3.7 Front-Ending Agreements..... | 9-5 |
| 9.3.8 Severance and Subdivision Agreement Conditions | 9-5 |
| Appendix A Background Information on Residential and Non-Residential Growth Forecast..... | A-1 |
| Appendix B Historical Level of Service Calculations..... | B-1 |
| Appendix C Long Term Capital and Operating Cost Examination..... | C-1 |
| Appendix D Local Service Policy..... | D-1 |
| Appendix E Draft D.C. By-law | E-1 |



List of Acronyms and Abbreviations

| Acronym | Full Description of Acronym |
|----------------|--|
| D.C. | Development charge |
| D.C.A. | Development Charges Act, 1997 as amended |
| G.F.A. | Gross floor area |
| LPAT. | Local Planning Appeal Tribunal |
| N.F.P.O.W. | No Fixed Place of Work |
| OLT. | Ontario Land Tribunal |
| O.M.B. | Ontario Municipal Board |
| O.Reg. | Ontario Regulation |
| P.O.A. | Provincial Offences Act |
| P.P.U. | Persons per unit |
| s.s. | Subsection |
| sq.ft. | square foot |
| km | kilometer |



Report



Chapter 1

Introduction



1. Introduction

1.1 Purpose of this Document

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

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

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

This report has been prepared, in the first instance, to meet the statutory requirements applicable to the Township's D.C. background study, as summarized in Chapter 4. It also addresses the forecast amount, type, and location of growth (Chapter 3), the requirement for "rules" governing the imposition of the charges (Chapter 7), and the proposed by-law to be made available as part of the approval process (Appendix 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 9) which are critical to the successful application of the new policy.

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



1.2 Summary of the Process

The public meeting required under Section 12 of the D.C.A. will be scheduled, at the earliest, two weeks after the posting of the D.C. background study and draft D.C. by-law on the Township’s website. Its purpose is to present the background study and draft D.C. by-law to the public and to solicit public input on the matter. The public meeting is also being held to answer any questions regarding the study’s purpose, methodology and the proposed modifications to the Township’s D.C. by-law.

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

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

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

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

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

| Process Steps | Dates |
|--|---------------------------|
| 1. Project initiation | February 2022 |
| 2. Data collection and staff interviews | February 2022 – July 2022 |
| 3. Presentation of draft findings and D.C. policy discussion with Township Staff | July 21, 2022 |
| 4. Presentation of draft findings to Township Council | July 26, 2022 |



| Process Steps | Dates |
|--|--------------------------------|
| 5. D.C. Background Study and draft D.C. by-law available to public | Before August 5, 2022 |
| 6. Public Meeting of Council | September 7, 2022 |
| 7. D.C. By-law passage | October 5, 2022 |
| 8. Newspaper notice given of by-law passage | By 20 days after passage |
| 9. Last day for by-law appeal | 40 days after passage |
| 10. Township makes available D.C. pamphlet | by 60 days after in force date |

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

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

- A D.C. for rental housing and institutional developments will pay the charge in six equal annual installments, with the first payment commencing on the date of occupancy. A D.C. for non-profit housing developments will pay the charge in 21 equal annual installments. A municipality may charge interest on the



installments. Any unpaid D.C. amounts may be added to the property and collected as taxes.

- The determination of the D.C. for all developments occurring within two years of a Site Plan or Zoning By-law Amendment planning approval shall be determined based on the D.C.s in effect on the date the planning application was submitted. These provisions only apply to Site Plan and Zoning By-law Amendment planning applications received on or after January 1, 2020. Developments arising from planning application approvals not fitting these criteria, or if the building permit arising from these planning approvals is issued two-years or more after the planning application approval, the D.C. is determined based on the provisions of the D.C. by-law.

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

List of D.C. Eligible Services

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

- Water supply services, including distribution and treatment services;
- Wastewater services, including sewers and treatment services;
- Storm water drainage and control services;
- Services related to a highway;
- Electrical power services;
- Toronto-York subway extension, as defined in subsection 5.1 (1);
- Transit services other than the Toronto-York subway extension;
- Waste diversion services;
- Policing services;
- Fire protection services;
- Ambulance services;



- Library Services;
- Long-term care services;
- Parks and recreation services (excluding the acquisition of land for parks);
- Public health services;
- Childcare and early years services;
- Housing services;
- *Provincial Offences Act* services;
- Services related to emergency preparedness;
- Services related to airports, but only in the Regional Municipality of Waterloo;
and
- Additional services as prescribed.

Removal of 10% Statutory Deduction

The D.C.A. previously required a 10% statutory deduction for all services not specifically identified in s.s. 5 (5) of the D.C.A. (i.e. soft services). This had the effect of categorizing D.C. eligible services into two groups, i.e. 90% D.C. recoverable services, and 100% D.C. recoverable services. The amendments to the D.C.A. remove the 10% statutory deduction for soft services.

Classes of D.C. Services

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

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

Statutory Exemptions



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

Transition

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

1.4 Other Legislative Changes

Bill 213, the *Better for People, Smarter for Business Act*, received Royal Assent on December 8, 2020. This Bill amended the *Ministry of Training, Colleges and Universities Act* to provide an exemption from the payment of D.C.s for universities. Specifically, the Act states:

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

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



Chapter 2

Current Township of Southgate D.C. Policy



2. Current Township of Southgate D.C. Policy

2.1 By-law Enactment

The Township adopted By-law 2017-138 on November 15, 2017, which provides for Municipal-wide D.C.s to be imposed in the Township. By-law 2017-138 will expire on November 16, 2022.

2.2 Services Covered

The following Township-wide services are included under By-law 2017-138:

- Services Related to a Highway;
- Fire Protection Services;
- Parks and Recreation Services;
- Library Services;
- Administration; and
- Waste Diversion¹

By-law 2017-138 also included the following area specific services:

- Stormwater Drainage and Control Services;
- Wastewater Services; and
- Water Services.

2.3 Timing of D.C. Calculation and Payment

Calculation and payment of D.C.s are due and payable at the time of building permit issuance for the development. The By-law also allows the Township to enter into alternative payment agreements with owners.

2.4 Indexing

The by-law provides for annual indexing of the charges on January 1st of each year. Table 2-1 provides the charges currently in effect, for residential and non-residential development types, as well as the breakdown of the charges by service.



Table 2-1
Township of Southgate
Current Development Charges (2022\$)

| Service | RESIDENTIAL | | | | NON-RESIDENTIAL | | ICI (per sq ft of Gross Floor Area) |
|--|-----------------------------------|---------------------------|-------------------------------------|-----------------|-----------------|-------------------------|-------------------------------------|
| | Single and Semi Detached Dwelling | Apartments - 2 Bedrooms + | Apartments - Bachelor and 1 Bedroom | Other Multiples | Wind Turbines | Solar Farm (per 500 kW) | |
| Municipal-wide Services | | | | | | | |
| Services Related to a Highway | 2,989 | 1,918 | 1,234 | 2,085 | 2,989 | 2,989 | 2.03 |
| Fire Protection Services | 332 | 214 | 138 | 234 | 332 | 332 | 0.22 |
| Parks and Recreation Services | 2,538 | 1,628 | 1,048 | 1,770 | - | - | 0.49 |
| Library Services | 252 | 162 | 105 | 175 | - | - | 0.05 |
| Waste Diversion | 50 | 32 | 23 | 34 | - | - | 0.04 |
| Administration | 352 | 227 | 147 | 245 | 352 | 352 | 0.25 |
| Total Municipal-wide Services | 6,513 | 4,181 | 2,695 | 4,543 | 3,673 | 3,673 | 3.09 |
| Urban Services | | | | | | | |
| Stormwater Drainage and Control Services | 490 | 315 | 204 | 343 | - | - | 0.22 |
| Wastewater Services | 10,585 | 6,787 | 4,363 | 7,385 | - | - | 6.21 |
| Water Services | 6,589 | 4,227 | 2,716 | 4,597 | - | - | 3.87 |
| Total Urban Services | 17,664 | 11,329 | 7,283 | 12,325 | - | - | 10.30 |
| GRAND TOTAL RURAL AREA | 6,513 | 4,181 | 2,695 | 4,543 | 3,673 | 3,673 | 3.09 |
| GRAND TOTAL URBAN AREA | 24,177 | 15,510 | 9,978 | 16,868 | 3,673 | 3,673 | 13.39 |

2.5 Redevelopment Credits

D.C. credits for residential and non-residential redevelopments, are provided for demolitions/conversions of development that existed within 60 months prior to the date of payment of the D.C.

2.6 Area to Which the By-law Applies and Exemptions

By-law 2017-138 provides for the following 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).

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.



Chapter 3

Anticipated Development in the Township of Southgate



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 development charges can be imposed, must be estimated.”

The growth forecast contained in this chapter (with supplemental tables in Appendix A) provides for the anticipated development for which the Township will be required to provide services, over a 10-year (mid-2022 to mid-2032), 20-year (mid-2022 to mid-2042) and longer-term (mid-2022 to mid-2046) time horizon.

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

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

- County of Grey Growth Management Strategy Growth Forecasts to 2046, July 14, 2021, Hemson Consulting Ltd.;
- Village of Dundalk Comprehensive Review Report, September 2020 and Addendum Letter August 2021, MHBC Planning Urban Design & Landscape Architecture;
- Municipal Zoning Orders O Reg 161/22, 162/22 and 165/22;
- 2011, 2016 and 2021 population and household Census data;
- 2006, 2011 and 2016 employment Census data;
- Historical residential building permit data over the 2012 to 2021 period;
- Residential and non-residential supply opportunities as identified by Township of Southgate staff; and



- Discussions with Township staff regarding anticipated residential and non-residential development in the Township of Southgate.

3.3 Summary of Growth Forecast

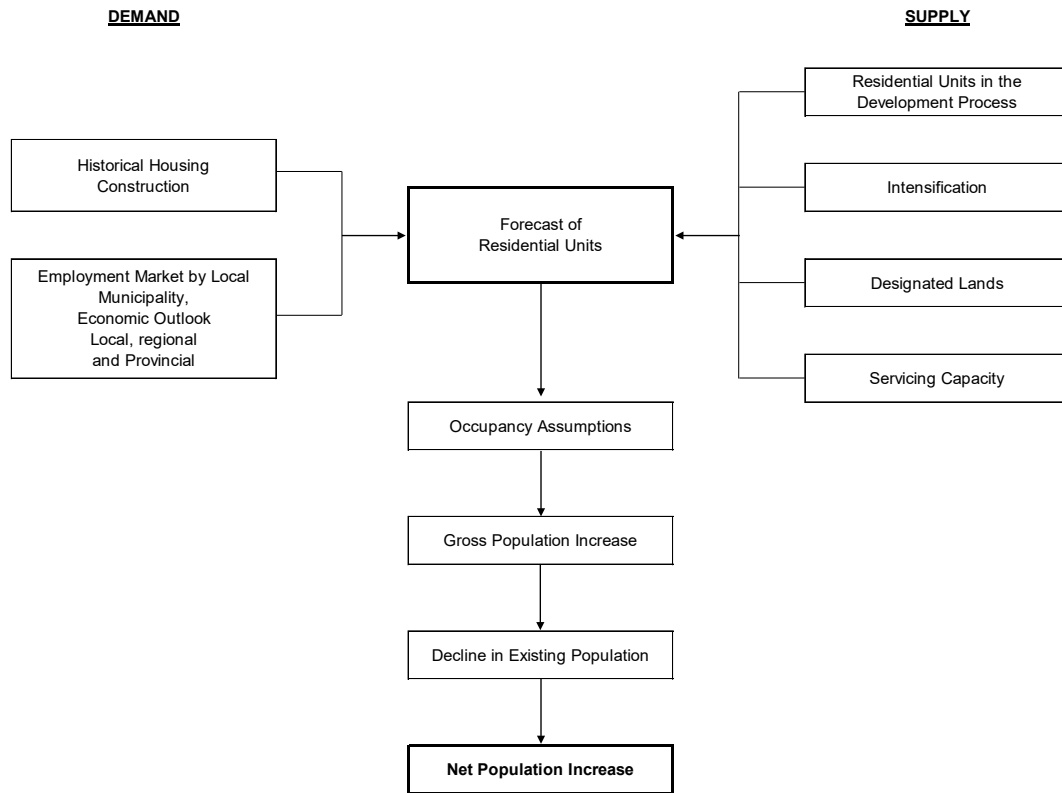
A detailed analysis of the residential and non-residential growth forecasts is provided in Appendix A and the methodology employed is illustrated in Figure 3-1. The discussion provided herein summarizes the anticipated growth for the Township and describes the basis for the forecast. The results of the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

As identified in Table 3-1 and Appendix A, *Schedule 1*, population in Southgate is anticipated to reach approximately 13,330 by mid-2032, 15,790 by mid-2042 and 16,450 by mid-2046, resulting in an increase of approximately 4,170, 6,640 and 7,300 persons, respectively.¹

^[1] The population figures used in the calculation of the 2022 D.C. exclude the net Census undercount, which is estimated at approximately 2.6%.



Figure 3-1
Population and Household Forecast Model





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

| | Year | Population (Including Census Undercount) ^[1] | Population (Excluding Census Undercount) | Housing Units | | | | | Person Per Unit (P.P.U.): Total Population/ Total Households |
|-------------|------------------------------------|---|--|-------------------------|-----------------------------------|---------------------------|-------|------------------|--|
| | | | | Singles & Semi-Detached | Multiple Dwellings ^[2] | Apartments ^[3] | Other | Total Households | |
| Historical | Mid 2011 | 7,380 | 7,190 | 2,390 | 30 | 105 | 95 | 2,620 | 2.744 |
| | Mid 2016 | 7,550 | 7,354 | 2,485 | 10 | 105 | 110 | 2,710 | 2.714 |
| | Mid 2021 | 8,940 | 8,716 | 2,775 | 15 | 120 | 105 | 3,015 | 2.891 |
| Forecast | Mid 2022 | 9,400 | 9,156 | 2,903 | 48 | 122 | 105 | 3,178 | 2.881 |
| | Mid 2032 | 13,680 | 13,329 | 4,199 | 437 | 187 | 105 | 4,928 | 2.705 |
| | Mid 2042 | 16,210 | 15,792 | 4,984 | 732 | 259 | 105 | 6,079 | 2.598 |
| | Mid-2046 ^[4] | 16,890 | 16,454 | 5,214 | 833 | 289 | 105 | 6,442 | 2.554 |
| Incremental | Mid 2011 - Mid 2016 | 170 | 164 | 95 | -20 | 0 | 15 | 90 | |
| | Mid 2016 - Mid 2021 | 1,390 | 1,362 | 290 | 5 | 15 | -5 | 305 | |
| | Mid 2021 - Mid 2022 | 460 | 440 | 128 | 33 | 2 | 0 | 163 | |
| | Mid 2022 - Mid 2032 | 4,280 | 4,173 | 1,296 | 389 | 65 | 0 | 1,750 | |
| | Mid 2022 - Mid 2042 | 6,810 | 6,636 | 2,081 | 684 | 137 | 0 | 2,901 | |
| | Mid 2022 - Mid-2046 ^[4] | 7,490 | 7,298 | 2,311 | 785 | 167 | 0 | 3,264 | |

[1] Census undercount estimated at approximately 2.6%. Note: Population including the undercount has been rounded.

[2] Includes townhouses and apartments in duplexes.

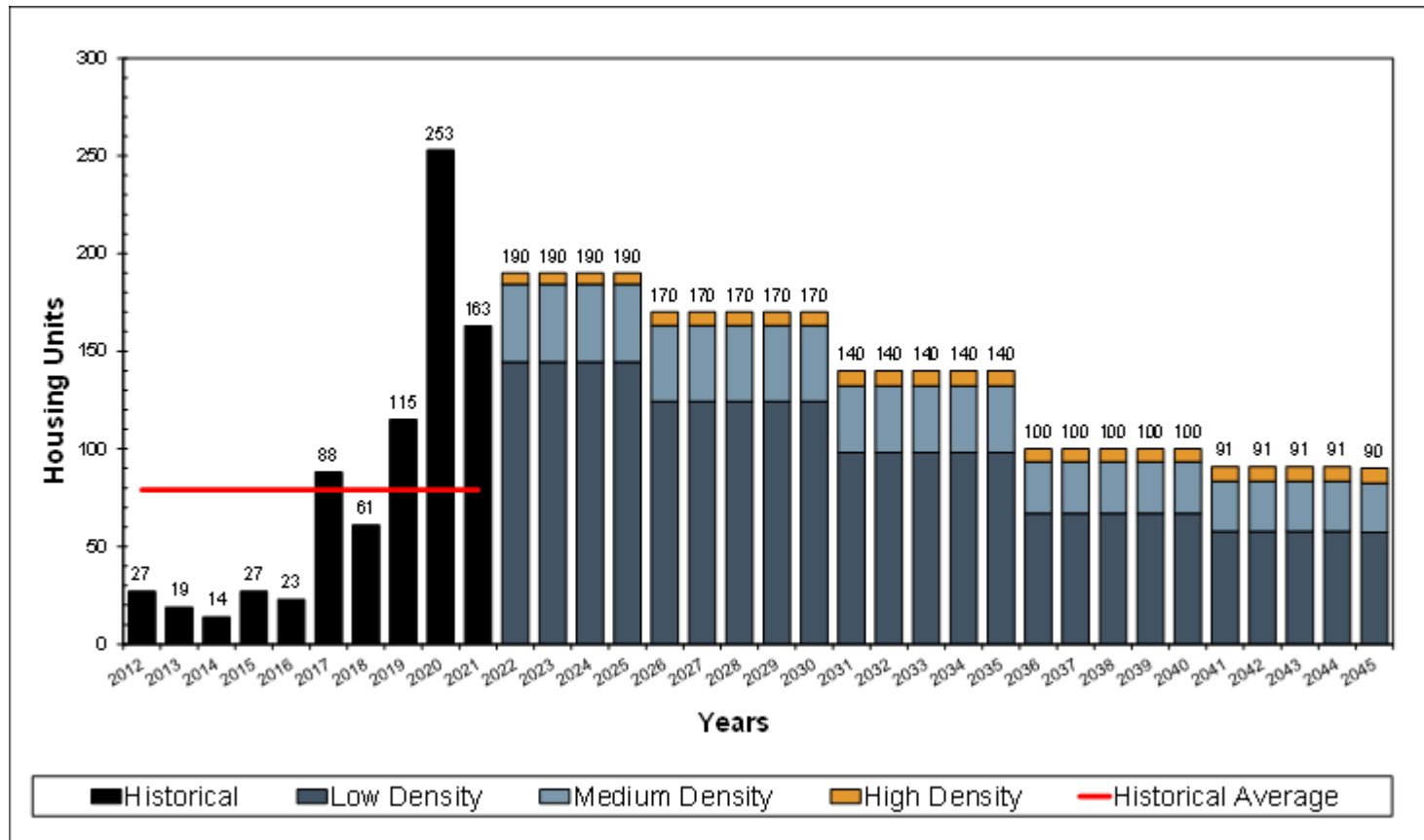
[3] Includes bachelor, 1-bedroom and 2-bedroom+ apartments.

[4] Growth forecast to Mid-2046 assumes that the existing Dundalk urban area is built-out, in addition to the 155 unit expansion for Glenelg Phase 2 identified in the Dundalk Comprehensive Review and buildout of MZO lands. Growth from 2022 to 2046 assumes development of the MZO lands.

Source: Derived from County of Grey Growth Management Strategy Growth Forecasts to 2046, July 14, 2021, Village of Dundalk Comprehensive Review Report, September 2020 and Addendum August 2021, Municipal Zoning Orders O Reg 161/22, 162/22 and 165/22 and discussions with Township staff. Watson & Associates Economists Ltd.



Figure 3 2
Township of Southgate
Annual Housing Forecast^[1]



[1] Growth forecast represents calendar year.

Source: Historical housing activity derived from Statistics Canada building permit data for the Township of Southgate, 2012-2021



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

1. Housing Unit Mix (Appendix A – Schedules 1, 6 and 7)

- The housing unit mix for the Township was derived from a detailed review of historical development activity (as per Schedule 7), as well as active residential development applications (as per Schedule 6) and discussions with Township staff regarding anticipated development trends for Southgate.
- Based on the above indicators, the 2022 to 2046 household growth forecast for the Township is comprised of a unit mix of 71% low density units (single detached and semi-detached), 24% medium density (multiples except apartments) and 5% high density (bachelor, 1-bedroom and 2-bedroom apartments).

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

- Schedule 2 summarizes the anticipated amount, type, and location of development by servicing area for the Township.
- In accordance with forecast demand and available land supply, the amount and percentage of forecast housing growth between 2022 and 2046 by development location is summarized below.

| Development Location | Amount of Housing Growth, 2022 to 2046 | Percentage of Housing Growth, 2022 to 2046 |
|-----------------------|--|--|
| Dundalk | 3,100 | 95% |
| Rural Area | 164 | 5% |
| Township Total | 3,264 | 100% |

Note: Figures may not sum precisely due to rounding.

3. Planning Period

- Short- and longer-term time horizons are required for the D.C. process. The D.C.A. limits the planning horizon for transit services to a 10-year planning



horizon. All other services can utilize a longer planning period if the municipality has identified the growth-related capital infrastructure needs associated with the longer-term growth planning period.

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

- The number of housing units to be constructed by 2046 in the Township over the forecast period is presented in Table 3-1. Over the 2022 to 2046 forecast period, the Township is anticipated to average 136 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 (P.P.U.) by dwelling type for new units.
- Schedule 8a summarizes the average P.P.U. assumed for new housing units by age and type of dwelling based on Statistics Canada 2016 custom Census data for the Township. Due to data limitations, medium and high density P.P.U. data was derived from Grey County which includes the Township, and is outlined in Schedule 8b. The total calculated P.P.U. for all density types has been adjusted accordingly to account for the P.P.U. trends which has been recently experienced in both new and older units. Forecasted 25-year average P.P.U.s by dwelling type are as follows:
 - Low density: 2.938
 - Medium density: 1.835
 - High density¹: 1.675

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

- Existing households for mid-2022 are based on the 2021 Census households, plus estimated residential units constructed between mid-2021 to the beginning of the forecast period, 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 2022 to 2046 forecast period is approximately 1,210.

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



6. Employment (Appendix A, Schedules 10a, 10b, 10c)

- The employment projections provided herein are largely based on the activity rate method, which is defined as the number of jobs in the 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.
- 2016 employment data¹ (place of work) for the Township is outlined in Schedule 10a. The 2016 employment base is comprised of the following sectors:
 - 80 primary (5%);
 - 755 work at home employment (49%);
 - 268 industrial (17%);
 - 303 commercial/population related (20%); and
 - 140 institutional (9%).
- The 2016 employment by usual place of work, including work at home, is 1,545. An additional 550 employees have been identified for the Township in 2016 that have no fixed place of work (N.F.P.O.W.).²
- Total employment, including work at home and N.F.P.O.W. for the Township is anticipated to reach approximately 3,410 by mid-2032, 4,360 by mid-2042 and 4,750 by mid-2046. This represents an employment increase of approximately 1,180 for the 10-year forecast period, 2,140 for the 20-year forecast period and 2,530 for the longer-term forecast period.
- Schedule 10b, Appendix A, summarizes the employment forecast, excluding work at home employment and N.F.P.O.W. employment, which is the basis for the D.C. employment forecast. The impact on municipal services from work at home employees has already been included in the population forecast. The need for municipal services related to N.F.P.O.W. employees has largely been included in the employment forecast by usual place of work (i.e. employment and gross floor area generated from N.F.P.O.W. construction employment).

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

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



Furthermore, since these employees have no fixed work address, they cannot be captured in the non-residential gross floor area (G.F.A.) calculation.

- Total employment for the Township (excluding work at home and N.F.P.O.W. employment) is anticipated to reach approximately 1,490 by mid-2032, 2,090 by mid-2042 and 2,390 by mid-2046. This represents an employment increase of approximately 690 for the 10-year forecast period, 1,290 for the 20-year forecast period and 1,590 for the longer-term forecast period.

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

- Square footage estimates were calculated in Schedule 10b based on the following employee density assumptions:
 - 3,000 sq.ft. per employee for primary;
 - 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 G.F.A. is anticipated to increase by 0.7 million sq.ft. over the 10-year forecast period, 1.4 million sq.ft. over the 20-year forecast period and 1.7 million sq.ft. over the longer-term forecast period.
- In terms of percentage growth, the 2022 to 2046 incremental G.F.A. forecast by sector is broken down as follows:
 - primary - 7%;
 - industrial – 73%;
 - commercial/population-related – 14%; and
 - institutional – 6%.

8. Geographic Location of Non-Residential Development (Appendix A, Schedule 10c)

- Schedule 10c summarizes the anticipated amount, type and location of non-residential development by servicing area for the Township by area.
- The amount and percentage of forecast total non-residential growth between 2022 and 2046 by development location is summarized below.



| Development Location | Amount of Non-Residential G.F.A. (sq.ft.), 2022 to 2046 | Percentage of Non-Residential G.F.A., 2022 to 2046 |
|------------------------------|--|---|
| Dundalk | 1.6 million | 92% |
| Rural Area | 0.1 million | 8% |
| <i>Township Total</i> | <i>1.7 million</i> | <i>100%</i> |

Note: Figures may not sum precisely due to rounding.



Chapter 4

The Approach to the Calculation of the Charge



4. The Approach to the Calculation of the Charge

4.1 Introduction

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

4.2 Local Service Policy

Some of the need for services generated by additional development consists of local services related to a plan of subdivision. As such, they will be required as a condition of subdivision agreements or consent conditions. The local service guidelines for the Township are summarized in Appendix D.

4.3 Services Potentially Involved

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

- Water supply services, including distribution and treatment services.
- Wastewater services, including sewers and treatment services.
- Storm water drainage and control services.
- Services related to a highway.
- Electrical power services.
- Toronto-York subway extension, as defined in subsection 5.1 (1).
- Transit services other than the Toronto-York subway extension.
- Waste diversion services.
- Policing services.
- Fire protection services.
- Ambulance services.
- Library Services.
- Long-term care services.
- Parks and recreation services (but not the acquisition of land for parks).
- Public health services.



- Childcare and early years services.
- Housing services.
- Provincial Offences Act Services.
- Services related to emergency preparedness.
- Services related to airports, but only in the Regional Municipality of Waterloo.
- Additional services as prescribed

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

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

Table 4-1 identifies the potential components within each service category, whether the Township provides the service, and whether the service has been included in the proposed D.C. by-law.

4.4 Increase in Need for Service

The D.C. calculation commences with an estimate of “the increase in the need for service attributable to the anticipated development,” for each service to be covered by the by-law. There must be some form of link or attribution between the anticipated development and the estimated increase in the need for service.

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).

While the need could conceivably be expressed generally in terms of units of capacity, s.s.5(1)3, suggests that a project-specific expression of need would be most appropriate.



Figure 4-1

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

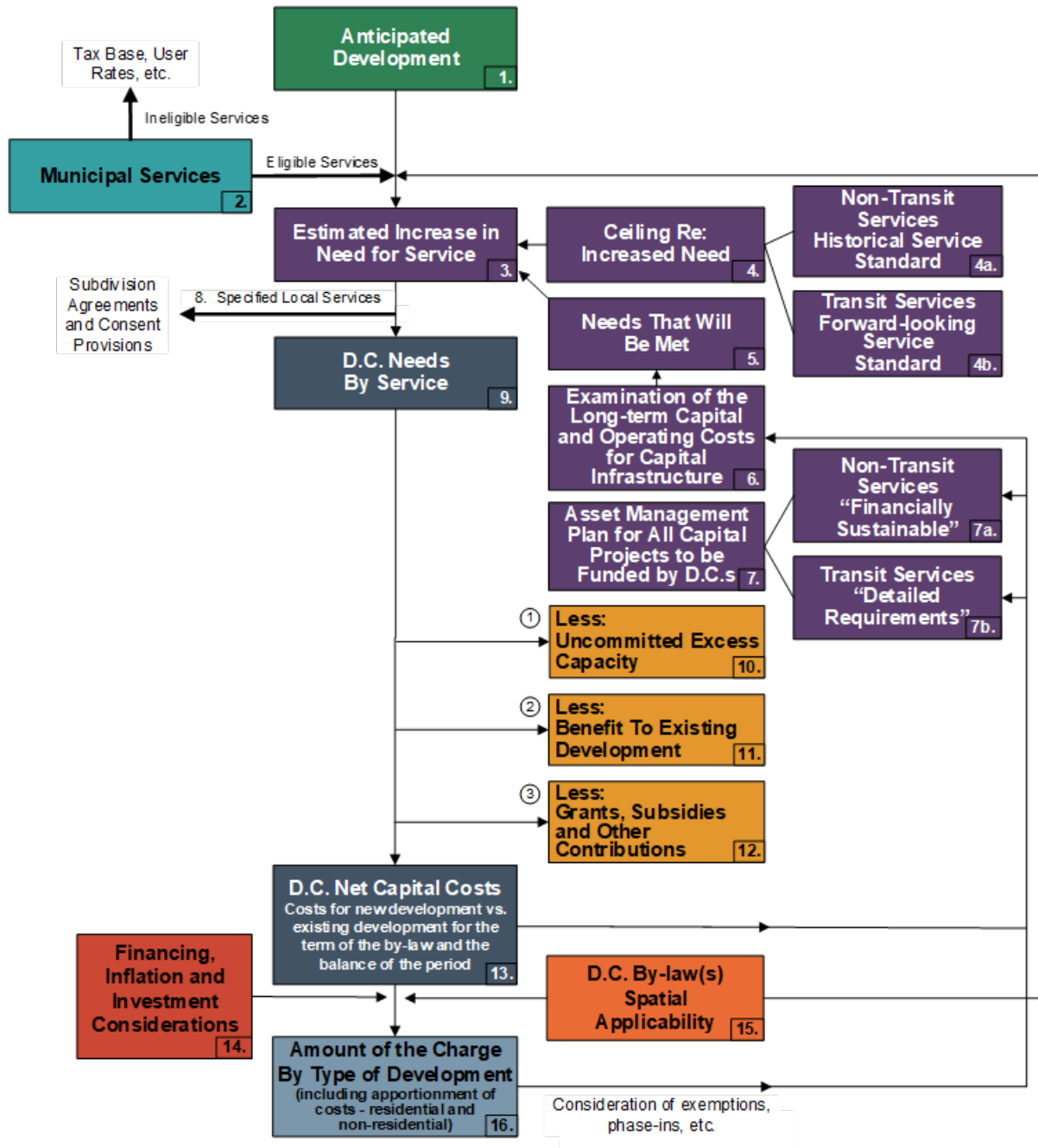




Table 4-1
Categories of Municipal Services
To Be Addressed as Part of the Calculation

| Categories of Municipal Services | Inclusion in the D.C. Calculation | Service Components |
|---|-----------------------------------|--|
| 1. Services Related to a Highway | Yes | 1.1 Arterial roads |
| | Yes | 1.2 Collector roads |
| | Yes | 1.3 Bridges, Culverts and Roundabouts |
| | No | 1.4 Local municipal roads |
| | Yes | 1.5 Traffic signals |
| | Yes | 1.6 Sidewalks and streetlights |
| | Yes | 1.7 Active Transportation |
| | Yes | 1.8 Works Yard |
| | Yes | 1.9 Rolling stock ^[1] |
| 2. Transit Services | n/a | 2.1 Transit vehicles ^[1] & facilities |
| | n/a | 2.2 Other transit infrastructure |
| 3. Stormwater Drainage and Control Services | Yes | 3.1 Main channels and drainage trunks |
| | Yes | 3.2 Channel connections |
| | Yes | 3.3 Retention/detention ponds |
| | Yes | 3.4 Centralized retention/detention ponds |
| 4. Fire Protection Services | Yes | 4.1 Fire stations |
| | Yes | 4.2 Fire pumpers, aerials and rescue vehicles ^[1] |
| | Yes | 4.3 Small equipment and gear |

^[1] with 7+ year lifetime

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



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



| Categories of Municipal Services | Inclusion in the D.C. Calculation | Service Components |
|--|--|--|
| 11. Waste Diversion Services | Ineligible Ineligible Yes Yes | 11.1 Landfill collection, transfer vehicles and equipment 11.2 Landfills and other disposal facilities 11.3 Waste diversion facilities 11.4 Waste diversion vehicles and equipment ^[1] |
| 12. Policing Services | n/a n/a n/a | 12.1 Police detachments 12.2 Police rolling stock ^[1] 12.3 Small equipment and gear |
| 13. Long-Term Care Services | n/a n/a | 13.1 Long-Term Care space 13.2 Vehicles ^[1] |
| 14. Child Care and early years services | n/a n/a | 14.1 Childcare space 14.2 Vehicles ^[1] |
| 15. Public Health | n/a n/a | 15.1 Public Health department space 15.2 Public Health department vehicles ^[1] |
| 16. Housing Services | n/a | 16.1 Social Housing space |
| 17. Provincial Offences Act (P.O.A.) | n/a | 17.1 P.O.A. space |
| 18. Social Services | n/a | 18.1 Social service space |
| 19. Ambulance Services | n/a n/a | 19.1 Ambulance station space 19.2 Vehicles ^[1] |
| 20. Emergency Preparedness Services | No No | 20.1 Emergency Preparedness Space 20.2 Equipment |
| 21. Hospital Provision | Ineligible | 21.1 Hospital capital contributions |
| 22. Provision of Headquarters for the General Administration of Municipalities and Area Municipal Boards | Ineligible Ineligible Ineligible | 22.1 Office space 22.2 Office furniture 22.3 Computer equipment |
| 23. Other Transportation Services | Ineligible Ineligible Ineligible | 23.1 Ferries 23.2 Airports (in the Regional Municipality of Waterloo) 23.2 Other |



| Categories of Municipal Services | Inclusion in the D.C. Calculation | Service Components |
|--|-----------------------------------|--|
| 24. Provision of Cultural, Entertainment and Tourism Facilities and Convention Centres | Ineligible Ineligible | 24.1 Cultural space (e.g. art galleries, museums and theatres) 24.2 Tourism facilities and convention centres |
| 25. Other | Yes Yes | 25.1 Studies in connection with acquiring buildings, rolling stock, materials and equipment, and improving land ^[2] and facilities, including the D.C. background study cost 25.2 Interest on money borrowed to pay for growth-related capital |

^[1] with a 7+ year lifetime

^[2] same percentage as service component to which it pertains

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

4.5 Capital Forecast

Paragraph 7 of s.s.5(1) of the D.C.A. requires that, “the capital costs necessary to provide the increased services must be estimated.”

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

The capital costs include:



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

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.

The capital program contained herein reflects the Township's approved capital budget and forecast, recent project tenders and cost estimates, and past D.C. background studies.

4.6 Treatment of Credits

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

The Township has no outstanding D.C. credit obligations.

4.7 Classes of Services

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



of each D.C. eligible services. With respect to growth-related studies, Section 7(3) of the D.C.A. states that:

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

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

- Services Related to a Highway;
- Fire Protection Services;
- Parks and Recreation Services;
- Library Services;
- Waste Diversion;
- Stormwater Services;
- Wastewater Services; and
- Water Services.

4.8 Eligible Debt and Committed Excess Capacity

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

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



4.9 Existing Reserve Funds

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

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

There is no explicit requirement under the D.C.A. calculation method set out in s.s.5(1) to net the outstanding reserve fund balance as part of making the D.C. calculation; however, s.35 does restrict the way in which the funds are used in future.

The Township’s D.C. reserve funds balances, by service, are presented in Table 4-2 below. 2021 year-end reserve fund balances have been adjusted to account for eligible and actual reserve fund draws over the 2017-2021 period. Furthermore, the reserve funds have also been adjusted to account for estimated 2022 D.C. revenues to mid-year 2022. These balances have been applied against future spending requirements for all services.

Table 4-2
Township of Southgate
Estimated 2022 Mid-Year D.C. Reserve Funds Balances

| Service | 2022 Opening Balance | 2022 Collections (Mid Year 2022) | 2022 D.C. Background Study Adjustments | Total |
|------------------------|----------------------|----------------------------------|--|-------------------|
| Roads and Related | 2,224,199 | 253,389 | (893,032) | 1,584,556 |
| Fire Protection | 369,137 | 28,145 | (189,014) | 208,268 |
| Parks and Recreation | 1,113,009 | 215,156 | - | 1,328,165 |
| Library | 73,068 | 21,363 | (0) | 94,431 |
| Growth-Related Studies | 135,727 | 29,840 | (94,542) | 71,025 |
| Waste Diversion | 21,339 | 4,239 | - | 25,578 |
| Wastewater | 5,088,380 | 707,673 | 21,086 | 5,817,139 |
| Water | 2,328,605 | 440,516 | (344,863) | 2,424,258 |
| Stormwater | 299,672 | 32,760 | - | 332,432 |
| Total | 11,653,135 | 1,733,080 | (1,500,365) | 11,885,851 |



4.10 Deductions

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

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

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

4.10.1 Reduction Required by Level of Service Ceiling

This is designed to ensure that the increase in need included in 4.3 does “...not include an increase that would result in the level of service (for the additional development increment) exceeding the average level of the service provided in the municipality 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.



4.10.2 Reduction for Uncommitted Excess Capacity

Paragraph 5 of s.s.5(1) requires a deduction from the increase in the need for service attributable to the anticipated development that can be met using the municipality'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.

4.10.3 Reduction for Benefit to Existing Development

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

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

This step involves a further reduction in the need, by the extent to which such an increase in service would benefit existing development. The level of services cap in 4.10.1 is related but is not the identical requirement. Sanitary, storm and water trunks are highly localized to growth areas and can be more readily allocated in this regard than other services such as services related to a highway, which do not have a fixed service area.



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

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

4.10.4 Reduction for Anticipated Grants, Subsidies, and Other Contributions

This step involves reducing the capital costs necessary to provide the increased services by capital grants, subsidies and other contributions 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.

4.11 Municipal-Wide vs. Area Rating

This step involves determining whether all the subject costs are to be recovered on a uniform municipal-wide basis or whether some or all are to be recovered on an area-



specific basis. Under the D.C.A., it is now mandatory to “consider” area-rating of services (providing charges for specific areas and services), however, it is not mandatory to implement area-rating. Further discussion is provided in section 7.3.8.

4.12 Allocation of Development

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



Chapter 5

Development Charge Eligible Cost Analysis by Service



5. Development Charge Eligible Cost Analysis by Service

This chapter outlines the basis for calculating the D.C.-eligible costs on a municipal-wide and area-specific basis. The required calculation process set out in s.5(1) paragraphs 2 to 8 in the D.C.A., 1997, and described in Chapter 4, was followed in determining D.C. eligible costs.

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

The historical level of service calculations that are discussed in the following sections are presented in Appendix B. The following tables detailing the calculation of D.C. eligible capital costs are contained within this chapter.

- Table 5-1 – Services Related to a Highway
- Table 5-2 – Fire Protection Services
- Table 5-3 – Parks and Recreation Services
- Table 5-4 – Library Services
- Table 5-5 – Waste Diversion Services
- Table 5-6 – Growth-Related Studies
- Table 5-8 – Stormwater Services
- Table 5-9 – Wastewater Services
- Table 5-10 – Water Services

5.1 Service Levels and 24-Year Capital Costs for Township-Wide D.C. Calculation

5.1.1 *Services Related to a Highway*

The Township has a current inventory of 508 kilometres of paved, surface treated, and gravel roads. This historical level of infrastructure investment equates to a \$16,397 per capita level of service. When applied to the forecast population growth to 2046 (i.e.



7,298 population), a maximum D.C.-eligible cost of \$119.7 million could be expected to meet the future increase in needs for service.

In addition to roads, the Township's utilizes 28,660 square feet of public works facility space and operates a fleet of 30 pieces of rolling stock. In this regard, an historical average level of service of \$1,553 per capita has been provided, resulting in a maximum D.C.-eligible capital costs of \$11.3 million.

The review of the Township's roads and related needs for the forecast period identified \$27.8 million in gross capital costs. These capital needs include various road projects for gravel to paved road upgrades as well as road resurfacings. Furthermore, the capital needs also include public works facilities and fleet needs and associated studies. \$15.3 million of the capital costs have been deducted as benefit to existing development and a further \$1.6 million has been deducted with respect to the existing D.C. reserve funds that are available to meet the increase in need for service. As a result, approximately \$10.9 million in D.C. eligible capital needs have been included in the D.C. calculation.

The net growth-related costs for Services Related to a Highway have been allocated between future residential and non-residential development on the basis of incremental population (7,298) to employment (1,590) growth over the 24-year forecast period (i.e. 82% residential and 18% non-residential).

5.1.2 Fire Protection Services

The Township currently has one fire station and receives services from Wellington North through the Mount Forest station. However, the Township is no longer required to directly fund capital needs for services provided by Wellington North. The Township also current has an inventory of 7 vehicles and provides 35 sets of equipment for firefighter outfitting, as well as various specialty equipment. In total, the inventory of Fire Protection services assets provides a historical average level of service of approximately \$1,205 per capita. The historical level of investment in Fire Protection services provides for a D.C.-eligible amount over the forecast period of nearly \$8.8 million.

Based on discussions with staff, the Township will require funds for a fire facility expansion, two new fire trucks, and associated equipment, gear, and studies. The gross capital cost estimates for the increase in service total \$4.1 million. After



recognizing deductions of \$57,200 for the benefit to existing development and \$208,300 for the existing D.C. reserve fund balances, the net growth-related capital costs to be included in the calculation of the charge are \$3.8 million.

The allocation of net growth-related costs for Fire Protection services between residential and non-residential development is 82% residential and 18% non-residential, based forecast population and employment growth over the 24-year forecast period.

5.1.3 Parks and Recreation Services

The Township currently maintains 38 acres of developed parkland and 0.6 km of trails within its jurisdiction. Furthermore, the Township provides a variety of amenities within its parks, operates 36,610 square feet of indoor recreation facility space. The Township also maintains 4.5 vehicle and equipment items in the provision of these assets. The Township's level of service over the historical 10-year period averaged \$2,030 per capita. In total, the maximum D.C.-eligible amount for parks and recreation services over the 24-year forecast period is \$14.8 million based on the established level of service and anticipated development.

The 10-year capital needs for parks and recreation services to accommodate growth have a total gross capital cost of \$29.9 million. These capital needs include various parkland amenities and vehicles as well as the construction of a new Community Centre facility. The costs for the Community Centre facility include the net present value of future financing costs for the growth-related share of the facility. \$10.3 million has been deducted to reflect the benefit to the existing portion of the identified projects, including the replacement of existing facilities, and \$9.9 million has been deducted to reflect the growth-related share of anticipated grants and other contributions. After deducting the existing reserve fund balance of \$1.3 million, the net D.C. recoverable costs included in the calculation of the charge are \$8.3 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.

5.1.4 Library Services

Southgate currently provides 5,821 sq.ft. of library space and approximately 15,700 collection materials for residents to use. The Township's level of service over the



historical 10-year period averaged \$386 per capita. In total, the maximum D.C.-eligible amount for Library services over the 24-year forecast period is \$2.8 million based on the established level of service standards.

The gross capital costs included in the D.C. calculation are \$2.7 million including \$1.6 million for additional library facility space and \$1.0 million for additional collection materials to maintain the current level of service. Deductions of \$12,500 for the benefit to existing development and \$94,400 for the existing reserve funds balances have been made, resulting in \$2.6 million being included in the calculation of the charge.

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

5.1.5 Waste Diversion Services

The Township currently provides approximately 29,000 sq.ft. of waste disposal space that is applicable to diversion activities. Additionally, the Township owns and operates 7,733 individual vehicles and equipment items for the purposes of diversion, including trucks, bins, and collection carts. The historical 10-year level of service averaged \$384 per capita. The maximum D.C.-eligible amount for waste diversion over the 24-year forecast period is approximately \$2.8 million based on the historical level of service standards and the anticipated population growth (i.e. 7,298 persons)

The gross capital costs of the projects included in the 24-year forecast period is \$1.0 million. These capital needs are for upgrades to the Dundalk Transfer Station, new bins, and a hazardous waste container. The total has been reduced by \$407,000 to account for the non-waste diversion share of the projects and \$25,600 for the existing D.C. reserve fund balances. The resulting net D.C. recoverable capital cost for inclusion in the calculation totals \$306,900.

These costs have been allocated 82% residential and 18% non-residential based on the incremental growth in population to employment for the 24-year forecast period.

5.1.6 Growth Studies

The D.C.A. permits the inclusion of studies undertaken to facilitate the completion of the Township's capital works program. As discussed in Section 4.7, these studies have



been included within a class of services based on each service to which the studies relates.

The following provides a list of the studies that have been identified for the 2022to 2046 forecast period:

- Development Charges Background Studies (2022-2046);
- Official Plan Updates (2032 & 2042);
- Zoning By-law Reviews (2024, 2034 & 2044); and
- Community Action Plan (Strategic Plan, 5-year Cycle).

For planning related studies, a deduction of 10% of the growth-related costs has been applied to recognize the extent to which the studies relate to non-D.C.-eligible services. Planning related studies and future D.C. background studies have been allocated to the services in the following manner:

- Services Related to a Highway – 18.9%
- Fire Protection Services – 6.6%
- Parks and Recreation Services – 14.5%
- Library Services – 4.5%
- Waste Diversion – 1.1%
- Stormwater Drainage and Control Services – 0.1%
- Wastewater Services – 17.9%
- Water Services – 36.5%

The total cost of these studies is \$745,000 of which \$232,500 is a benefit to existing development. A deduction of \$33,750 has been made to recognize the portion of planning studies related to D.C.-ineligible services, as mentioned above. The existing reserve fund balance of \$71,000 has been deducted, resulting in a net D.C.-eligible cost of \$407,700 over the 24-year forecast period as presented in Table 5-6 below.

The allocation of the net growth-related costs between residential and non-residential development is based on the residential and non-residential allocations for each service area and are presented in Table 5-7 below.



**Table 5-1
Infrastructure Costs Covered in the D.C. Calculation – Services Related to a Highway**

| Prj .No | Increased Service Needs Attributable to Anticipated Development 2022-2046 | Timing (year) | Gross Capital Cost Estimate (2022\$) | Post Period Benefit | Net Capital Cost | Less: | | Potential D.C. Recoverable Cost | | |
|---------|--|---------------|--------------------------------------|---------------------|-------------------|---------------------------------|---|---------------------------------|--------------------------|------------------------------|
| | | | | | | Benefit to Existing Development | Grants, Subsidies and Other Contributions Attributable to New Development | Total | Residential Share 82% | Non-Residential Share 18% |
| 1 | <u>Gravel to Paved Road Upgrades</u> | 2022-2046 | | | | | | | | |
| | Road 26 from Old Railroad Road to Homestead Road | 2022-2046 | 131,782 | - | 131,782 | 73,300 | | 58,482 | 47,955 | 10,527 |
| | Road 22 from Dromore to SDRD 3 (551, 246, 465) (5.5km) | 2022-2046 | 2,376,000 | - | 2,376,000 | 1,322,100 | | 1,053,900 | 864,198 | 189,702 |
| | SDRD 39 from Wilder Lake Road to Townline (2km) | 2022-2046 | 864,000 | - | 864,000 | 480,800 | | 383,200 | 314,224 | 68,976 |
| | Eco Parkway (1.1km) | 2022-2046 | 432,000 | - | 432,000 | 240,400 | | 191,600 | 157,112 | 34,488 |
| 2 | Road Resurfacings (88.5 kms) | 2022-2046 | 19,912,500 | - | 19,912,500 | 11,080,500 | | 8,832,000 | 7,242,240 | 1,589,760 |
| 3 | Dundalk Sidewalk Improvements | 2022-2046 | 55,600 | - | 55,600 | 30,900 | | 24,700 | 20,254 | 4,446 |
| 4 | Vehicle-Tandem for Hopeville Depot | 2023 | 335,000 | - | 335,000 | - | | 335,000 | 274,700 | 60,300 |
| 5 | Vehicle-Tandem for Dundalk | 2032 | 335,000 | - | 335,000 | - | | 335,000 | 274,700 | 60,300 |
| 6 | Sidewalk Plow | 2022 | 190,000 | - | 190,000 | - | | 190,000 | 155,800 | 34,200 |
| 7 | Sidewalk Plow | 2032 | 190,000 | - | 190,000 | - | | 190,000 | 155,800 | 34,200 |
| 8 | Dundalk Facility Expansion | 2025 | 1,825,000 | - | 1,825,000 | 1,372,000 | | 453,000 | 371,460 | 81,540 |
| 9 | New Street Sweeper | 2024 | 350,000 | - | 350,000 | - | | 350,000 | 287,000 | 63,000 |
| 10 | Road Needs Study Update | 2022-2046 | 150,000 | - | 150,000 | 135,000 | | 15,000 | 12,300 | 2,700 |
| 11 | Bridge Study | 2022-2046 | 632,400 | - | 632,400 | 569,200 | | 63,200 | 51,824 | 11,376 |
| | | | - | - | - | - | | - | - | - |
| | Reserve Fund Adjustment | | | | | | | (1,584,556) | (1,299,336) | (285,220) |
| | Total | | 27,779,282 | - | 27,779,282 | 15,304,200 | - | 10,890,526 | 8,930,231 | 1,960,295 |



**Table 5-2
Infrastructure Costs Covered in the D.C. Calculation – Fire Protection Services**

| Prj .No | Increased Service Needs Attributable to Anticipated Development 2022-2046 | Timing (year) | Gross Capital Cost Estimate (2022\$) | Post Period Benefit | Net Capital Cost | Less: | | Potential D.C. Recoverable Cost | | |
|---------|--|---------------|--------------------------------------|---------------------|------------------|---------------------------------|---|---------------------------------|--------------------------|------------------------------|
| | | | | | | Benefit to Existing Development | Grants, Subsidies and Other Contributions Attributable to New Development | Total | Residential Share 82% | Non-Residential Share 18% |
| 1 | Fire Facilities - Fire Station Expansion 22' x 56' Bay | 2025 | 1,000,000 | | 1,000,000 | - | | 1,000,000 | 820,000 | 180,000 |
| 2 | Bunker Gear - 8 units | 2022-2046 | 49,600 | - | 49,600 | - | | 49,600 | 40,672 | 8,928 |
| 3 | Defibrillator | 2025 | 3,000 | - | 3,000 | - | | 3,000 | 2,460 | 540 |
| 4 | Second Set of Bunker Gear (12 units) | 2022-2046 | 74,400 | - | 74,400 | 37,200 | | 37,200 | 30,504 | 6,696 |
| 5 | Ladder Truck | 2025-2027 | 1,900,000 | - | 1,900,000 | - | | 1,900,000 | 1,558,000 | 342,000 |
| 6 | Pumper Truck | 2032-2046 | 815,000 | - | 815,000 | - | | 815,000 | 668,300 | 146,700 |
| 7 | Fire Master Plan | 2032-2046 | 80,000 | - | 80,000 | 20,000 | | 60,000 | 49,200 | 10,800 |
| 8 | Post Period Benefit of Prior Completed Projects | | 140,264 | - | 140,264 | - | | 140,264 | 115,016 | 25,248 |
| | | | - | - | - | - | | - | - | - |
| | Reserve Fund Adjustment | | | | | | | (208,268) | (170,780) | (37,488) |
| | | | | | | | | | | |
| | Total | | 4,062,264 | - | 4,062,264 | 57,200 | - | 3,796,796 | 3,113,373 | 683,423 |



Table 5-3
Infrastructure Costs Covered in the D.C. Calculation – Parks and Recreation Services

| Prj.No | Increased Service Needs Attributable to Anticipated Development | Timing (year) | Gross Capital Cost Estimate (2022\$) | Post Period Benefit | Net Capital Cost | Less: | | Potential D.C. Recoverable Cost | | |
|--------|--|---------------|--------------------------------------|---------------------|-------------------|---------------------------------|---|---------------------------------|-------------------|-----------------------|
| | | | | | | Benefit to Existing Development | Grants, Subsidies and Other Contributions Attributable to New Development | Total | Residential Share | Non-Residential Share |
| | 2022-2046 | | | | | | | | 95% | 5% |
| 1 | Nieghborhood Park Development | 2022-2046 | 352,000 | - | 352,000 | - | | 352,000 | 334,400 | 17,600 |
| 2 | Trail Development - Connections | 2022-2024 | 80,300 | - | 80,300 | 40,200 | | 40,100 | 38,095 | 2,005 |
| 3 | Community Centre Facility - Net Present Value of Future Debt Payments | 2028 | 25,000,000 | - | 25,000,000 | 10,187,000 | 9,875,333 | 4,937,667 | 4,690,783 | 246,883 |
| 4 | Community Centre Facility - Net Present Value of Future Interst Payments (Growth-Related Share Only) | 2028-2046 | 2,128,967 | - | 2,128,967 | | | 2,128,967 | 2,022,519 | 106,448 |
| 5 | Splash Pad | 2022-2046 | 200,000 | - | 200,000 | 111,300 | | 88,700 | 84,265 | 4,435 |
| 6 | Ball Diamonds (6) | 2022-2046 | 1,538,400 | - | 1,538,400 | - | | 1,538,400 | 1,461,480 | 76,920 |
| 7 | Soccer Fields (5) | 2022-2046 | 450,000 | - | 450,000 | - | | 450,000 | 427,500 | 22,500 |
| 8 | Pick-Up Truck | 2022-2046 | 60,000 | - | 60,000 | - | | 60,000 | 57,000 | 3,000 |
| 9 | Trailer Upgrade | 2023 | 20,000 | - | 20,000 | 12,000 | | 8,000 | 7,600 | 400 |
| 10 | Trailer | 2022-2046 | 7,800 | - | 7,800 | - | | 7,800 | 7,410 | 390 |
| 11 | Mower (2) | 2022-2046 | 27,600 | - | 27,600 | - | | 27,600 | 26,220 | 1,380 |
| 12 | Tractor | 2022-2046 | 23,000 | - | 23,000 | - | | 23,000 | 21,850 | 1,150 |
| | | | - | - | - | - | | - | - | - |
| | Reserve Fund Adjustment | | | | | | | (1,328,165) | (1,261,757) | (66,408) |
| | Total | | 29,888,067 | - | 29,888,067 | 10,350,500 | 9,875,333 | 8,334,069 | 7,917,366 | 416,703 |



Table 5-4
Infrastructure Costs Covered in the D.C. Calculation – Library Services

| Prj.No | Increased Service Needs Attributable to Anticipated Development | Timing (year) | Gross Capital Cost Estimate (2022\$) | Post Period Benefit | Net Capital Cost | Less: | | Potential D.C. Recoverable Cost | | |
|--------|---|---------------|--------------------------------------|---------------------|------------------|---------------------------------|---|---------------------------------|-------------------|-----------------------|
| | | | | | | Benefit to Existing Development | Grants, Subsidies and Other Contributions Attributable to New Development | Total | Residential Share | Non-Residential Share |
| | 2022-2046 | | | | | | | | 95% | 5% |
| 1 | Future Collections, Databases and Eresrouces | 2022-2046 | 985,000 | - | 985,000 | - | | 985,000 | 935,750 | 49,250 |
| 2 | Furniture & Furnishings additions | 2022-2046 | 20,100 | - | 20,100 | - | | 20,100 | 19,095 | 1,005 |
| 3 | Library Building Expansion/Renovation | 2028 | 345,000 | - | 345,000 | - | | 345,000 | 327,750 | 17,250 |
| 4 | Provision for Additional Library Facility Space | 2036-2046 | 1,297,000 | - | 1,297,000 | - | | 1,297,000 | 1,232,150 | 64,850 |
| 5 | Library Justification Study | 2022-2046 | 50,000 | - | 50,000 | 12,500 | | 37,500 | 35,625 | 1,875 |
| | Reserve Fund Adjustment | | | | | | | (94,431) | (89,709) | (4,722) |
| | Total | | 2,697,100 | - | 2,697,100 | 12,500 | - | 2,590,169 | 2,460,661 | 129,508 |

Table 5-5
Infrastructure Costs Covered in the D.C. Calculation – Waste Diversion Services

| Prj .No | Increased Service Needs Attributable to Anticipated Development | Timing (year) | Gross Capital Cost Estimate (2022\$) | Post Period Benefit | Other Deductions | Net Capital Cost | Less: | | Potential D.C. Recoverable Cost | | |
|---------|---|---------------|--------------------------------------|---------------------|------------------|------------------|---------------------------------|---|---------------------------------|-------------------|-----------------------|
| | | | | | | | Benefit to Existing Development | Grants, Subsidies and Other Contributions Attributable to New Development | Total | Residential Share | Non-Residential Share |
| | 2022-2046 | | | | | | | | 82% | 18% | |
| 1 | Dundalk Transfer Station Upgrades | 2025 | 1,000,000 | - | 400,000 | 600,000 | - | | 600,000 | 492,000 | 108,000 |
| 2 | 1-Roll-off Bin 50 yard | 2024 | 17,500 | - | 7,000 | 10,500 | - | | 10,500 | 8,610 | 1,890 |
| 3 | New Hazardous Waste Container | 2025 | 22,000 | - | | 22,000 | - | | 22,000 | 18,040 | 3,960 |
| | Reserve Fund Adjustment | | | | | | | | (25,578) | (20,974) | (4,604) |
| | Total | | 1,039,500 | - | 407,000 | 632,500 | - | - | 606,922 | 497,676 | 109,246 |



**Table 5-6
Infrastructure Costs Covered in the D.C. Calculation – Growth-Related Studies**

| Prj.No | Increased Service Needs Attributable to Anticipated Development 2022-2046 | Timing (year) | Gross Capital Cost Estimate (2022\$) | Post Period Benefit | Other Deductions (to recognize benefit to non-D.C. services) | Net Capital Cost | Less: | | Potential D.C. Recoverable Cost |
|--------|--|---------------|--------------------------------------|---------------------|--|------------------|---------------------------------|---|---------------------------------|
| | | | | | | | Benefit to Existing Development | Grants, Subsidies and Other Contributions Attributable to New Development | |
| 1 | Official Plan Update | 2032 | 60,000 | - | 3,000 | 57,000 | 30,000 | | 27,000 |
| 2 | Official Plan Update | 2042 | 60,000 | - | 3,000 | 57,000 | 30,000 | | 27,000 |
| 3 | Development Charge Studies | 2022-2046 | 175,000 | - | | 175,000 | - | | 175,000 |
| 4 | Zoning By-law Review | 2024 | 80,000 | - | 4,000 | 76,000 | 40,000 | | 36,000 |
| 5 | Zoning By-law Review | 2034 | 80,000 | - | 4,000 | 76,000 | 40,000 | | 36,000 |
| 6 | Zoning By-law Review | 2044 | 80,000 | - | 4,000 | 76,000 | 40,000 | | 36,000 |
| 7 | Community Action Plan (Strategic Plan, 5-year Cycle) | 2024-2046 | 210,000 | - | 15,750 | 194,250 | 52,500 | | 141,750 |
| | | | - | - | | | - | | |
| | Reserve Fund Adjustment | | | - | | - | - | | (71,025) |
| | Total | | 745,000 | - | 33,750 | 711,250 | 232,500 | - | 407,725 |



Table 5-7
Infrastructure Costs Covered in the D.C. Calculation – Growth-Related Studies – Residential/Non-Residential Shares

| Service | Total | Residential Share | Non-Residential Share |
|-------------------------------|----------------|-------------------|-----------------------|
| Stormwater | 303 | 251 | 52 |
| Wastewater Services | 72,859 | 59,265 | 13,594 |
| Water Services | 148,821 | 114,929 | 33,892 |
| Services Related to a Highway | 77,153 | 63,265 | 13,887 |
| Fire Protection Services | 26,898 | 22,056 | 4,842 |
| Parks and Recreation Services | 59,042 | 56,090 | 2,952 |
| Library Services | 18,350 | 17,432 | 917 |
| Waste Diversion Services | 4,300 | 3,526 | 774 |
| Total | 407,725 | 336,815 | 70,910 |



5.2 Urban 24-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 of Dundalk. The anticipated development-related capital requirements for these services have been considered over the urban 24-year forecast period.

5.2.1 Stormwater Services

The stormwater program includes improvements to the Highpoint Drain, to accommodate growth within the Township.

In total, the gross capital cost estimates amount to \$441,100. A benefit-to-existing deduction of \$66,200 has been made and a reduction of \$332,400 in light of the existing reserve fund balance have been applied. The net capital costs identified for inclusion in the calculation total \$42,800.

These costs have been allocated 83% residential and 17% non-residential, based on forecast population and employment over the urban 24-year forecast period.

5.2.2 Wastewater Services

The capital program for wastewater services includes upgrades to the sewage treatment facility (including anticipated financing costs) and wastewater technology, as well as the Hwy #10 Industrial access road pumping station, and future study costs. The gross capital costs are estimated at \$16.9 million with the applicable reduction for the benefit to existing residents of \$849,600. Adjustments for existing reserve funds of \$5.8 million have been applied resulting in a net capital cost identified for inclusion in the calculation of \$10.3 million.

These costs have been allocated 81% to residential and 19% to non-residential development on the basis of anticipated incremental residential and non-residential wastewater flows.



5.2.3 Water Services

The water program includes outstanding debt payments for the construction of Well D5 as well as additional wells to meet the water supply demands of new development. The program also includes needs for additional water storage (i.e. new water tower), the upsizing of existing water mains on Main Street, and Hwy #10 Watermain looping to accommodate growth within the Township.

In total, the gross capital cost estimates amount to \$24.9 million. A benefit-to-existing deduction of \$2.7 million has been made in addition to a deduction of \$2.4 million for the existing reserve fund balance. After recognizing these deductions, the net capital costs identified for inclusion in the calculation total \$19.8 million.

These costs have been allocated to residential and non-residential development on the basis of anticipated water demand (i.e. 77% residential and 23% non-residential) over the 24-year forecast period.



**Table 5-8
Infrastructure Costs Covered in the D.C. Calculation – Stormwater Services**

| Prj.No | Increased Service Needs Attributable to Anticipated Development 2022-Urban Buildout | Timing (year) | Gross Capital Cost Estimate (2022\$) | Post Period Benefit | Net Capital Cost | Less: | | Potential D.C. Recoverable Cost | | |
|--------|--|---------------|--------------------------------------|---------------------|------------------|---------------------------------|---|---------------------------------|--------------------------|------------------------------|
| | | | | | | Benefit to Existing Development | Grants, Subsidies and Other Contributions Attributable to New Development | Total | Residential Share 83% | Non-Residential Share 17% |
| 1 | Highpoint Drain Improvements | 2020-2025 | 441,400 | - | 441,400 | 66,200 | | 375,200 | 311,416 | 63,784 |
| | | | - | - | - | - | | - | - | - |
| | | | - | - | - | - | | - | - | - |
| | Reserve Fund Adjustment | | | | | | | (332,432) | (275,918) | (56,513) |
| | Total | | 441,400 | - | 441,400 | 66,200 | - | 42,768 | 35,498 | 7,271 |



**Table 5-9
Infrastructure Costs Covered in the D.C. Calculation – Wastewater Services**

| Prj.No | Increased Service Needs Attributable to Anticipated Development | Timing (year) | Gross Capital Cost Estimate (2022\$) | Post Period Benefit | Net Capital Cost | Less: | | Potential D.C. Recoverable Cost | | |
|--------|--|---------------|--------------------------------------|---------------------|-------------------|---------------------------------|---|---------------------------------|--------------------------|------------------------------|
| | | | | | | Benefit to Existing Development | Grants, Subsidies and Other Contributions Attributable to New Development | Total | Residential Share 81% | Non-Residential Share 19% |
| | 2022-Urban Buildout | | | | | | | | | |
| 1 | Sewage Treatment Facility Upgrades (Phase 1) | 2022-2046 | 5,500,000 | - | 5,500,000 | 550,000 | | 4,950,000 | 4,026,447 | 923,553 |
| 2 | Sewage Treatment Facility Upgrades (Phase 1) - Net Present Value of Future Interest Payments | | 2,371,000 | - | 2,371,000 | 237,100 | | 2,133,900 | 1,735,765 | 398,135 |
| 3 | Sewage Treatment Facility Upgrades (Phase 2) | 2022-2046 | 2,000,000 | - | 2,000,000 | - | | 2,000,000 | 1,626,847 | 373,153 |
| 4 | Sewage Treatment Facility Upgrades (Phase 2) - Net Present Value of Future Interest Payments | | 862,000 | - | 862,000 | - | | 862,000 | 701,171 | 160,829 |
| 5 | Wastewater SCADA Technology | 2022-2046 | 468,200 | - | 468,200 | - | | 468,200 | 380,845 | 87,355 |
| 6 | Hwy 10 Industrial Access Road Sewage pumping station | 2024 | 5,000,000 | - | 5,000,000 | - | | 5,000,000 | 4,067,118 | 932,882 |
| 7 | Provision for Additional Wastewater Treatment Capacity | 2022-2046 | 500,000 | - | 500,000 | - | | 500,000 | 406,712 | 93,288 |
| 8 | Wastewater Collection System Review (5-year Cycle) | 2022-2046 | 250,000 | - | 250,000 | 62,500 | | 187,500 | 152,517 | 34,983 |
| | | | - | - | - | - | | - | - | - |
| | Reserve Fund Adjustment | | | | | | | (5,817,139) | (4,731,799) | (1,085,340) |
| | | | | | | | | | | |
| | Total | | 16,951,200 | - | 16,951,200 | 849,600 | - | 10,284,461 | 8,365,624 | 1,918,837 |



**Table 5-10
Infrastructure Costs Covered in the D.C. Calculation – Water Services**

| Prj.No | Increased Service Needs Attributable to Anticipated Development | Timing (year) | Gross Capital Cost Estimate (2022\$) | Post Period Benefit | Net Capital Cost | Less: | | Potential D.C. Recoverable Cost | | |
|----------------------------|--|---------------|--------------------------------------|---------------------|-------------------|---------------------------------|---|---------------------------------|--------------------------|------------------------------|
| | | | | | | Benefit to Existing Development | Grants, Subsidies and Other Contributions Attributable to New Development | Total | Residential Share 77% | Non-Residential Share 23% |
| 2022-Urban Buildout | | | | | | | | | | |
| 1 | New Well D5 - Net Present Value of Outstanding Debt Payments | 2022-2029 | 1,558,000 | - | 1,558,000 | - | | 1,558,000 | 1,203,189 | 354,811 |
| 2 | New Water Tower | 2022-2046 | 6,450,000 | - | 6,450,000 | 1,161,000 | | 5,289,000 | 4,084,511 | 1,204,489 |
| 3 | New Water Tower - Net Present Value of Future Interest Payments | | 2,781,000 | - | 2,781,000 | 500,600 | | 2,280,400 | 1,761,074 | 519,326 |
| 4 | Main St W Oversizing | 2022-2046 | 2,000,000 | - | 2,000,000 | 712,500 | | 1,287,500 | 994,292 | 293,208 |
| 5 | Main St W Oversizing - Net Present Value of Future Interest Payments | | 862,000 | - | 862,000 | 307,100 | | 554,900 | 428,530 | 126,370 |
| 5 | Hwy #10 Watermain Looping (1.2km) | 2023-2043 | 1,782,000 | - | 1,782,000 | - | | 1,782,000 | 1,376,177 | 405,823 |
| 7 | Water Meter Readings Collection Tower | 2025 | 35,000 | - | 35,000 | - | | 35,000 | 27,029 | 7,971 |
| 8 | New Well D6 construction | 2022-2046 | 5,500,000 | - | 5,500,000 | - | | 5,500,000 | 4,247,459 | 1,252,541 |
| 9 | New Well D6 construction - Net Present Value of Future Interest Payments | | 2,371,000 | - | 2,371,000 | - | | 2,371,000 | 1,831,041 | 539,959 |
| 10 | Water Distribution System Review (5-year Cycle) | 2022-2046 | 175,000 | - | 175,000 | 43,800 | | 131,200 | 101,321 | 29,879 |
| 11 | Provision for Additional Water Storage | 2022-2046 | 1,236,769 | - | 1,236,769 | - | | 1,236,769 | 955,114 | 281,655 |
| 12 | Provision for Additional Water Supply | 2022-2046 | 169,965 | - | 169,965 | - | | 169,965 | 131,258 | 38,707 |
| | | | - | - | - | - | | - | - | - |
| | Reserve Fund Adjustment | | | | | | | (2,424,258) | (1,872,170) | (552,088) |
| | Total | | 24,920,734 | - | 24,920,734 | 2,725,000 | - | 19,771,476 | 15,268,824 | 4,502,652 |



Chapter 6

D.C. Calculation



6. D.C. Calculation

Table 6-1 shows the D.C. calculation for area-specific services assessed over the 24-year forecast period (i.e. 2022-2046) in the serviced area of Dundalk. The D.C. calculations for municipal-wide services over the 2022-2046 period are shown in Table 6-2. The total D.C.-eligible costs in Table 6-2 includes the attribution of growth-related studies by service area identified in Table 5-7. 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, apartments bachelor and 1-bedroom, and other multiples). The non-residential D.C. has been calculated on a per sq.ft. of G.F.A. basis and on a residential equivalent basis for wind turbines and solar farms.

Table 6-3 summarizes the recommended schedule of charges, reflecting the maximum D.C.s by residential dwelling unit type and non-residential G.F.A. for Township -wide services. Tables 6-4 and 6-5 compare the existing charges to the charges proposed herein (Table 6-3), for a single detached residential dwelling unit and per square foot of G.F.A. for non-residential development, respectively.

In total, the calculated charge for a single detached unit within the serviced area of Dundalk would decrease by 31% (- \$7,489). In the remaining areas of the Township, for the Township-wide services, the charge would increase by 23% (+ \$1,514). For non-residential development, the calculated D.C. in the serviced area of Dundalk would decrease by 55% (- \$7.38 per sq.ft. of G.F.A.). In the remaining areas of the Township, for the Township-wide services, the charge would decrease by 37% (- \$1.13 per sq.ft. of G.F.A.)



**Table 6-1
Area-specific Services
2022-2046**

| SERVICE/CLASS | 2022\$ D.C.-Eligible Cost | | 2022\$ D.C.-Eligible Cost | |
|---|---------------------------|--------------------|---------------------------|---------------|
| | Residential | Non-Residential | S.D.U. | per sq.ft. |
| 1. Stormwater | \$ 35,498 | \$ 7,271 | \$ 13 | \$ 0.01 |
| 2. Wastewater Services | 8,365,624 | 1,918,837 | 3,061 | 1.21 |
| 3. Water Services | 15,268,824 | 4,502,652 | 5,586 | 2.83 |
| TOTAL | \$23,669,946 | \$6,428,759 | \$8,660 | \$4.05 |
| D.C.-Eligible Capital Cost | \$23,669,946 | \$6,428,759 | | |
| 24-Year Gross Population/GFA Growth (sq.ft.) | 8,030 | 1,585,500 | | |
| Cost Per Capita/Non-Residential GFA (sq.ft.) | \$2,947.69 | \$4.05 | | |
| By Residential Unit Type | P.P.U. | | | |
| Single and Semi-Detached Dwelling | 2.938 | \$8,660 | | |
| Other Multiples | 1.835 | \$5,409 | | |
| Apartments - 2 Bedrooms + | 1.877 | \$5,533 | | |
| Apartments - Bachelor and 1 Bedroom | 1.252 | \$3,691 | | |

**Table 6-2
Municipal-wide Services
2022-2046**

| SERVICE/CLASS | 2022\$ D.C.-Eligible Cost | | 2022\$ D.C.-Eligible Cost | |
|---|---------------------------|--------------------|---------------------------|---------------|
| | Residential | Non-Residential | S.D.U. | per sq.ft. |
| 4. Services Related to a Highway | \$ 8,930,231 | \$ 1,960,295 | \$ 3,082 | \$ 1.14 |
| 5. Fire Protection Services | 3,113,373 | 683,423 | 1,075 | 0.40 |
| 6. Parks and Recreation Services | 7,917,366 | 416,703 | 2,733 | 0.24 |
| 7. Library Services | 2,460,661 | 129,508 | 849 | 0.08 |
| 8. Waste Diversion Services | 497,676 | 109,246 | 172 | 0.06 |
| 9. Growth Studies | 337,296 | 70,428 | 116 | 0.04 |
| TOTAL | \$23,256,603 | \$3,369,604 | \$8,027 | \$1.96 |
| D.C.-Eligible Capital Cost | \$23,256,603 | \$3,369,604 | | |
| 24-Year Gross Population/GFA Growth (sq.ft.) | 8,512 | 1,715,400 | | |
| Cost Per Capita/Non-Residential GFA (sq.ft.) | \$2,732.21 | \$1.96 | | |
| By Residential Unit Type | P.P.U. | | | |
| Single and Semi-Detached Dwelling | 2.938 | \$8,027 | | |
| Other Multiples | 1.835 | \$5,014 | | |
| Apartments - 2 Bedrooms + | 1.877 | \$5,128 | | |
| Apartments - Bachelor and 1 Bedroom | 1.252 | \$3,421 | | |



Table 6-3
Schedule of Calculated D.C.s

| Service/Class of Service | RESIDENTIAL | | | | NON-RESIDENTIAL | | |
|--|-----------------------------------|-----------------|---------------------------|-------------------------------------|----------------------------------|---------------|-------------------------|
| | Single and Semi-Detached Dwelling | Other Multiples | Apartments - 2 Bedrooms + | Apartments - Bachelor and 1 Bedroom | (per sq.ft. of Gross Floor Area) | Wind Turbines | Solar Farm (per 500 kW) |
| Municipal Wide Services/Class of Service: | | | | | | | |
| Services Related to a Highway | 3,082 | 1,925 | 1,969 | 1,313 | 1.14 | 3,082 | 3,082 |
| Fire Protection Services | 1,075 | 671 | 687 | 458 | 0.40 | 1,075 | 1,075 |
| Parks and Recreation Services | 2,733 | 1,707 | 1,746 | 1,165 | 0.24 | - | - |
| Library Services | 849 | 530 | 542 | 362 | 0.08 | - | - |
| Waste Diversion Services | 172 | 107 | 110 | 73 | 0.06 | - | - |
| Growth Studies | 116 | 72 | 74 | 49 | 0.04 | 116 | 116 |
| Total Municipal Wide Services/Class of Services | 8,027 | 5,012 | 5,128 | 3,420 | 1.96 | 4,273 | 4,273 |
| Urban Services | | | | | | | |
| Stormwater | 13 | 8 | 8 | 6 | 0.01 | - | - |
| Wastewater Services | 3,061 | 1,912 | 1,956 | 1,304 | 1.21 | - | - |
| Water Services | 5,586 | 3,489 | 3,569 | 2,380 | 2.83 | - | - |
| Total Urban Services | 8,660 | 5,409 | 5,533 | 3,690 | 4.05 | - | - |
| GRAND TOTAL RURAL AREA | 8,027 | 5,012 | 5,128 | 3,420 | 1.96 | 4,273 | 4,273 |
| GRAND TOTAL URBAN AREA | 16,687 | 10,421 | 10,661 | 7,110 | 6.01 | 4,273 | 4,273 |

Table 6-4
Comparison of Current and Calculated Residential (Single Detached) D.C.s

| Service/Class of Service | Current | Calculated | Change (\$) | Change (%) |
|--|---------------|---------------|----------------|-------------|
| Municipal Wide Services/Classes: | | | | |
| Services Related to a Highway | 2,989 | 3,082 | 93 | 3% |
| Fire Protection Services | 332 | 1,075 | 743 | 224% |
| Parks and Recreation Services | 2,538 | 2,733 | 195 | 8% |
| Library Services | 252 | 849 | 597 | 237% |
| Waste Diversion Services | 50 | 172 | 122 | 244% |
| Growth Studies | 352 | 116 | (236) | -67% |
| Total Municipal Wide Services/Classes | 6,513 | 8,027 | 1,514 | 23% |
| Area Specific Services: | | | | |
| Stormwater | 490 | 13 | (477) | -97% |
| Wastewater Services | 10,585 | 3,061 | (7,524) | -71% |
| Water Services | 6,589 | 5,586 | (1,003) | -15% |
| Total Area Specific Services | 17,664 | 8,660 | (9,004) | -51% |
| Grand Total - Urban Area | 24,177 | 16,687 | (7,490) | -31% |



Table 6-5
Comparison of Current and Calculated Non-Residential D.C.s
(per sq.ft. of G.F.A.)

| Service/Class of Service | Current | Calculated | Change (\$) | Change (%) |
|--|--------------|-------------|---------------|-------------|
| Municipal Wide Services/Classes: | | | | |
| Services Related to a Highway | 2.03 | 1.14 | (0.89) | -44% |
| Fire Protection Services | 0.22 | 0.40 | 0.18 | 81% |
| Parks and Recreation Services | 0.49 | 0.24 | (0.25) | -51% |
| Library Services | 0.05 | 0.08 | 0.03 | 57% |
| Waste Diversion Services | 0.04 | 0.06 | 0.02 | 50% |
| Growth Studies | 0.25 | 0.04 | (0.21) | -84% |
| Total Municipal Wide Services/Classes | 3.09 | 1.96 | (1.13) | -37% |
| Area Specific Services: | | | - | |
| Stormwater | 0.22 | 0.01 | (0.21) | -95% |
| Wastewater Services | 6.21 | 1.21 | (5.00) | -81% |
| Water Services | 3.87 | 2.83 | (1.04) | -27% |
| Total Area Specific Services | 10.30 | 4.05 | (6.25) | -61% |
| Grand Total - Urban Area | 13.39 | 6.01 | (7.38) | -55% |



Chapter 7

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



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

7.1 Introduction

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

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

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

Paragraph 10 of subsection 5(1) goes on to state that the rules may provide for exemptions, phasing in and/or indexing of D.C.s.

s.s.5(6) establishes the following restrictions on the rules:

- the total of all D.C.s that would be imposed on anticipated development must not exceed the capital costs determined under 5(1) 2-8 for all services involved;
- if the rules expressly identify a type of development, they must not provide for it to pay D.C.s that exceed the capital costs that arise from the increase in the need for service for that type of development; however, this requirement does not relate to any particular development;
- if the rules provide for a type of development to have a lower D.C. than is allowed, the rules for determining D.C.s may not provide for any resulting shortfall to be made up via other development; and
- with respect to “the rules,” subsection 6 states that a D.C. by-law must expressly address the matters referred to above re s.s.5(1) para. 9 and 10, as well as how the rules apply to the redevelopment of land.

The rules provided are based on the Township’s existing policies; with consideration for the updates from Bill 108 and Bill 197.



7.2 D.C. By-law Structure

It is recommended that:

- the Township uses a uniform municipal-wide D.C. calculation for all Township-wide services and an area-specific D.C. calculation for urban services in the Village of Dundalk; and
- one municipal D.C. by-law be used for all services.

7.3 D.C. By-law Rules

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

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

7.3.1 *Payment in any Particular Case*

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

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

7.3.2 *Determination of the Amount of the Charge*

The following conventions be adopted:

1. Costs allocated to residential uses will be assigned to different types of residential units based on the average occupancy for each housing type constructed during the



previous 25 years. Costs allocated to non-residential uses will be assigned to industrial and non-industrial (commercial and institutional) uses based on the forecast G.F.A. constructed.

2. Costs allocated to residential and non-residential uses are based upon a number of conventions, as may be suited to each municipal circumstance. These are summarized in Chapter 5 herein.

7.3.3 Application to Redevelopment of Land (Demolition and Conversion)

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

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

The demolition credit is allowed only 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 development charges that would otherwise be payable. Furthermore, no credit will be available if the existing land use is exempt under the by-law or if the existing use is not capable of being occupied in accordance with the municipal by-laws and codes as determined by the Township.

7.3.4 Exemptions (full or partial)

Statutory exemptions

- Industrial building additions of up to and including 50% of the existing G.F.A. (defined in O. Reg. 82/98, s.1) of the building; for industrial building additions which exceed 50% of the existing G.F.A., only the portion of the addition in excess of 50% is subject to D.C.s (s.4(3)). The exemption for an existing



industrial building provided shall be applied to a maximum of fifty percent (50%) of the gross floor area in existence at the time of by-law passage.

- Buildings or structures owned by and used for the purposes of any Municipality, local board or Board of Education (s.3)
- 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). To provide additional clarity in interpreting the application of the exemptions under S.2(3)(b) of the D.C.A. it is proposed that an “existing residential building” is defined as:
 - A residential building/dwelling, containing at least one dwelling unit, that existed on a parcel of land as of October 5, 2022, and which was not exempt from the payment of D.C.s pursuant to Section 2(3)(b) of the Act; or
 - The first residential building/dwelling, containing at least one dwelling unit, constructed on a vacant parcel of land after October 5, 2022, and for which D.C.s were paid.
- The creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to dwellings, subject to the prescribed restrictions based on prescribed limits set out in s.2 of O. Reg. 82/98.
- Land vested in or leased to a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education is exempt from development charges imposed under the *Development Charges Act, 1997* if the development in respect of which development charges would otherwise be payable is intended to be occupied and used by the university.

Non-statutory exemptions

- A place of worship, cemetery, or burial ground;
- A public hospital under the Public Hospitals Act;
- Non-residential farm buildings;
- The first 2,500 sq.ft. of non-residential G.F.A. for a new building within the urban area;
- Temporary uses; and
- Non-profit housing.



7.3.5 Phase in Provision(s)

The proposed D.C. By-law will come into effect on the date of by-law passage.

7.3.6 Timing of Collection

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

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

Installment payments and payments determined at the time of Site Plan or Zoning By-law Amendment application are subject to annual interest charges. Interest will be calculated based on the Bank of Canada Prime Lending Rate, plus 2%, as at January 1, or July 1 prior to the date of planning application or date of building permit issuance.

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

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

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

- a) as a long-term care home within the meaning of subsection 2 (1) of the *Long-Term Care Homes Act, 2007*;
- b) as a retirement home within the meaning of subsection 2 (1) of the *Retirement Homes Act, 2010*;
- c) by any of the following post-secondary institutions for the objects of the institution:



- i. a university in Ontario that receives direct, regular and ongoing operating funding from the Government of Ontario,
 - ii. a college or university federated or affiliated with a university described in subclause (i), or
 - iii. an Indigenous Institute prescribed for the purposes of section 6 of the *Indigenous Institutes Act, 2017*;
- d) as a memorial home, clubhouse or athletic grounds by an Ontario branch of the Royal Canadian Legion; or
- e) as a hospice to provide end of life care.

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

- a) a corporation to which the Not-for-Profit Corporations Act, 2010 applies, that is in good standing under that Act and whose primary object is to provide housing
- b) a corporation without share capital to which the *Canada Not-for-profit Corporations Act* applies, that is in good standing under that Act and whose primary object is to provide housing; or
- c) a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*.

7.3.7 Indexing

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

7.3.8 D.C. Spatial Applicability

The D.C.A. historically has provided the opportunity for a municipality to impose municipal-wide charges or area specific charges. Sections 2(7) and 2(8) of the D.C.A. provide that a D.C. by-law may apply to the entire municipality or only part of it and more than one D.C. by-law may apply to the same area. Amendments to the D.C.A. now require municipalities to consider the application of municipal-wide and area-specific D.C.s. s.10(2)(c.1) requires Council to consider the use of more than one D.C. by-law to reflect different needs from services in different areas. Most municipalities in Ontario have established uniform, municipal-wide D.C.s. When area-specific charges are used, it is generally to underpin master servicing and front-end financing arrangements for more localized capital costs.



The rationale for maintaining a Township-wide D.C. approach is based, in part, on the following:

- The ten-year service level from all applicable services across the Township can be included to establish an upper ceiling on the amount of funds which can be collected. If a D.C. by-law applied to only a part of the municipality, the level of service cannot exceed that which would be determined if the by-law applied to the whole municipality. As such, when applied to forecast growth within the specific area, it would establish an area specific level of service ceiling which could reduce the total revenue recoverable for the Township, potentially resulting in D.C. revenue shortfalls and impacts on property taxes.
- Township -wide D.C.s ensures a consistent approach to financing the entire cost associated with growth-related capital projects. For example, user rates and property taxes are required to finance the share of growth-related capital projects not recoverable by D.C.s and all associated operating costs. Therefore, the use of area specific D.C.s results in a share of growth-related capital costs being recovered from a specific area, with the remaining capital costs of the projects (i.e. non-D.C. recoverable share) and the associated operating costs with those new assets being recovered from uniform user rates and property taxes, applied to the entire Township.
- Attempting to impose an area-specific D.C. potentially causes equity issues in transitioning from a Township-wide approach to an area-specific approach. An area of a municipality that is less developed and becomes subject to an area specific D.C., could face a significant increase in D.C. rates, as the municipality will not benefit from drawing on the pool of D.C. funding and may have contributed D.C.s to fund capital required to support development in other communities of the Township. Whereas another part of the municipality that has experienced significant growth which required substantial capital investments, benefitted from the capital investments being financed by Township-wide D.C.s. The implementation of area specific D.C.s could result in varying D.C.s across the Township, which may impact the ability to attract investment into parts of the community.
- Services are generally available across the Township, used often by all residents and are not restricted to one specific geographic area. The use of a Township-



wide D.C. approach reflects these system-wide benefits of service and more closely aligns with the funding principles of service provision (e.g. uniform Township-wide property tax rates, etc.).

Based on the foregoing and discussions with Township staff, there is no apparent justification for the establishment of area-specific D.C.s at this time. The recommendation is to continue to apply Township-wide D.C.s.

7.4 Other D.C. By-law Provisions

7.4.1 Categories of Services for Reserve Fund and Credit Purposes

It is recommended that the Township's D.C. collections be contributed into nine (9) separate reserve funds, including:

- Services Related to a Highway;
- Fire Protection Services;
- Parks and Recreation Services;
- Library Services;
- Growth-Related Studies;
- Waste Diversion;
- Stormwater Drainage and Control Services;
- Wastewater Services; and
- Water Services.

7.4.2 By-law In-force Date

The proposed by-law will come into force on October 6, 2022

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

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



7.5 Other Recommendations

It is recommended that Council:

“Approve the capital project listing set out in Chapter 5 of the D.C. Background Study dated August 2, 2022, subject to further annual review during the capital budget process;”

“Approve the D.C. Background Study dated August 2, 2022. ”

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

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



Chapter 8

Asset Management Plan



8. Asset Management Plan

8.1 Introduction

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

The A.M.P. shall,

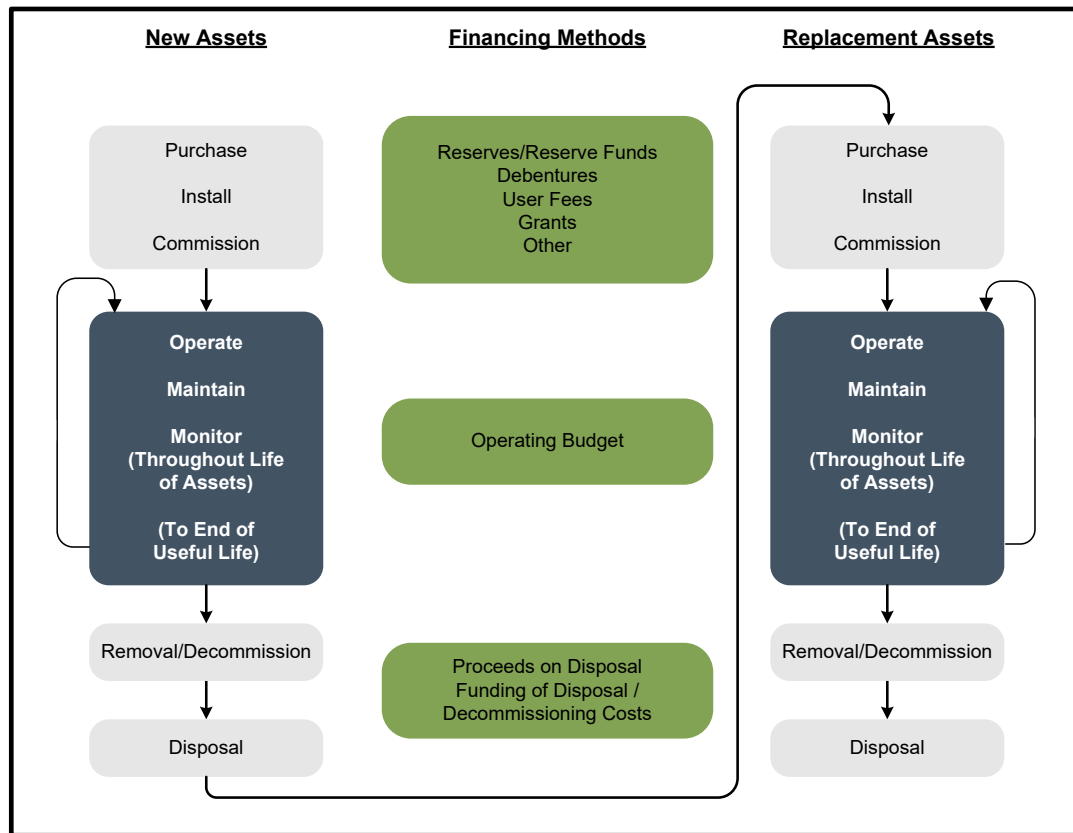
- a) deal with all assets whose capital costs are proposed to be funded under the development charge by-law;**
- b) demonstrate that all the assets mentioned in clause (a) are financially sustainable over their full life cycle;**
- c) contain any other information that is prescribed; and**
- d) be prepared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

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

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

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

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



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

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

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



In recognition to the schematic in Section 8.1, the following table (presented in 2022\$) has been developed to provide the annualized expenditures and revenues associated with new growth. Note that the D.C.A. does not require an analysis of the non-D.C. capital needs or their associated operating costs so these are omitted from the table below. Furthermore, as only the present infrastructure gap has been considered at this time within the A.M.P., the following does not represent a fiscal impact assessment (including future tax/rate increases) but provides insight into the potential affordability of the new assets:

1. The non-D.C. recoverable portion of the projects which will require financing from Township financial resources (i.e. taxation, rates, fees, etc.). This amount has been presented on an annual debt charge amount based on 20-year financing.
2. Lifecycle costs for the 2022 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 \$6.8 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 \$10.7 million. This amount, totalled with the existing operating revenues of \$13.7 million, provides annual revenues of \$24.4 million by the end of the period.
6. In consideration of the above, the capital plan is deemed to be financially sustainable.



Table 8-1
Asset Management – Future Expenditures and Associated Revenues (2022\$)

| | 2046 (Total) |
|--|-------------------|
| Expenditures (Annualized) | |
| Annual Debt Payment on Non-Growth Related Capital ¹ | 2,139,332 |
| Lifecycle: | |
| Annual Lifecycle - Municipal-wide Services | 1,896,957 |
| Annual Lifecycle - Area-specific Services ³ | 795,264 |
| Sub-Total - Annual Lifecycle | 2,692,220 |
| | |
| Incremental Operating Costs (for D.C. Services) | 1,960,297 |
| | |
| Total Expenditures | 6,791,850 |
| | |
| Revenue (Annualized) | |
| Total Existing Revenue ⁴ | 13,683,913 |
| Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.) | 10,688,223 |
| Total Revenues | 24,372,136 |

¹ Non-Growth Related component of Projects

² All infrastructure costs included in Area Specific charges have been

³ As per Sch. 10 of FIR



Chapter 9

By-Law Implementation



9. By-law Implementation

9.1 Public Consultation Process

9.1.1 Introduction

This chapter addresses the mandatory, formal public consultation process (Section 9.1.2), as well as the optional, informal consultation process (Section 9.1.3). The latter is designed to seek the co-operation and participation of those involved, in order to produce the most suitable policy. Section 9.1.4 addresses the anticipated impact of the D.C. on development from a generic viewpoint.

9.1.2 Public Meeting of Council

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

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

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

9.1.3 Other Consultation Activity

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



1. The first grouping is the residential development community, consisting of land developers and builders, who are typically responsible for generating the majority of the D.C. revenues. Others, such as realtors, are directly impacted by D.C. policy. They are, therefore, potentially interested in all aspects of the charge, particularly the quantum by unit type, projects to be funded by the D.C. and the timing thereof, and 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.
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 basements, mechanical or indoor parking areas, or exemptions and phase-in or capping provisions in order to moderate the impact.

9.2 Anticipated Impact of the Charge on Development

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

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



9.3 Implementation Requirements

9.3.1 Introduction

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 sections which follow overview the requirements in each case.

9.3.2 Notice of Passage

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

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

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

9.3.3 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 OLT., the pamphlet must be readied within 60 days after the by-law comes into force. Later dates apply to appealed by-laws.

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

9.3.4 Appeals

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

9.3.5 Complaints

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

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

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

9.3.6 Credits

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



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

9.3.7 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 municipality to which the D.C. by-law applies. Such an agreement can provide for the costs to be borne by one or more parties to the agreement who are, in turn, reimbursed in future by persons who develop land defined in the agreement.

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

9.3.8 Severance and Subdivision Agreement Conditions

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

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

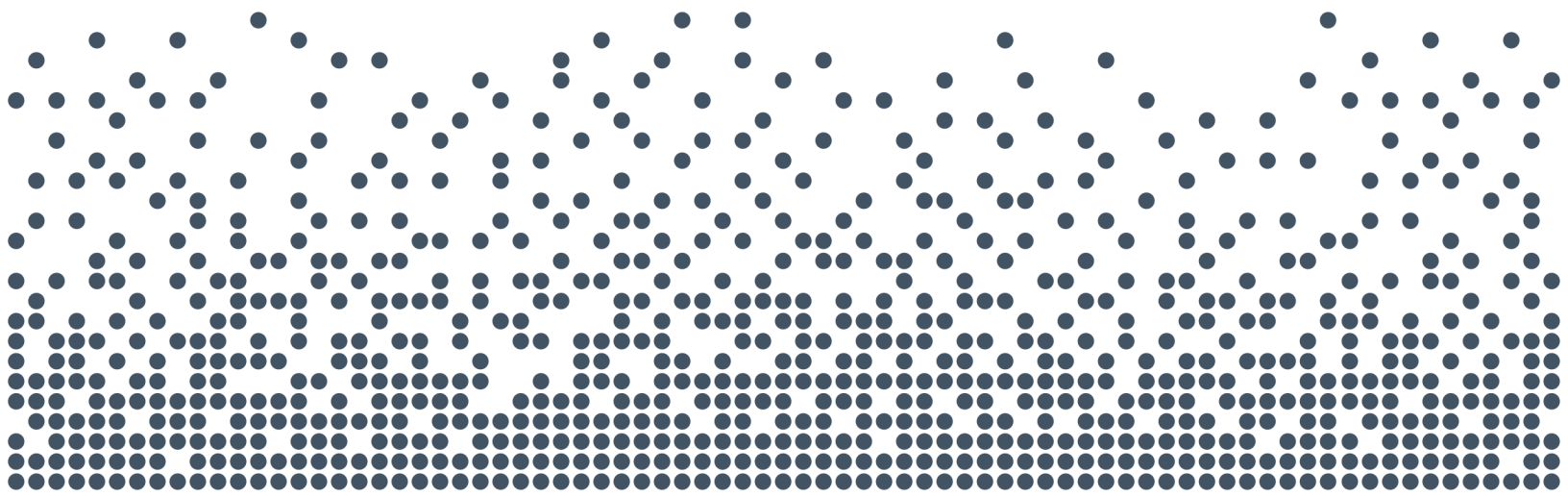
It is also noted that s.s.59(4) of the D.C.A. requires that the municipal approval authority for a draft plan of subdivision under s.s.51(31) of the Planning Act, use its power to impose conditions to ensure that the first purchaser of newly subdivided land is informed of all the D.C.s related to the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



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



Appendices



Appendix A

Background Information on Residential and Non- Residential Growth Forecast



Schedule 1 Township of Southgate Residential Growth Forecast Summary

| | Year | Population (Including Census Undercount) ^[1] | Population (Excluding Census Undercount) | Housing Units | | | | | Person Per Unit (P.P.U.): Total Population/ Total Households |
|-------------|------------------------------------|---|--|-------------------------|-----------------------------------|---------------------------|-------|------------------|--|
| | | | | Singles & Semi-Detached | Multiple Dwellings ^[2] | Apartments ^[3] | Other | Total Households | |
| Historical | Mid 2011 | 7,380 | 7,190 | 2,390 | 30 | 105 | 95 | 2,620 | 2.744 |
| | Mid 2016 | 7,550 | 7,354 | 2,485 | 10 | 105 | 110 | 2,710 | 2.714 |
| | Mid 2021 | 8,940 | 8,716 | 2,775 | 15 | 120 | 105 | 3,015 | 2.891 |
| Forecast | Mid 2022 | 9,400 | 9,156 | 2,903 | 48 | 122 | 105 | 3,178 | 2.881 |
| | Mid 2032 | 13,680 | 13,329 | 4,199 | 437 | 187 | 105 | 4,928 | 2.705 |
| | Mid 2042 | 16,210 | 15,792 | 4,984 | 732 | 259 | 105 | 6,079 | 2.598 |
| | Mid-2046 ^[4] | 16,890 | 16,454 | 5,214 | 833 | 289 | 105 | 6,442 | 2.554 |
| Incremental | Mid 2011 - Mid 2016 | 170 | 164 | 95 | -20 | 0 | 15 | 90 | |
| | Mid 2016 - Mid 2021 | 1,390 | 1,362 | 290 | 5 | 15 | -5 | 305 | |
| | Mid 2021 - Mid 2022 | 460 | 440 | 128 | 33 | 2 | 0 | 163 | |
| | Mid 2022 - Mid 2032 | 4,280 | 4,173 | 1,296 | 389 | 65 | 0 | 1,750 | |
| | Mid 2022 - Mid 2042 | 6,810 | 6,636 | 2,081 | 684 | 137 | 0 | 2,901 | |
| | Mid 2022 - Mid-2046 ^[4] | 7,490 | 7,298 | 2,311 | 785 | 167 | 0 | 3,264 | |

[1] Census undercount estimated at approximately 2.6%.

[2] Includes townhouses and apartments in duplexes.

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

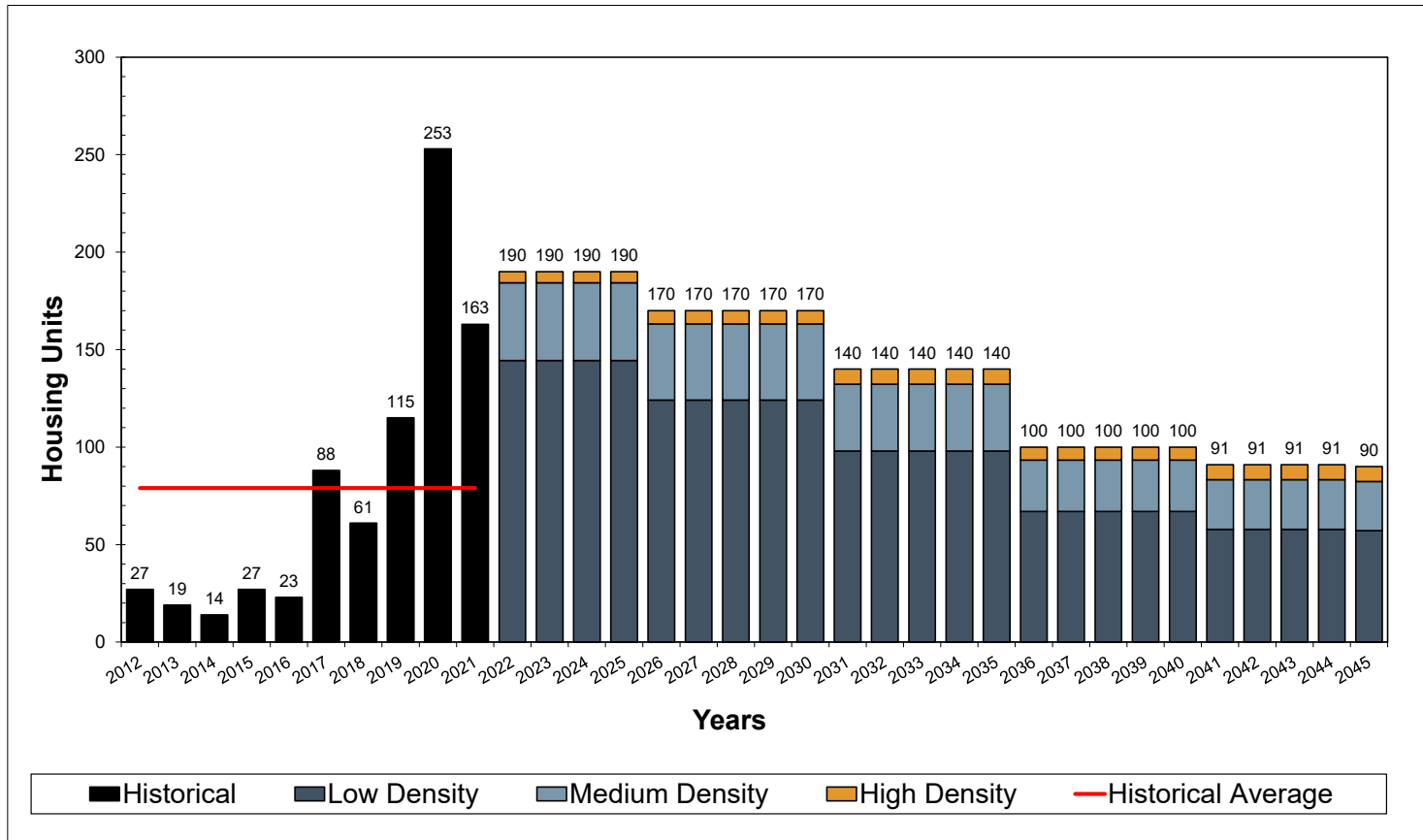
[4] Growth forecast to Mid-2046 assumes that the existing Dundalk urban area is built-out, in addition to the 155 unit expansion for Glenelg Phase 2 identified in the Dundalk Comprehensive Review and buildout of MZO lands. Growth from 2022 to 2046 assumes development of the MZO lands.

Note: Population including the undercount has been rounded

Source: Derived from County of Grey Growth Management Strategy Growth Forecasts to 2046, July 14, 2021, Village of Dundalk Comprehensive Review Report, September 2020 and Addendum August 2021, Municipal Zoning Orders O Reg 161/22, 162/22 and 165/22 and discussions with Township staff. Watson & Associates Economists Ltd.



Figure A-1
Township of Southgate
Annual Housing Forecast [1]



[1] Growth forecast represents calendar year.

Source: Historical housing activity derived from Statistics Canada building permit data for the Township of Southgate, 2012-2021.



Schedule 2
Township of Southgate
Estimate of the Anticipated Amount, Type and Location Of
Development for Which Development Charges Can Be Imposed

| Development Location | Timing | Single & Semi-Detached | Multiples ^[1] | Apartments ^[2] | Total Residential Units | Gross Population In New Units | Existing Unit Population Change | Net Population Increase |
|-----------------------|----------------------------|------------------------|--------------------------|---------------------------|-------------------------|-------------------------------|---------------------------------|-------------------------|
| Dundalk | 2022 - 2032 | 1,216 | 389 | 65 | 1,670 | 4,395 | -161 | 4,235 |
| | 2022 - 2042 | 1,941 | 684 | 137 | 2,761 | 7,185 | -338 | 6,847 |
| | 2022 - 2046 ^[3] | 2,147 | 785 | 167 | 3,100 | 8,030 | -427 | 7,603 |
| Rural Area | 2022 - 2032 | 80 | 0 | 0 | 80 | 235 | -296 | -61 |
| | 2022 - 2042 | 140 | 0 | 0 | 140 | 411 | -622 | -211 |
| | 2022 - 2046 ^[3] | 164 | 0 | 0 | 164 | 482 | -787 | -305 |
| Township of Southgate | 2022 - 2032 | 1,296 | 389 | 65 | 1,750 | 4,630 | -457 | 4,173 |
| | 2022 - 2042 | 2,081 | 684 | 137 | 2,901 | 7,596 | -960 | 6,636 |
| | 2022 - 2046 ^[3] | 2,311 | 785 | 167 | 3,264 | 8,512 | -1,214 | 7,298 |

^[1] Includes townhouses and apartments in duplexes.

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

^[3] Growth forecast to Mid-2046 assumes that the existing Dundalk urban area is built-out, in addition to the 155 unit expansion for Glenelg Phase 2 identified in the Dundalk Comprehensive Review and buildout of MZO lands. Growth from 2022 to 2046 assumes development of the MZO lands.

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

Source: Derived from County of Grey Growth Management Strategy Growth Forecasts to 2046, July 14, 2021, Village of Dundalk Comprehensive Review Report, September 2020 and Addendum August 2021, Municipal Zoning Orders O Reg 161/22, 162/22 and 165/22 and discussions with Township staff. Watson & Associates Economists Ltd.



Schedule 3
Township of Southgate
Current Year Growth Forecast
Mid-2021 to Mid-2022

| | | Population |
|---|--|------------|
| Mid 2021 Population | | 8,716 |
| Occupants of New Housing Units, Mid 2021 to Mid 2022 | <i>Units (2)</i> | 163 |
| | <i>multiplied by P.P.U. (3)</i> | 2,645 |
| <i>gross population increase</i> | | 431 |
| Decline in Housing Unit Occupancy, Mid 2021 to Mid 2022 | <i>Units (4)</i> | 3,015 |
| | <i>multiplied by P.P.U. decline rate (5)</i> | 0.003 |
| | <i>total decline in population</i> | 9 |
| Population Estimate to Mid 2022 | | 9,156 |
| <i>Net Population Increase, Mid 2021 to Mid 2022</i> | | 440 |

- (1) 2021 population based on Statistics Canada Census unadjusted for Census undercount.
 (2) Estimated residential units constructed, Mid-2016 to the beginning of the growth period assuming a six-month lag between construction and occupancy.
 (3) Average number of persons per unit (P.P.U.) is assumed to be:

| Structural Type | Persons Per Unit ¹ (P.P.U.) | % Distribution of Estimated Units ² | Weighted Persons Per Unit Average |
|------------------------------------|---|---|--------------------------------------|
| <i>Singles & Semi Detached</i> | 2.862 | 79% | 2.248 |
| <i>Multiples (6)</i> | 1.862 | 20% | 0.377 |
| <i>Apartments (7)</i> | 1.688 | 1% | 0.021 |
| Total | | 100% | 2.645 |

¹ Based on 2016 Census custom database

² Based on Building permit/completion activity

- (4) 2016 households taken from Statistics Canada Census.
 (5) Decline occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.
 (6) Includes townhouses and apartments in duplexes.
 (7) Includes bachelor, 1-bedroom and 2-bedroom+ apartments.

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



**Schedule 4a
Township of Southgate
10-Year Growth Forecast
Mid-2022 to Mid-2032**

| | | Population |
|---|--|---------------|
| Mid 2022 Population | | 9,156 |
| Occupants of New Housing Units, Mid 2022 to Mid 2032 | <i>Units (2)</i> | 1,750 |
| | <i>multiplied by P.P.U. (3)</i> | 2,646 |
| <i>gross population increase</i> | | 4,630 |
| Decline in Housing Unit Occupancy, Mid 2022 to Mid 2032 | <i>Units (4)</i> | 3,178 |
| | <i>multiplied by P.P.U. decline rate (5)</i> | -0.144 |
| | <i>total decline in population</i> | -457 |
| Population Estimate to Mid 2032 | | 13,329 |
| Net Population Increase, Mid 2022 to Mid 2032 | | 4,173 |

(1) Mid 2022 Population based on:

2021 Population (8,716) + Mid 2021 to Mid 2022 estimated housing units to beginning of forecast period (163 x 2.645 = 431) + (3,015 x 0.003 = 9) = 9,156

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

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

| Structural Type | Persons Per Unit ¹ (P.P.U.) | % Distribution of Estimated Units ² | Weighted Persons Per Unit Average |
|------------------------------------|---|---|--------------------------------------|
| <i>Singles & Semi Detached</i> | 2.938 | 74% | 2.176 |
| <i>Multiples (6)</i> | 1.835 | 22% | 0.408 |
| <i>Apartments (7)</i> | 1.675 | 4% | 0.062 |
| <i>one bedroom or less</i> | 1.252 | | |
| <i>two bedrooms or more</i> | 1.877 | | |
| Total | | 100% | 2.646 |

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

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

(4) Mid 2022 households based upon 2021 Census (3,015 units) + Mid 2021 to Mid 2022 unit estimate (163 units) = 3,178 units.

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

(6) Includes townhouses and apartments in duplexes.

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

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



**Schedule 4b
Township of Southgate
20-Year Growth Forecast
Mid-2022 to Mid-2042**

| | | Population |
|---|--|---------------|
| Mid 2022 Population | | 9,156 |
| Occupants of New Housing Units, Mid 2022 to Mid 2042 | <i>Units (2)</i> | 2,901 |
| | <i>multiplied by P.P.U. (3)</i> | 2,619 |
| | <i>gross population increase</i> | 7,596 |
| Decline in Housing Unit Occupancy, Mid 2022 to Mid 2042 | <i>Units (4)</i> | 3,178 |
| | <i>multiplied by P.P.U. decline rate (5)</i> | -0.302 |
| | <i>total decline in population</i> | -960 |
| Population Estimate to Mid 2042 | | 15,792 |
| <i>Net Population Increase, Mid 2022 to Mid 2042</i> | | 6,636 |

(1) Mid 2022 Population based on:

2021 Population (8,716) + Mid 2021 to Mid 2022 estimated housing units to beginning of forecast period (163 x 2.645 = 431) + (3,015 x 0.003 = 9) = 9,156

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

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

| Structural Type | Persons Per Unit ¹ (P.P.U.) | % Distribution of Estimated Units ² | Weighted Persons Per Unit Average |
|------------------------------------|---|---|--------------------------------------|
| <i>Singles & Semi Detached</i> | 2.938 | 72% | 2.107 |
| <i>Multiples (6)</i> | 1.835 | 24% | 0.432 |
| <i>Apartments (7)</i> | 1.675 | 5% | 0.079 |
| <i>one bedroom or less</i> | 1.252 | | |
| <i>two bedrooms or more</i> | 1.877 | | |
| Total | | 100% | 2.619 |

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

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

(4) Mid 2022 households based upon 2021 Census (3,015 units) + Mid 2021 to Mid 2022 unit estimate (163 units) = 3,178 units.

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

(6) Includes townhouses and apartments in duplexes.

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

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



**Schedule 5
Township of Southgate
2046 Growth Forecast
Mid-2022 to Mid-2046**

| | | Population |
|---|--|---------------------|
| Mid 2022 Population | | 9,156 |
| Occupants of New Housing Units, Mid 2022 to Mid 2046 | <i>Units (2)</i> | 3,264 |
| | <i>multiplied by P.P.U. (3)</i> | 2,608 |
| | <i>gross population increase</i> | 8,512 |
| Decline in Housing Unit Occupancy, Mid 2022 to Mid 2046 | <i>Units (4)</i> | 3,264 |
| | <i>multiplied by P.P.U. decline rate (5)</i> | -0.372 |
| | <i>total decline in population</i> | -1,214 |
| Population Estimate to Mid 2046 | | 16,454 |
| <i>Net Population Increase, Mid 2022 to Mid 2046</i> | | <i>7,298</i> |

(1) Mid 2022 Population based on:

2021 Population (8,716) + Mid 2021 to Mid 2022 estimated housing units to beginning of forecast period (163 x 2.645 = 431) + (3,015 x 0.003 = 9) = 9,156

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

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

| Structural Type | Persons Per Unit ¹ (P.P.U.) | % Distribution of Estimated Units ² | Weighted Persons Per Unit Average |
|------------------------------------|---|---|--------------------------------------|
| <i>Singles & Semi Detached</i> | 2.938 | 71% | 2.080 |
| <i>Multiples (6)</i> | 1.835 | 24% | 0.441 |
| <i>Apartments (7)</i> | 1.675 | 5% | 0.086 |
| <i>one bedroom or less</i> | 1.252 | | |
| <i>two bedrooms or more</i> | 1.877 | | |
| Total | | 100% | 2.608 |

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

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

(4) Mid 2022 households based upon 2021 Census (3,015 units) + Mid 2021 to Mid 2022 unit estimate (163 units) = 3,178 units.

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

(6) Includes townhouses and apartments in duplexes.

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

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



Schedule 6
Township of Southgate
Summary of Housing Units in the Development Approvals Process as of May 2022
Township of Southgate Urban Area

| Residential Units with Subdivision or Pre-servicing Agreement | Density Type | | | Total |
|---|-----------------------------|--------------------------|---------------------------|-------|
| | Singles & Semi- Detached | Multiples ^[1] | Apartments ^[2] | |
| Total | 1,439 | 454 | 80 | 1,973 |
| <i>% Breakdown</i> | 73% | 23% | 4% | 100% |

[1] Includes Townhouses and apartments in duplexes.

[2] Includes bachelor, 1-bedroom, and 2-bedroom+ apartment units.

Source: Derived from data received from Township of Southgate staff as of May 2022, by Watson & Associates Economists Ltd..



Schedule 7
Township of Southgate
Historical Residential Building Permits
Years 2012 to 2021

| Year | Residential Building Permits | | | |
|------------------------------|------------------------------|--------------------------|---------------------------|------------|
| | Singles & Semi Detached | Multiples ^[1] | Apartments ^[2] | Total |
| 2012 | 27 | 0 | 0 | 27 |
| 2013 | 19 | 0 | 0 | 19 |
| 2014 | 14 | 0 | 0 | 14 |
| 2015 | 27 | 0 | 0 | 27 |
| 2016 | 23 | 0 | 0 | 23 |
| Sub-total | 110 | 0 | 0 | 110 |
| Average (2012 - 2016) | 22 | 0 | 0 | 22 |
| % Breakdown | 100.0% | 0.0% | 0.0% | 100.0% |
| 2017 | 87 | 0 | 1 | 88 |
| 2018 | 59 | 0 | 2 | 61 |
| 2019 | 115 | 0 | 0 | 115 |
| 2020 | 173 | 0 | 80 | 253 |
| 2021 | 128 | 33 | 2 | 163 |
| Sub-total | 562 | 33 | 85 | 680 |
| Average (2017 - 2021) | 112 | 7 | 17 | 136 |
| % Breakdown | 82.6% | 4.9% | 12.5% | 100.0% |
| 2012 - 2021 | | | | |
| Total | 672 | 33 | 85 | 790 |
| Average | 67 | 3 | 9 | 79 |
| % Breakdown | 85.1% | 4.2% | 10.8% | 100.0% |

[1] Includes Townhouses and apartments in duplexes.

[2] Includes bachelor, 1-bedroom, and 2-bedroom+ apartment units.

Source: Historical housing activity derived from Statistics Canada building permit data for the Township of Southgate, 2012-2021.



Schedule 8a
Township of Southgate
Person Per Unit by Age and Type of Dwelling
(2016 Census)

| Age of Dwelling | Singles and Semi-Detached | | | | | | 25 Year Average | 25 Year Average Adjusted ¹ |
|-----------------|---------------------------|--------------|--------------|--------------|--------------|--------------|-----------------|---------------------------------------|
| | < 1 BR | 1 BR | 2 BR | 3/4 BR | 5+ BR | Total | | |
| 1-5 | - | - | - | 2.632 | - | 2.862 | | |
| 6-10 | - | - | - | 3.000 | - | 3.240 | | |
| 11-15 | - | - | - | 3.059 | - | 3.091 | | |
| 16-20 | - | - | - | 3.147 | - | 2.932 | | |
| 20-25 | - | - | - | 2.542 | - | 2.379 | 2.901 | 2.938 |
| 25-35 | - | - | - | 2.638 | 4.417 | 2.848 | | |
| 35+ | - | - | 1.650 | 2.670 | 4.286 | 2.733 | | |
| Total | - | 1.231 | 1.697 | 2.736 | 4.268 | 2.794 | | |

| Age of Dwelling | All Density Types | | | | | |
|-----------------|-------------------|--------------|--------------|--------------|--------------|--------------|
| | < 1 BR | 1 BR | 2 BR | 3/4 BR | 5+ BR | Total |
| 1-5 | - | - | - | 2.632 | - | 2.742 |
| 6-10 | - | - | - | 3.118 | - | 3.185 |
| 11-15 | - | - | - | 2.950 | - | 2.923 |
| 16-20 | - | - | - | 3.118 | - | 3.000 |
| 20-25 | - | - | - | 2.583 | - | 2.414 |
| 25-35 | - | - | 1.714 | 2.647 | 4.417 | 2.696 |
| 35+ | - | 1.300 | 1.804 | 2.672 | 4.286 | 2.640 |
| Total | - | 1.417 | 1.813 | 2.739 | 4.194 | 2.711 |

^[1] Adjusted based on 2001 to 2016 historical trends.

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

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



Schedule 8b
Grey County
Person Per Unit by Age and Type of Dwelling
(2016 Census)

| Age of Dwelling | Multiples ¹ | | | | | | 25 Year Average | 25 Year Average Adjusted ³ |
|-----------------|------------------------|--------------|--------------|--------------|----------|--------------|-----------------|---------------------------------------|
| | < 1 BR | 1 BR | 2 BR | 3/4 BR | 5+ BR | Total | | |
| 1-5 | - | - | 1.846 | 2.000 | - | 1.862 | | |
| 6-10 | - | - | 1.538 | 2.000 | - | 1.662 | | |
| 11-15 | - | - | 1.615 | 1.538 | - | 1.432 | | |
| 16-20 | - | - | 1.267 | 2.250 | - | 2.040 | | |
| 20-25 | - | - | 1.923 | 2.429 | - | 2.125 | 1.824 | 1.835 |
| 25-35 | - | - | 1.710 | 2.111 | - | 1.827 | | |
| 35+ | - | 1.263 | 1.627 | 2.545 | - | 1.894 | | |
| Total | 0.769 | 1.288 | 1.628 | 2.271 | - | 1.834 | | |

| Age of Dwelling | Apartments ² | | | | | | 25 Year Average | 25 Year Average Adjusted ³ |
|-----------------|-------------------------|--------------|--------------|--------------|----------|--------------|-----------------|---------------------------------------|
| | < 1 BR | 1 BR | 2 BR | 3/4 BR | 5+ BR | Total | | |
| 1-5 | - | - | 1.692 | - | - | 1.688 | | |
| 6-10 | - | 1.091 | 1.571 | - | - | 1.520 | | |
| 11-15 | - | - | 1.429 | - | - | 1.448 | | |
| 16-20 | - | - | - | - | - | 2.125 | | |
| 20-25 | - | 1.158 | 1.657 | - | - | 1.448 | 1.646 | 1.675 |
| 25-35 | - | 1.197 | 1.623 | 2.471 | - | 1.503 | | |
| 35+ | 1.071 | 1.126 | 1.750 | 2.580 | - | 1.511 | | |
| Total | 0.938 | 1.141 | 1.714 | 2.439 | - | 1.517 | | |

| Age of Dwelling | All Density Types | | | | | |
|-----------------|-------------------|--------------|--------------|--------------|--------------|--------------|
| | < 1 BR | 1 BR | 2 BR | 3/4 BR | 5+ BR | Total |
| 1-5 | - | 1.438 | 1.875 | 2.695 | 3.371 | 2.475 |
| 6-10 | - | 1.500 | 1.653 | 2.621 | 3.404 | 2.445 |
| 11-15 | - | 1.167 | 1.837 | 2.615 | 4.100 | 2.545 |
| 16-20 | - | - | 1.762 | 2.707 | 3.031 | 2.520 |
| 20-25 | - | 1.241 | 1.700 | 2.571 | 3.000 | 2.393 |
| 25-35 | - | 1.195 | 1.709 | 2.464 | 3.474 | 2.286 |
| 35+ | 0.938 | 1.231 | 1.772 | 2.511 | 3.396 | 2.265 |
| Total | 1.000 | 1.238 | 1.761 | 2.535 | 3.408 | 2.318 |

[1] Includes Townhouses and apartments in duplexes.

[2] Includes bachelor, 1-bedroom, and 2-bedroom+ apartment units.

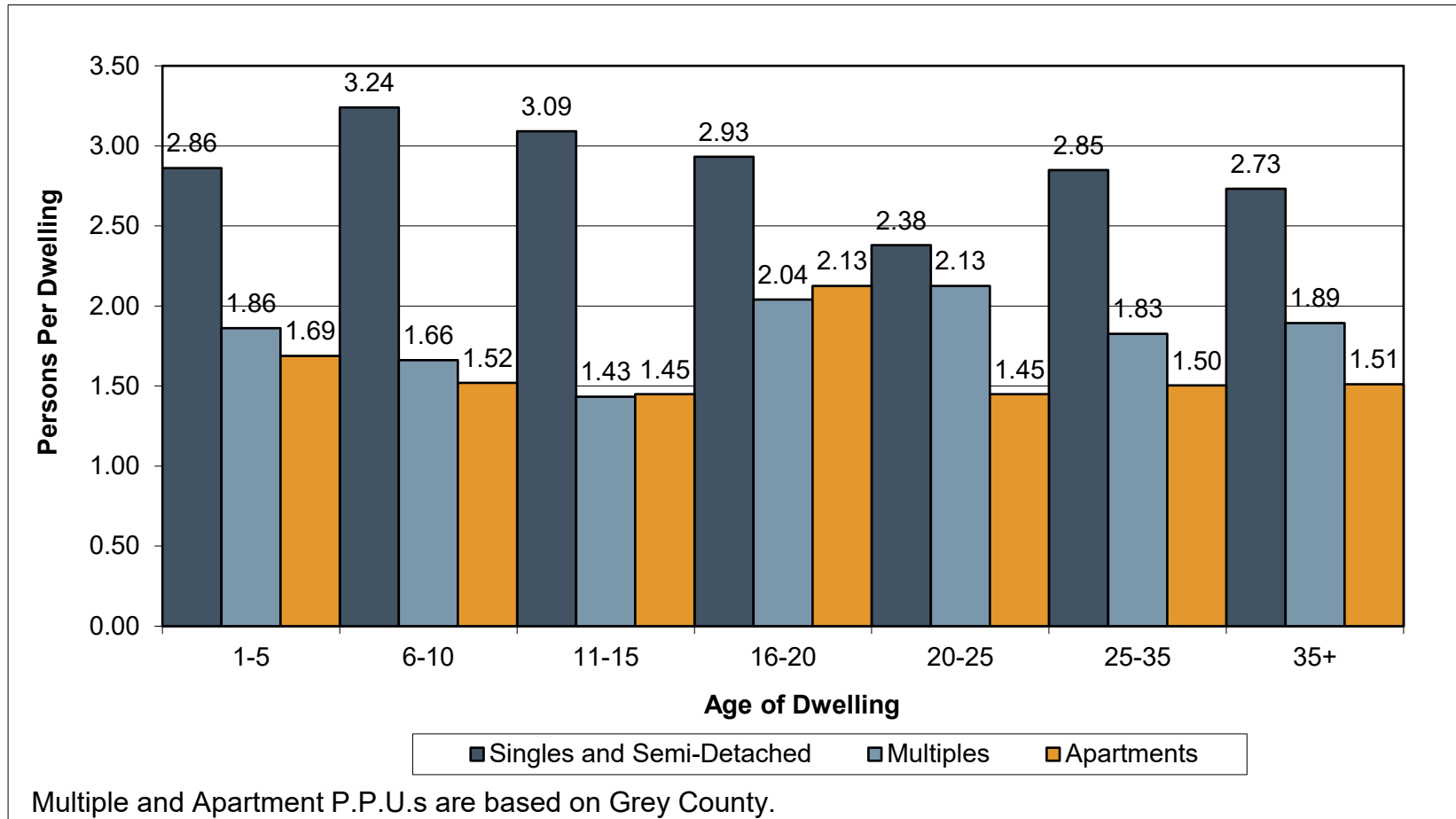
[3] Adjusted based on 2001 to 2016 historical trends.

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

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



Schedule 9
Township of Southgate
Person Per Unit Structural Type and Age of Dwelling
(2016 Census)





Schedule 10a Township of Southgate Employment Forecast, 2022 to 2046

| Period | Population | Activity Rate | | | | | | | | Employment | | | | | | | | Employment Total (Excluding Work at Home and N.F.P.O.W.) |
|------------------------------------|------------|---------------|-----------------|------------|-----------------------------------|---------------|--------|---------------------------|-----------------------------|------------|-----------------|------------|--------------------------------------|---------------|-------|---------------------------|---|---|
| | | Primary | Work at Home | Industrial | Commercial/ Population Related | Institutional | Total | N.F.P.O.W. ^[1] | Total Including NFPOW | Primary | Work at Home | Industrial | Commercial/ Population Related | Institutional | Total | N.F.P.O.W. ^[1] | Total Employment (Including N.F.P.O.W.) | |
| Mid 2006 | 7,167 | 0.015 | 0.078 | 0.047 | 0.035 | 0.017 | 0.193 | 0.050 | 0.243 | 110 | 560 | 338 | 253 | 120 | 1,380 | 360 | 1,740 | 820 |
| Mid 2016 | 7,354 | 0.011 | 0.103 | 0.036 | 0.041 | 0.019 | 0.210 | 0.075 | 0.285 | 80 | 755 | 268 | 303 | 140 | 1,545 | 550 | 2,095 | 790 |
| Mid 2022 | 9,156 | 0.010 | 0.092 | 0.032 | 0.031 | 0.014 | 0.179 | 0.064 | 0.243 | 89 | 839 | 297 | 280 | 132 | 1,637 | 584 | 2,221 | 798 |
| Mid 2032 | 13,329 | 0.008 | 0.086 | 0.045 | 0.043 | 0.016 | 0.197 | 0.058 | 0.255 | 107 | 1,140 | 600 | 577 | 207 | 2,631 | 774 | 3,405 | 1,491 |
| Mid 2042 | 15,792 | 0.008 | 0.086 | 0.065 | 0.044 | 0.016 | 0.218 | 0.058 | 0.276 | 122 | 1,351 | 1,026 | 694 | 250 | 3,443 | 915 | 4,358 | 2,092 |
| Mid-2046 ^[2] | 16,454 | 0.008 | 0.086 | 0.077 | 0.044 | 0.016 | 0.231 | 0.058 | 0.289 | 129 | 1,413 | 1,260 | 732 | 267 | 3,801 | 950 | 4,751 | 2,388 |
| Incremental Change | | | | | | | | | | | | | | | | | | |
| Mid 2006 - Mid 2016 | 187 | -0.004 | 0.025 | -0.011 | 0.006 | 0.002 | 0.018 | 0.025 | 0.042 | -30 | 195 | -70 | 50 | 20 | 165 | 190 | 355 | -30 |
| Mid 2016 - Mid 2022 | 1,802 | -0.001 | -0.011 | -0.004 | -0.011 | -0.005 | -0.031 | -0.011 | -0.042 | 9 | 84 | 30 | -23 | -8 | 92 | 34 | 126 | 8 |
| Mid 2022 - Mid 2032 | 4,173 | -0.002 | -0.006 | 0.013 | 0.013 | 0.001 | 0.019 | -0.006 | 0.013 | 18 | 301 | 303 | 297 | 75 | 994 | 190 | 1,184 | 693 |
| Mid 2022 - Mid 2042 | 6,636 | -0.002 | -0.006 | 0.033 | 0.013 | 0.001 | 0.039 | -0.006 | 0.033 | 33 | 512 | 729 | 414 | 118 | 1,806 | 331 | 2,137 | 1,294 |
| Mid 2022 - Mid-2046 ^[2] | 7,298 | -0.002 | -0.006 | 0.044 | 0.014 | 0.002 | 0.052 | -0.006 | 0.046 | 40 | 574 | 963 | 452 | 135 | 2,164 | 366 | 2,530 | 1,590 |
| Annual Average | | | | | | | | | | | | | | | | | | |
| Mid 2006 - Mid 2016 | 19 | 0.000 | 0.002 | -0.001 | 0.001 | 0.000 | 0.002 | 0.002 | 0.004 | -3 | 20 | -7 | 5 | 2 | 17 | 19 | 36 | -3 |
| Mid 2016 - Mid 2022 | 300 | 0.000 | -0.002 | -0.001 | -0.002 | -0.001 | -0.005 | -0.002 | -0.007 | 2 | 14 | 5 | -4 | -1 | 15 | 6 | 21 | 1 |
| Mid 2022 - Mid 2032 | 417 | 0.000 | -0.001 | 0.001 | 0.001 | 0.000 | 0.002 | -0.001 | 0.001 | 2 | 30 | 30 | 30 | 8 | 99 | 19 | 118 | 69 |
| Mid 2022 - Mid 2042 | 332 | 0.000 | 0.000 | 0.002 | 0.001 | 0.000 | 0.002 | 0.000 | 0.002 | 2 | 26 | 36 | 21 | 6 | 90 | 17 | 107 | 65 |
| Mid 2022 - Mid-2046 ^[2] | 304 | 0.000 | 0.000 | 0.002 | 0.001 | 0.000 | 0.002 | 0.000 | 0.002 | 2 | 24 | 40 | 19 | 6 | 90 | 15 | 105 | 66 |

[1] Statistics Canada defines no fixed place of work (N.F.P.O.W.) employees as "persons who do not go from home to the same workplace location at the beginning of each shift". Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc.

[2] Growth from 2022 to 2046 assumes full development of the Urban Area and MZO lands.

Source: Derived from County of Grey Growth Management Strategy Growth Forecasts to 2046, July 14, 2021, Village of Dundalk Comprehensive Review Report, September 2020 and Addendum August 2021, Municipal Zoning Orders O Reg 161/22, 162/22 and 165/22 and discussions with Township staff. Watson & Associates Economists Ltd.



Schedule 10b
Township of Southgate
Employment and Gross Floor Area (G.F.A.) Forecast, 2022 to 2046

| Period | Population | Employment | | | | | Gross Floor Area in Square Feet (Estimated) ¹ | | | | |
|----------------------------------|------------|------------|------------|--------------------------------------|---------------|-------|--|------------|--------------------------------------|---------------|-----------|
| | | Primary | Industrial | Commercial/ Population Related | Institutional | Total | Primary | Industrial | Commercial/ Population Related | Institutional | Total |
| Mid 2006 | 7,167 | 110 | 338 | 253 | 120 | 820 | | | | | |
| Mid 2016 | 7,354 | 80 | 268 | 303 | 140 | 790 | | | | | |
| Mid 2022 | 9,156 | 89 | 297 | 280 | 132 | 798 | | | | | |
| Mid 2032 | 13,329 | 107 | 600 | 577 | 207 | 1,491 | | | | | |
| Mid 2042 | 15,792 | 122 | 1,026 | 694 | 250 | 2,092 | | | | | |
| Mid-2046 ² | 16,454 | 129 | 1,260 | 732 | 267 | 2,388 | | | | | |
| Incremental Change | | | | | | | | | | | |
| Mid 2006 - Mid 2016 | 187 | -30 | -70 | 50 | 20 | -30 | | | | | |
| Mid 2016 - Mid 2022 | 1,802 | 9 | 30 | -23 | -8 | 8 | | | | | |
| Mid 2022 - Mid 2032 | 4,173 | 18 | 303 | 297 | 75 | 693 | 54,000 | 393,900 | 163,400 | 52,500 | 663,800 |
| Mid 2022 - Mid 2042 | 6,636 | 33 | 729 | 414 | 118 | 1,294 | 99,000 | 947,700 | 227,700 | 82,600 | 1,357,000 |
| Mid 2022 - Mid-2046 ² | 7,298 | 40 | 963 | 452 | 135 | 1,590 | 120,000 | 1,252,300 | 248,600 | 94,500 | 1,715,400 |
| Annual Average | | | | | | | | | | | |
| Mid 2006 - Mid 2016 | 19 | -3 | -7 | 5 | 2 | -3 | | | | | |
| Mid 2016 - Mid 2022 | 300 | 2 | 5 | -4 | -1 | 1 | | | | | |
| Mid 2022 - Mid 2032 | 417 | 2 | 30 | 30 | 8 | 69 | 5,400 | 39,390 | 16,340 | 5,250 | 66,380 |
| Mid 2022 - Mid 2042 | 332 | 2 | 36 | 21 | 6 | 65 | 4,950 | 47,385 | 11,385 | 4,130 | 67,850 |
| Mid 2022 - Mid-2046 ² | 304 | 2 | 40 | 19 | 6 | 66 | 5,000 | 52,179 | 10,358 | 3,938 | 71,475 |

^[1] Square Foot Per Employee Assumptions

| | |
|-------------------------------|-------|
| Primary School | 3,000 |
| Industrial | 1,300 |
| Commercial/Population-Related | 550 |
| Institutional | 700 |

^[2] Growth from 2022 to 2046 assumes full development of the Urban Area and MZO lands.

Note: Numbers may not add precisely due to rounding.

Source: Derived from County of Grey Growth Management Strategy Growth Forecasts to 2046, July 14, 2021, Village of Dundalk Comprehensive Review Report, September 2020 and Addendum August 2021, Municipal Zoning Orders O Reg 161/22, 162/22 and 165/22 and discussions with Township staff. Watson & Associates Economists Ltd.



Schedule 10c
Township of Southgate
Estimate of the Anticipated Amount, Type and Location of
Non-Residential Development for Which Development Charges can be Imposed

| Development Location | Timing | Primary G.F.A. S.F. ^[1] | Industrial G.F.A. S.F. ^[1] | Commercial G.F.A. S.F. ^[1] | Institutional G.F.A. S.F. ^[1] | Total Non-Residential G.F.A. S.F. | Employment Increase ^[2] |
|-----------------------|----------------------------|---------------------------------------|--|--|---|--------------------------------------|---------------------------------------|
| Dundalk | 2022 - 2032 | | 393,900 | 156,800 | 52,500 | 603,200 | 663 |
| | 2022 - 2042 | | 947,700 | 218,400 | 82,600 | 1,248,700 | 1,244 |
| | 2022 - 2046 ^[3] | | 1,252,300 | 238,700 | 94,500 | 1,585,500 | 1,532 |
| Rural Area | 2022 - 2032 | 54,000 | - | 6,600 | - | 60,600 | 30 |
| | 2022 - 2042 | 99,000 | - | 9,400 | - | 108,400 | 50 |
| | 2022 - 2046 ^[3] | 120,000 | - | 9,900 | - | 129,900 | 58 |
| Township of Southgate | 2022 - 2032 | 54,000 | 393,900 | 163,400 | 52,500 | 663,800 | 693 |
| | 2022 - 2042 | 99,000 | 947,700 | 227,700 | 82,600 | 1,357,000 | 1,294 |
| | 2022 - 2046 ^[3] | 120,000 | 1,252,300 | 248,600 | 94,500 | 1,715,400 | 1,590 |

^[1] Square Foot Per Employee Assumptions

| | |
|-------------------------------|-------|
| Primary School | 3,000 |
| Industrial | 1,300 |
| Commercial/Population-Related | 550 |
| Institutional | 700 |

^[2] Employment Increase does not include No Fixed Place of Work.

^[3] Growth from 2022 to 2046 assumes full development of the Urban Area and MZO lands.

Note: Numbers may not add precisely due to rounding.

Source: Derived from County of Grey Growth Management Strategy Growth Forecasts to 2046, July 14, 2021, Village of Dundalk Comprehensive Review Report, September 2020 and Addendum August 2021, Municipal Zoning Orders O Reg 161/22, 162/22 and 165/22 and discussions with Township staff. Watson & Associates Economists Ltd.



Schedule 11
Township of Southgate
Employment to Population Ratio by Major Employment Sector, 2006 to 2016

| NAICS | | Year | | Change | Comments |
|---|--|--------------|--------------|-------------|--|
| | | 2006 | 2016 | 06-16 | |
| Employment by industry | | | | | |
| <u>Primary Industry Employment</u> | | | | | |
| 11 | <i>Agriculture, forestry, fishing and hunting</i> | 390 | 450 | 60 | Categories which relate to local land-based resources |
| 21 | <i>Mining and oil and gas extraction</i> | 0 | 0 | 0 | |
| Sub-total | | 390 | 450 | 60 | |
| <u>Industrial and Other Employment</u> | | | | | |
| 22 | <i>Utilities</i> | 0 | 10 | 10 | Categories which relate primarily to industrial land supply and demand |
| 23 | <i>Construction</i> | 40 | 110 | 70 | |
| 31-33 | <i>Manufacturing</i> | 245 | 175 | -70 | |
| 41 | <i>Wholesale trade</i> | 35 | 30 | -5 | |
| 48-49 | <i>Transportation and warehousing</i> | 85 | 80 | -5 | |
| 56 | <i>Administrative and support</i> | 18 | 33 | 15 | |
| Sub-total | | 423 | 438 | 15 | |
| <u>Population Related Employment</u> | | | | | |
| 44-45 | <i>Retail trade</i> | 65 | 130 | 65 | Categories which relate primarily to population growth within the municipality |
| 51 | <i>Information and cultural industries</i> | 20 | 20 | 0 | |
| 52 | <i>Finance and insurance</i> | 30 | 15 | -15 | |
| 53 | <i>Real estate and rental and leasing</i> | 15 | 15 | 0 | |
| 54 | <i>Professional, scientific and technical services</i> | 80 | 45 | -35 | |
| 55 | <i>Management of companies and enterprises</i> | 0 | 0 | 0 | |
| 56 | <i>Administrative and support</i> | 18 | 33 | 15 | |
| 71 | <i>Arts, entertainment and recreation</i> | 10 | 0 | -10 | |
| 72 | <i>Accommodation and food services</i> | 30 | 75 | 45 | |
| 81 | <i>Other services (except public administration)</i> | 135 | 150 | 15 | |
| Sub-total | | 403 | 483 | 80 | |
| <u>Institutional</u> | | | | | |
| 61 | <i>Educational services</i> | 65 | 75 | 10 | |
| 62 | <i>Health care and social assistance</i> | 65 | 65 | 0 | |
| 91 | <i>Public administration</i> | 35 | 35 | 0 | |
| Sub-total | | 165 | 175 | 10 | |
| Total Employment | | 1,380 | 1,545 | 165 | |
| Population | | 7,167 | 7,354 | 187 | |
| <u>Employment to Population Ratio</u> | | | | | |
| Industrial and Other Employment | | 0.06 | 0.06 | 0.00 | |
| Population Related Employment | | 0.06 | 0.07 | 0.01 | |
| Institutional Employment | | 0.02 | 0.02 | 0.00 | |
| Primary Industry Employment | | 0.05 | 0.06 | 0.01 | |
| Total | | 0.19 | 0.21 | 0.02 | |

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

Source: Statistics Canada Employment by Place of Work.



Appendix B

Historical Level of Service Calculations



Table B-1
Historical Level of Service Calculation – Services Related to a Highway – Roads

Service: Services Related to a Highway - Roads
 Unit Measure: km of roadways

| Description | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 Value (\$/km) |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------------|
| Paved Roads, urban & semi-urban | 27.1 | 27.1 | 27.0 | 26.8 | 26.7 | 26.5 | 26.4 | 26.2 | 26.2 | 26.2 | \$602,800 |
| Paved Roads, rural areas | 127.3 | 127.3 | 129.0 | 130.7 | 132.4 | 134.0 | 135.7 | 137.4 | 137.4 | 137.4 | \$301,400 |
| Surface Treated roads | 44.1 | 44.1 | 45.6 | 47.2 | 48.8 | 50.3 | 51.9 | 53.4 | 53.4 | 53.4 | \$197,280 |
| Gravel roads | 304.1 | 304.1 | 302.0 | 299.8 | 297.6 | 295.5 | 293.3 | 291.1 | 291.1 | 291.1 | \$197,280 |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| Total | 502.7 | 502.7 | 503.6 | 504.5 | 505.4 | 506.3 | 507.3 | 508.2 | 508.2 | 508.2 | |

| | | | | | | | | | | |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Population | 7,237 | 7,279 | 7,299 | 7,306 | 7,349 | 7,399 | 7,632 | 7,787 | 8,099 | 8,713 |
| Per Capita Standard | 0.0695 | 0.0691 | 0.0690 | 0.0691 | 0.0688 | 0.0684 | 0.0665 | 0.0653 | 0.0627 | 0.0583 |

| 10 Year Average | 2012-2021 |
|-------------------|-----------|
| Quantity Standard | 0.0667 |
| Quality Standard | \$245,838 |
| Service Standard | \$16,397 |

| D.C. Amount (before deductions) | 24 Year |
|---------------------------------|-------------|
| Forecast Population | 7,298 |
| \$ per Capita | \$16,397 |
| Eligible Amount | 119,668,225 |



Table B-2
Historical Level of Service Calculation – Fire Protection Services – Facilities

Service: Fire Protection Services - Facilities
 Unit Measure: sq.ft. of building area

| Description | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 Bld'g Value (\$/sq.ft.) | Value/sq.ft. 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 | \$521 | \$605 |
| Wellington North - Mount Forest (Southgate Share - 33%) | 2,683 | 2,683 | 2,683 | 2,683 | 2,683 | 2,683 | 2,683 | 2,683 | | | \$521 | \$605 |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Total | 9,163 | 9,163 | 9,163 | 9,163 | 9,163 | 9,163 | 9,163 | 9,163 | 6,480 | 6,480 | | |

| | | | | | | | | | | |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Population | 7,237 | 7,279 | 7,299 | 7,306 | 7,349 | 7,399 | 7,632 | 7,787 | 8,099 | 8,713 |
| Per Capita Standard | 1.2662 | 1.2589 | 1.2554 | 1.2542 | 1.2469 | 1.2384 | 1.2006 | 1.1767 | 0.8001 | 0.7437 |

| 10 Year Average | 2012-2021 |
|-------------------|-----------|
| Quantity Standard | 1.1441 |
| Quality Standard | \$605 |
| Service Standard | \$692 |

| D.C. Amount (before deductions) | 24 Year |
|---------------------------------|-------------|
| Forecast Population | 7,298 |
| \$ per Capita | \$692 |
| Eligible Amount | \$5,051,603 |



Table B-3
Historical Level of Service Calculation – Fire Protection Services – Vehicles & Equipment

Service: Fire Protection Services - Vehicles & Equipment
 Unit Measure: No. of vehicles

| Description | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 Value (\$/Vehicle) |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------------------|
| Rescue Van | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | \$450,000 |
| Pumper | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | \$700,000 |
| Tanker | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | \$450,000 |
| Pumper | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | \$815,000 |
| UTV | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | \$24,000 |
| Pickup Truck | - | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 2.00 | 2.00 | 2.00 | \$50,200 |
| Wellington North (Southgate Share 33%) | | | | | | | | | | | |
| Tanker | 0.33 | 0.33 | 0.33 | 0.33 | 0.33 | 0.33 | 0.33 | 0.33 | | | \$450,000 |
| Rescue Van | 0.33 | 0.33 | 0.33 | 0.33 | 0.33 | 0.33 | 0.33 | 0.33 | | | \$450,000 |
| Pumper | 0.66 | 0.66 | 0.66 | 0.66 | 0.66 | 0.66 | 0.66 | 0.66 | | | \$700,000 |
| Pumper | 0.33 | 0.33 | 0.33 | 0.33 | 0.33 | 0.33 | 0.33 | 0.33 | | | \$815,000 |
| Total | 6.65 | 7.65 | 7.65 | 7.65 | 7.65 | 7.65 | 7.65 | 8.65 | 7.00 | 7.00 | |

| | | | | | | | | | | |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Population | 7,237 | 7,279 | 7,299 | 7,306 | 7,349 | 7,399 | 7,632 | 7,787 | 8,099 | 8,713 |
| Per Capita Standard | 0.0009 | 0.0011 | 0.0010 | 0.0010 | 0.0010 | 0.0010 | 0.0010 | 0.0011 | 0.0009 | 0.0008 |

| 10 Year Average | 2012-2021 |
|-------------------|-----------|
| Quantity Standard | 0.0010 |
| Quality Standard | \$440,340 |
| Service Standard | \$440 |

| D.C. Amount (before deductions) | 24 Year |
|---------------------------------|-------------|
| Forecast Population | 7,298 |
| \$ per Capita | \$440 |
| Eligible Amount | \$3,213,601 |



Table B-4
Historical Level of Service Calculation – Fire Protection Services – Small Equipment and Gear

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

| Description | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 Value (\$/item) |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------------------|
| S.C.B.A.'s | 10 | 10 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | \$11,500 |
| Defibrillators | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 3 | \$3,000 |
| Base Radios | 2 | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | \$6,000 |
| Vehicle Radios | 5 | 6 | 6 | 6 | 6 | 6 | 6 | 7 | 7 | 7 | \$1,100 |
| Portable Radios | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 24 | 24 | \$1,100 |
| Portable Pumps | 4 | 4 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 3 | \$10,400 |
| AirBags | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | - | \$12,000 |
| TMX Gas Detectors | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | \$7,400 |
| Thermal Imaging Camera | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | \$14,500 |
| Auto Extrication Equipment | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | \$40,180 |
| Bunker Gear Washing Machine | | | | | | | | | 1 | 2 | \$8,839 |
| Fire Fighter Equipment | | | | | | | | | | | |
| Southgate Fire Fighters | 27 | 27 | 32 | 32 | 32 | 32 | 33 | 33 | 35 | 35 | \$6,200 |
| Wellington North Firefighters (Southgate Share 33%) | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | | | \$6,200 |
| Total | 86 | 87 | 91 | 91 | 91 | 91 | 92 | 93 | 90 | 93 | |

| | | | | | | | | | | |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Population | 7,237 | 7,279 | 7,299 | 7,306 | 7,349 | 7,399 | 7,632 | 7,787 | 8,099 | 8,713 |
| Per Capita Standard | 0.0119 | 0.0119 | 0.0125 | 0.0124 | 0.0124 | 0.0123 | 0.0120 | 0.0119 | 0.0111 | 0.0107 |

| 10 Year Average | 2012-2021 |
|-------------------|-----------|
| Quantity Standard | 0.0119 |
| Quality Standard | \$6,068 |
| Service Standard | \$72 |

| D.C. Amount (before deductions) | 24 Year |
|---------------------------------|-----------|
| Forecast Population | 7,298 |
| \$ per Capita | \$72 |
| Eligible Amount | \$526,989 |



**Table B-5
Historical Level of Service Calculation – Parks and Recreation Services – Parkland Development**

Service: Parkland Development
Unit Measure: Acres of Parkland & kms of Trails

| Description | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 Value (\$/Acre & \$ per km) |
|-----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------------------------------|
| Dundalk Memorial Park | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | \$69,400 |
| Dales Memorial Park | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | \$69,400 |
| Hopeville Ball Park | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | \$14,600 |
| Holstein Park | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | \$18,200 |
| Trails (km) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | \$28,100 |
| Total | 38 | 38 | 38 | 38 | 38 | 38 | 38 | 38 | 38 | 38 | |

| | | | | | | | | | | |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Population | 7,237 | 7,279 | 7,299 | 7,306 | 7,349 | 7,399 | 7,632 | 7,787 | 8,099 | 8,713 |
| Per Capita Standard | 0.0052 | 0.0052 | 0.0052 | 0.0051 | 0.0051 | 0.0051 | 0.0049 | 0.0048 | 0.0046 | 0.0043 |

| 10 Year Average | 2012-2021 |
|-------------------|-----------|
| Quantity Standard | 0.0050 |
| Quality Standard | \$43,092 |
| Service Standard | \$215 |

| D.C. Amount (before deductions) | 24 Year |
|---------------------------------|-------------|
| Forecast Population | 7,298 |
| \$ per Capita | \$215 |
| Eligible Amount | \$1,572,427 |



Table B-6
Historical Level of Service Calculation – Parks and Recreation Services – Parkland Amenities

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

| Description | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 Value (\$/Item) |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------------------|
| Ball Diamonds - Lit | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | \$256,400 |
| Ball Diamond - Unlit | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | \$48,400 |
| Play Structures/Equipment | 6 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | \$70,400 |
| Picnic Pavilion/Canteen/Washrooms (Hopeville) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | \$406,000 |
| Concession Booth/Washrooms (Holstein) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | \$129,700 |
| Picnic Shelter at Dromore | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | \$37,700 |
| Dundalk Pavilion | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | \$281,200 |
| Lawn Bowling | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | \$7,600 |
| Outdoor Pool | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | \$209,300 |
| Pool Change House | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | \$152,900 |
| Skateboard Park | | | | | | 1 | 1 | 1 | 1 | 1 | \$48,600 |
| Picnic Shelter at Holstien | | | | | | 1 | 1 | 1 | 1 | 1 | \$30,000 |
| Soccer Field | | | | | | | | 1 | 1 | 1 | \$30,000 |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| Total | 17 | 18 | 18 | 18 | 18 | 20 | 20 | 21 | 21 | 21 | |

| | | | | | | | | | | |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Population | 7,237 | 7,279 | 7,299 | 7,306 | 7,349 | 7,399 | 7,632 | 7,787 | 8,099 | 8,713 |
| Per Capita Standard | 0.0023 | 0.0025 | 0.0025 | 0.0025 | 0.0024 | 0.0027 | 0.0026 | 0.0027 | 0.0026 | 0.0024 |

| 10 Year Average | 2012-2021 |
|-------------------|-----------|
| Quantity Standard | 0.0025 |
| Quality Standard | \$135,712 |
| Service Standard | \$339 |

| D.C. Amount (before deductions) | 24 Year |
|---------------------------------|-------------|
| Forecast Population | 7,298 |
| \$ per Capita | \$339 |
| Eligible Amount | \$2,476,065 |



**Table B-7
Historical Level of Service Calculation – Parks and Recreation Services – Recreation Facilities**

Service: Recreation Facilities
Unit Measure: sq.ft. of building area

| Description | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 Bld'g Value (\$/sq.ft.) | Value/sq.ft. 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 | \$278 | \$310 |
| Swinton Park Community Hall | 1,606 | 1,606 | 1,606 | 1,606 | 1,606 | 1,606 | 1,606 | 1,606 | 1,606 | 1,606 | \$200 | \$224 |
| F. Macintyre Building | 1,080 | 1,080 | 1,080 | 1,080 | 1,080 | 1,080 | 1,080 | 1,080 | 1,080 | 1,080 | \$226 | \$253 |
| Holstein Pavilion | 2,646 | 2,646 | 2,646 | 2,646 | 2,646 | 2,646 | 2,646 | 2,646 | 2,646 | 2,646 | \$226 | \$253 |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Total | 36,610 | 36,610 | 36,610 | 36,610 | 36,610 | 36,610 | 36,610 | 36,610 | 36,610 | 36,610 | | |

| | | | | | | | | | | |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Population | 7,237 | 7,279 | 7,299 | 7,306 | 7,349 | 7,399 | 7,632 | 7,787 | 8,099 | 8,713 |
| Per Capita Standard | 5.0587 | 5.0295 | 5.0158 | 5.0109 | 4.9816 | 4.9480 | 4.7969 | 4.7014 | 4.5203 | 4.2018 |

| 10 Year Average | 2012-2021 |
|-------------------|-----------|
| Quantity Standard | 4.8265 |
| Quality Standard | \$300 |
| Service Standard | \$1,450 |

| D.C. Amount (before deductions) | 24 Year |
|---------------------------------|--------------|
| Forecast Population | 7,298 |
| \$ per Capita | \$1,450 |
| Eligible Amount | \$10,582,173 |



Table B-8

Historical Level of Service Calculation – Parks and Recreation Services – Parks & Recreation Vehicles and Equipment

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

| Description | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 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 | \$13,800 |
| Pickup Truck | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | \$60,000 |
| Tractor | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | \$23,000 |
| Trailer | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | \$7,800 |
| Ice Resurfacer | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | \$115,300 |
| | | | | | | | | | | | |
| Total | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | |

| | | | | | | | | | | |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Population | 7,237 | 7,279 | 7,299 | 7,306 | 7,349 | 7,399 | 7,632 | 7,787 | 8,099 | 8,713 |
| Per Capita Standard | 0.0006 | 0.0006 | 0.0006 | 0.0006 | 0.0006 | 0.0006 | 0.0006 | 0.0006 | 0.0006 | 0.0005 |

| 10 Year Average | 2012-2021 |
|-------------------|-----------|
| Quantity Standard | 0.0006 |
| Quality Standard | \$41,733 |
| Service Standard | \$25 |

| D.C. Amount (before deductions) | 24 Year |
|---------------------------------|-----------|
| Forecast Population | 7,298 |
| \$ per Capita | \$25 |
| Eligible Amount | \$182,742 |



**Table B-9
Historical Level of Service Calculation – Library Services – Facilities**

Service: Library Services - Facilities
Unit Measure: sq.ft. of building area

| Description | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 Bld'g Value (\$/sq.ft.) | Value/sq.ft. with land, site works, etc. |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------------------------------|---|
| The Ruth Hargrave Memorial Library | 5,715 | 5,715 | 5,715 | 5,715 | 5,715 | 5,715 | 5,821 | 5,821 | 5,821 | 5,821 | \$271 | \$331 |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Total | 5,715 | 5,715 | 5,715 | 5,715 | 5,715 | 5,715 | 5,821 | 5,821 | 5,821 | 5,821 | | |

| | | | | | | | | | | |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Population | 7,237 | 7,279 | 7,299 | 7,306 | 7,349 | 7,399 | 7,632 | 7,787 | 8,099 | 8,713 |
| Per Capita Standard | 0.7897 | 0.7851 | 0.7830 | 0.7822 | 0.7777 | 0.7724 | 0.7627 | 0.7475 | 0.7187 | 0.6681 |

| 10 Year Average | 2012-2021 |
|-------------------|-----------|
| Quantity Standard | 0.7587 |
| Quality Standard | \$331 |
| Service Standard | \$251 |

5,536.99

| D.C. Amount (before deductions) | 24 Year |
|---------------------------------|-------------|
| Forecast Population | 7,298 |
| \$ per Capita | \$251 |
| Eligible Amount | \$1,832,820 |



Table B-10
Historical Level of Service Calculation – Library Services – Collection Materials

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

| Description | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 Value (\$/item) |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------------|
| Volumes and Audiobooks | 12,923 | 12,923 | 12,923 | 12,923 | 12,923 | 16,231 | 17,812 | 20,337 | 14,925 | 15,631 | \$67 |
| Uncatalogued Volumes | 140 | 140 | 140 | 140 | 140 | 140 | 140 | 140 | | | \$67 |
| Micromaterials - Periodicals and New | 23 | 23 | 23 | 23 | 23 | 20 | 20 | 20 | 20 | 20 | \$609 |
| CD-ROMs | 1 | 1 | 1 | 1 | 1 | - | | | | | \$52 |
| e-books consortium | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | \$2,250 |
| e-books | - | - | 15 | 15 | 15 | 24 | 24 | 26 | 26 | 26 | \$71 |
| Databases/eresources | | | | | | 3 | 4 | 4 | 4 | 5 | \$772 |
| Total | 13,087 | 13,088 | 13,103 | 13,103 | 13,103 | 16,419 | 18,001 | 20,528 | 14,976 | 15,683 | |

| | | | | | | | | | | |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Population | 7,237 | 7,279 | 7,299 | 7,306 | 7,349 | 7,399 | 7,632 | 7,787 | 8,099 | 8,713 |
| Per Capita Standard | 1.8083 | 1.7980 | 1.7952 | 1.7935 | 1.7830 | 2.2191 | 2.3586 | 2.6362 | 1.8491 | 1.8000 |

| 10 Year Average | 2012-2021 |
|-------------------|-----------|
| Quantity Standard | 1.9841 |
| Quality Standard | \$68 |
| Service Standard | \$135 |

| D.C. Amount (before deductions) | 24 Year |
|---------------------------------|-----------|
| Forecast Population | 7,298 |
| \$ per Capita | \$135 |
| Eligible Amount | \$984,646 |



Table B-11
Historical Level of Service Calculation – Waste Diversion Services – Facilities – Stations/Depots

Service: Waste Diversion - Facilities - Stations/Depots
 Unit Measure: sq.ft. of building area

| Description | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | Diversion Percentage | 2022 Bid'g Value (\$/sq.ft.) | Value/sq.ft. 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% | \$54 | \$63 |
| Egremont Administration Building (60% diversion) | 750 | 750 | 750 | 750 | 750 | 750 | 750 | 750 | 750 | 750 | 60% | \$143 | \$161 |
| Egremont Recycle Building | 1,638 | 1,638 | 1,638 | 1,638 | 1,638 | 1,638 | 1,638 | 1,638 | 1,638 | 1,638 | 100% | \$49 | \$58 |
| Egremont Transfer Station Special Waste Building | 832 | 832 | 832 | 832 | 832 | 832 | 832 | 832 | 832 | 832 | 100% | \$42 | \$50 |
| Dundalk Transfer Station Special Waste Building | 678 | 678 | 678 | 678 | 678 | 678 | 678 | 678 | 678 | 678 | 100% | \$20 | \$26 |
| 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% | \$31 | \$38 |
| Dundalk Transfer Station | 7,826 | 7,826 | 7,826 | 7,826 | 7,826 | 7,826 | 7,826 | 7,826 | 7,826 | 7,826 | 60% | \$31 | \$38 |
| Total | 40,085 | 40,085 | 40,085 | 40,085 | 40,085 | 40,085 | 40,085 | 40,085 | 40,085 | 40,085 | | | |
| Percentage attributable to Eligible Portion | 72% | 72% | 72% | 72% | 72% | 72% | 72% | 72% | 72% | 72% | | | |
| Total Eligible Portion of Facilities | 28,771 | 28,771 | 28,771 | 28,771 | 28,771 | 28,771 | 28,771 | 28,771 | 28,771 | 28,771 | | | |

| | | | | | | | | | | |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Population | 7,237 | 7,279 | 7,299 | 7,306 | 7,349 | 7,399 | 7,632 | 7,787 | 8,099 | 8,713 |
| Per Capita Standard | 3.9755 | 3.9526 | 3.9418 | 3.9380 | 3.9149 | 3.8885 | 3.7698 | 3.6947 | 3.5524 | 3.3021 |

| 10 Year Average | 2012-2021 |
|-------------------|-----------|
| Quantity Standard | 3.7930 |
| Quality Standard | \$43 |
| Service Standard | \$164 |

| D.C. Amount (before deductions) | 24 Year |
|---------------------------------|-------------|
| Forecast Population | 7,298 |
| \$ per Capita | \$164 |
| Eligible Amount | \$1,197,529 |



**Table B-12
Historical Level of Service Calculation – Waste Diversion Services – Vehicles & Equipment**

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

| Description | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | Diversion Percentage | 2022 Value (\$/Item) |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------------|----------------------|
| Roll-off Truck 2018 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 60% | \$350,000 |
| Garage Equipment | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 60% | \$38,100 |
| 20 Yard Bins | | | | | | | | 1 | 1 | 1 | 60% | \$15,000 |
| 30 Yard Recycle Containers | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 60% | \$16,000 |
| 40 Yard Bins | 11 | 11 | 11 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 60% | \$17,000 |
| 50 Yard Bins | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 60% | \$18,000 |
| Loader | 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% | \$93,600 |
| Collection Truck 2019 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 | 2 | 60% | \$375,000 |
| Collection Truck 2013 | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 60% | \$375,000 |
| Orange Drop Hazardous Waste Container | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 100% | \$22,700 |
| Collection Carts - 240 litre Green Organics | 3,080 | 3,101 | 3,122 | 3,143 | 3,164 | 3,232 | 3,302 | 3,373 | 3,446 | 3,520 | 100% | \$71 |
| Collection Carts - 360 litre Green Organics | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 100% | \$83 |
| Collection Carts - 240 litre Blue Recycle | 2,800 | 2,819 | 2,838 | 2,857 | 2,876 | 2,938 | 3,001 | 3,066 | 3,132 | 3,200 | 100% | \$71 |
| Collection Carts - 360 litre Blue Recycle | 350 | 352 | 865 | 871 | 877 | 896 | 915 | 935 | 955 | 976 | 100% | \$83 |
| Total | 6,262 | 6,305 | 6,858 | 6,906 | 6,952 | 7,101 | 7,253 | 7,411 | 7,570 | 7,733 | | |
| Percentage attributable to Eligible Portion | 70% | 68% | 69% | 69% | 69% | 69% | 69% | 68% | 68% | 68% | | |
| Total Eligible Portion of Facilities | 4,378 | 4,307 | 4,728 | 4,755 | 4,790 | 4,902 | 5,018 | 5,041 | 5,159 | 5,280 | | |
| Population | 7,237 | 7,279 | 7,299 | 7,306 | 7,349 | 7,399 | 7,632 | 7,787 | 8,099 | 8,713 | | |
| Per Capita Standard | 0.6049 | 0.5917 | 0.6477 | 0.6508 | 0.6517 | 0.6626 | 0.6574 | 0.6473 | 0.6370 | 0.6060 | | |

| 10 Year Average | 2012-2021 |
|-------------------|-----------|
| Quantity Standard | 0.6357 |
| Quality Standard | \$345 |
| Service Standard | \$220 |

| D.C. Amount (before deductions) | 24 Year |
|---------------------------------|-------------|
| Forecast Population | 7,298 |
| \$ per Capita | \$220 |
| Eligible Amount | \$1,602,568 |



Appendix C

Long Term Capital and Operating Cost Examination



Appendix C: Long-Term Capital and Operating Cost Examination

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

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

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



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

| SERVICE/CLASS OF SERVICE | ANNUAL LIFECYCLE EXPENDITURES | ANNUAL OPERATING EXPENDITURES | TOTAL ANNUAL EXPENDITURES |
|----------------------------------|-------------------------------|-------------------------------|---------------------------|
| 1. Stormwater | 9,203 | - | 9,203 |
| 2. Wastewater Services | 397,011 | 282,991 | 680,002 |
| 3. Water Services | 389,050 | 578,893 | 967,944 |
| 4. Services Related to a Highway | 799,955 | 212,182 | 1,012,137 |
| 5. Fire Protection Services | 254,618 | 408,116 | 662,734 |
| 6. Parks and Recreation Services | 650,742 | 309,234 | 959,977 |
| 7. Library Services | 168,263 | 136,400 | 304,663 |
| 8. Growth Studies | - | - | - |
| 9. Waste Diversion Services | 23,378 | 32,481 | 55,859 |
| Total | 2,692,220 | 1,960,297 | 4,652,517 |



Appendix D

Local Service Policy



Local Service Policy

Some of the need for services generated by additional development consists of local services related to a plan of subdivision. As such, they will be required as a condition of subdivision agreements or consent conditions.

Local Service guidelines are summarized as follows:

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.

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:



- a) Southgate's Municipal Servicing Standards;
- b) Southgate's Residential & Non-Residential Building and Property Service Policy;
and
- c) 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.

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.

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.

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.

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 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. 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.



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 Township roads, are a Township 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.

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.

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, Township 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.

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.

9. Parkland and Open Space Development



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.

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".

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.



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.

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.

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.



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 landowner(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.

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.

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.



Appendix E

Draft D.C. By-law



The Corporation of the Township of Southgate
By-Law No. 2022-_____
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 7th day of September 2022 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. Notwithstanding the foregoing, Stacked Townhouse units are included within apartment units for the purposes of calculating the development charge;

“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. Notwithstanding the foregoing, bona-fide farm uses do not include retail sales activities and/or on-farm industrial uses where rezoning or a zoning amendment is required under the Township’s current zoning by-law, including but not limited to restaurants; banquet facilities; hospitality and accommodation facilities; gift shops; services related to grooming, boarding or breeding of household pets; and marijuana and alcohol processing or production facilities;

“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, and self-storage development;

“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 residential building/dwelling” means unit” means a residential building/dwelling, containing at least one dwelling unit, that existed on a parcel of land as of the October 5, 2022 and which was not exempt from the payment of development charges pursuant to Section 2(3)(b) of the Act or the first residential building/dwelling, containing at least one dwelling unit, constructed on a vacant parcel of land after the date of by-law passage, and for which development charges were paid;

“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 development of a building or structure intended for use:

- (a) as a long-term care home within the meaning of Subsection 2 (1) of the Long-Term Care Homes Act, 2007;
- (b) as a retirement home within the meaning of Subsection 2(1) of the Retirement Homes Act, 2010.
- (c) By any institution of the following post-secondary institutions for the objects of the institution:
 - (i) a university in Ontario that receives direct, regular and ongoing operation funding from the Government of Ontario;
 - (ii) a college or university federated or affiliated with a university described in subclause (i); or
 - (iii) an Indigenous Institute prescribed for the purposes of section 6 of the Indigenous Institute Act, 2017;



- (d) as a memorial home, clubhouse, or athletic grounds by an Ontario branch of the Royal Canadian Legion; or
- (e) as a hospice to provide end of life care;

“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;

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

- (a) a corporation to which the Not-for-Profit Corporations Act, 2010 applies, that is in good standing under that Act and whose primary object is to provide housing;
- (b) a corporation without share capital to which the Canada Not-for-profit Corporation Act applies, that is in good standing under that Act and whose primary objective is to provide housing; or
- (c) a non-profit housing co-operative that is in good standing under the Co-operative Corporations Act;



“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;

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

“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;

“stacked townhouses” means a building containing at least 3 dwelling units with each dwelling unit separated horizontally and/or vertically from another dwelling unit by a common wall and each dwelling unit having a separate entrance to grade

“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;

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

“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 and Classes of Service

2.1 The categories of services and classes of service 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) Growth-Related Studies
- (f) Waste Diversion Services;
- (g) Storm Drainage and Control Services;
- (h) Wastewater Services; and
- (i) Water Services.

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 Grey 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:
- (iv) the passing of a zoning by-law or of an amendment to a zoning by-law under Section 34 of the Planning Act;
 - (v) the approval of a minor variance under Section 45 of the Planning Act;
 - (vi) a conveyance of land to which a by-law passed under subsection 50(7) of the Planning Act applies;
 - (vii) the approval of a plan of subdivision under Section 51 of the Planning Act;
 - (viii) a consent under Section 53 of the Planning Act;
 - (ix) 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
 - (x) 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 or class of 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 for Intensification of Existing Housing

- 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) the creation of a maximum of two additional dwelling units in an existing single detached dwelling or structure ancillary to such dwelling. The total gross floor area of the additional dwelling unit or units must be less than or equal to the gross floor area of the dwelling unit already in the existing residential building/dwelling; or
 - (c) the creation of additional dwelling units equal to the greater of one or 1% of the existing dwelling units in an existing residential rental building containing four or more dwelling units or within a structure ancillary to such residential building
 - (d) the creation of one additional dwelling unit in any other existing residential building/dwelling or within a structure ancillary to such residential building/dwelling. The gross floor area of the additional dwelling unit must be less than or equal to the gross floor area of the smallest dwelling unit already in the existing residential building/dwelling; or
 - (e) the creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to dwellings, subject to the following restrictions



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

3.6 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 3.6 herein, the gross floor area of an “existing industrial building” means the gross floor area that existing at the time of by-law passage. For industrial buildings constructed after by-law passage, the gross floor area of an “existing industrial building” is the gross floor area lawfully constructed at the time of building permit issuance
- (d) The exemption in this section shall not apply where the enlarged area is attached to the existing industrial building by means only of a tunnel, bridge, canopy, corridor, or other passage-way, or through a shared below-grade connection such as a service tunnel, foundation, footing, or a parking facility.

Other Exemptions:

- 3.7 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.
 - (e) Temporary buildings or structures



- (i) Prior to the issuance of a building permit for a temporary building or structure, the Township may require an owner to enter into an agreement, including the provision of security for the owner's obligation under the agreement, pursuant to section 27 of the Act providing for all or part of the development charge that would be required by Subsection 3.8, 3.9, or 3.10 if the terms of the agreement are not met and the building is not removed by the agreed upon date. The terms of such agreement shall then prevail over the provisions of this By-law.
- (f) Non-Profit Housing meeting the requirements of a program for such purposes as administered by any agency of the Federal or Provincial government, Grey County, or the Township.
 - (i) Prior to the issuance of a building permit for a non-profit housing, the Township may require an owner to enter into an agreement, including the provision of security for the owner's obligation under the agreement, pursuant to section 27 of the Act providing for all or part of the development charge that would be required by Subsection 3.8, 3.9, or 3.10 if the terms of the agreement are not met. The terms of such agreement shall then prevail over the provisions of this By-law.

Amount of Charges

Residential

- 3.8 The development charges set out in Schedule A 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

3.9 The development charges described in Schedule A 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

3.10 Notwithstanding s.3.8 and s.3.9, the development charges described in Schedule A 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

3.11 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 3.8 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 3.9, 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

- 3.12 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.
- 3.13 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.
- 3.14 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.
- 3.15 Notwithstanding Subsection 3.12, development charges for rental housing and institutional developments are due and payable in 6 installments commencing with the first installment payable on the date of occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.
- 3.16 Notwithstanding Subsection 3.13, development charges for non-profit housing developments are due and payable in 21 installments commencing with the first installment payable on the date of first occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.
- 3.17 Where the development of land results from the approval of a Site Plan or Zoning By-law Amendment made on or after January 1, 2020, and the approval of the application occurred within 2 years of building permit issuance, the development



charges under Subsections 3.12, 3.15, or 3.16 shall be calculated based on the rates set out in Schedule A on the date the planning application was made, including interest. Where both planning applications apply Development Charges under Subsections 3.12, 3.15, or 3.16 shall be calculated on the rates, including interest, set out in Schedule A on the date of the later planning application.

- 3.18 Interest for the purposes Subsections 3.15 and 3.16, will be calculated based on the Bank of Canada Prime Lending Rate, plus 2%, as at January 1, or July 1 prior to the date of building permit issuance
- 3.19 Interest for the purposes Subsection 3.17, will be calculated based on the Bank of Canada Prime Lending Rate, plus 2%, as at January 1, or July 1 prior to the date of planning application.

4. **Payment of Services**

- 4.1 Despite the payment required under Sections 3.8, 3.9 and 3.10, 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/classes of service 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 – 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 October 6, 2022.

12. Date By-law Expires

12.1 This By-law will expire at 12:01 AM on October 6, 2027 unless it is repealed by Council at an earlier date.

13. Existing By-law Repealed

13.1 By-law No. 2017-138 is hereby repealed upon the enforcement of this By-law.

PASSED THIS 5th day of October 2022

Mayor

Township Clerk



Schedule "A" To By-law 2022-____ Schedule of Development Charges

| Service/Class of Service | RESIDENTIAL | | | | NON-RESIDENTIAL | | |
|--|-----------------------------------|-----------------|---------------------------|-------------------------------------|----------------------------------|---------------|-------------------------|
| | Single and Semi-Detached Dwelling | Other Multiples | Apartments - 2 Bedrooms + | Apartments - Bachelor and 1 Bedroom | (per sq.ft. of Gross Floor Area) | Wind Turbines | Solar Farm (per 500 kW) |
| Municipal Wide Services/Class of Service: | | | | | | | |
| Services Related to a Highway | 3,082 | 1,925 | 1,969 | 1,313 | 1.14 | 3,082 | 3,082 |
| Fire Protection Services | 1,075 | 671 | 687 | 458 | 0.40 | 1,075 | 1,075 |
| Parks and Recreation Services | 2,733 | 1,707 | 1,746 | 1,165 | 0.24 | - | - |
| Library Services | 849 | 530 | 542 | 362 | 0.08 | - | - |
| Waste Diversion Services | 172 | 107 | 110 | 73 | 0.06 | - | - |
| Growth Studies | 116 | 72 | 74 | 49 | 0.04 | 116 | 116 |
| Total Municipal Wide Services/Class of Services | 8,027 | 5,012 | 5,128 | 3,420 | 1.96 | 4,273 | 4,273 |
| Urban Services | | | | | | | |
| Stormwater | 13 | 8 | 8 | 6 | 0.01 | - | - |
| Wastewater Services | 3,061 | 1,912 | 1,956 | 1,304 | 1.21 | - | - |
| Water Services | 5,586 | 3,489 | 3,569 | 2,380 | 2.83 | - | - |
| Total Urban Services | 8,660 | 5,409 | 5,533 | 3,690 | 4.05 | - | - |
| GRAND TOTAL RURAL AREA | 8,027 | 5,012 | 5,128 | 3,420 | 1.96 | 4,273 | 4,273 |
| GRAND TOTAL URBAN AREA | 16,687 | 10,421 | 10,661 | 7,110 | 6.01 | 4,273 | 4,273 |