



Water and Wastewater Development Charges Update Study

Town of Erin

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Report



Chapter 1

Introduction



1. Introduction

1.1 Background

The Town of Erin imposes development charges (D.C.) to recover capital costs arising from the increase in needs for service related to growth. The Town currently has a municipal-wide D.C. for roads, fire, parkland development, recreation, and growth-related studies. A water D.C. is imposed on development within the Villages of Erin and Hillsburgh. The basis for these D.C.s is documented in the “Town of Erin Development Charges Background Study,” dated May 21, 2019, which provided the supporting documentation for By-law 19-32. The D.C.s came into effect July 23, 2019.

The Town’s D.C.s have been indexed (in accordance with section 5 of the by-law) annually on January 1st and are currently 3.3% higher than the 2019 rates implemented under By-law 19-32. The 2019 D.C.s (unindexed) are shown in Figure 1-1.

The purpose of this report is to update the current D.C. by-law to recover growth-related costs associated with water and wastewater infrastructure.

For wastewater, the projects that are being included for recovery have been a product of a multi-year wastewater servicing process dating back to 2013. To date, Ainley Consulting Engineers have worked with the Town through the Urban Centre Wastewater Servicing Class EA in order to determine the servicing requirements and necessary infrastructure.

The water portion of the 2019 D.C. study is being updated to embrace the new water capital program which has been identified through the Town of Erin Urban Centre Water Servicing Schedule B Class Environmental Assessment, dated February 28, 2020. This report was undertaken by Triton Engineering and provides a capital program that has identified the servicing needs for the Villages of Erin and Hillsburgh.

The projects related to water and wastewater are further discussed in Chapter 3.



Figure 1-1
Town of Erin
2019 Development Charges

| Service | RESIDENTIAL | | | | | NON-RESIDENTIAL |
|--|-----------------------------------|---------------|---------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| | Single and Semi-Detached Dwelling | Multiples | Apartments - 2 Bedrooms + | Apartments - Bachelor and 1 Bedroom | Special Care/Special Dwelling Units | (per sq.ft. of Gross Floor Area) |
| Town Wide Services: | | | | | | |
| Services Related to a Highway | 7,837 | 5,680 | 3,971 | 3,375 | 2,700 | 4.39 |
| Fire Protection Services | 2,478 | 1,796 | 1,256 | 1,067 | 854 | 1.39 |
| Parks & Recreation Services | 4,808 | 3,484 | 2,436 | 2,070 | 1,656 | 0.85 |
| Administration - Engineering Studies | 1,802 | 1,306 | 913 | 776 | 621 | 0.75 |
| Administration - Community Based Studies | 333 | 241 | 169 | 143 | 115 | 0.14 |
| Total Town Wide Services | 17,258 | 12,507 | 8,745 | 7,431 | 5,946 | 7.52 |
| Urban Services | | | | | | |
| Water Services | 5,026 | 3,642 | 2,547 | 2,164 | 1,731 | 2.03 |
| Total Urban Services | 5,026 | 3,642 | 2,547 | 2,164 | 1,731 | 2.03 |
| GRAND TOTAL RURAL AREA | 17,258 | 12,507 | 8,745 | 7,431 | 5,946 | 7.52 |
| GRAND TOTAL URBAN AREA | 22,284 | 16,149 | 11,292 | 9,595 | 7,677 | 9.55 |



1.2 Existing Policies (Rules)

The following subsections set out the rules governing the calculation, payment and collection of D.C.s as provided in By-law 19-32, in accordance with the *Development Charges Act, 1997*, as amended (D.C.A.).

1.2.1 *Payment in any Particular Case*

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

1.2.2 *Determination of the Amount of the Charge*

The calculation for residential development is generated on a per capita basis and is based upon different forms of housing types (single and semi-detached, apartments with two or more bedrooms, one bedroom apartments and bachelors, other multiples, and special care/special dwelling units). The total cost is divided by the “gross” (new resident) population to determine the per capita amount. The eligible D.C. cost calculations are based on the net anticipated population increase (the forecast new unit population less the anticipated decline in existing units). This approach acknowledges that service capacity will be “freed up” by the population decline in existing units. The cost per capita is then multiplied by the average occupancy of the new units to calculate the charges by type of residential dwelling unit.



The non-residential D.C. has been calculated based on a per square foot of gross floor area basis.

1.2.3 Application for Land Redevelopment

Despite any other provisions of the by-law, where, as a result of the redevelopment of land, a building or structure existing on the same land within 60 months prior to the date of payment of D.C.s 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 D.C. 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 D.C. under subsection 3.11 of the by-law 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 mixed-use building or structure, the non-residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable D.C.s under subsection 3.12 of the by-law, 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 D.C. otherwise payable with respect to the redevelopment.

1.2.4 Exemptions (full or partial)

The following are exempted from D.C.s:

- Statutory exemptions
 - a) 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)) of the D.C.A;



- b) buildings or structures owned by and used for the purposes of any municipality, local board or Board of Education (s. 3); and
 - c) residential development that results only in the enlargement of an existing dwelling unit, or that results only in the creation of up to two additional dwelling units (based on prescribed limits set out in s.2 of O. Reg. 82/98).
- Non-statutory exemptions
 - a) lands, buildings or structures used or to be used for a place of worship or for the purposes of a cemetery or burial ground exempt from taxation under the *Assessment Act*;
 - b) a public hospital receiving aid under the *Public Hospitals Act*, R.S.O. 1990, Chap. P.40, as amended, or any successor thereof;
 - c) the development of non-residential farm buildings constructed for bona fide farm uses, which qualify as a farm business, being that which operates with a valid Farm Business Registration Number and is assessed in the Farmland Realty Tax Class;
 - d) one additional dwelling unit in any other existing residential accessory building;
 - e) garden suite constructed in accordance with the *Planning Act*;
 - f) bed and breakfast establishment that is not considered a hotel; and
 - g) boarding, lodging or rooming house that is not considered a hotel.

1.2.5 Indexing

The D.C.s imposed shall be adjusted annually in accordance with the Statistics Canada Non-Residential Building Construction Price Index for Toronto for the most recent year over year period, commencing on January 1, 2020 and each year thereafter, without amendment to this by-law.

1.2.6 By-law Duration

The by-law will expire at 12:01 AM on July 23, 2024 unless it is repealed by Council at an earlier date.



1.2.7 Timing of D.C. Payments

D.C.s imposed under the by-law are calculated, payable and collected upon issuance of the first building permit for the development.

Despite the above, Council from time to time, and at any time, may enter into Agreements providing for all or any part of the D.C. to be paid before or after it would otherwise be payable, in accordance with section 27 of the D.C.A.

1.3 Basis for the D.C. By-law Update

This D.C. update study provides for an amendment to the Town's current D.C.s by-law (By-law 19-32). The purpose of this amendment is to incorporate additional growth-related capital with respect to water, and to establish a D.C. recovery for wastewater that was not included in the D.C. study process.

Additionally, the D.C. by-law will also be updated to include definitions and policies that have been established as part of Bill 108, *More Homes, More Choice Act, 2019*, and O. Reg. 454-19.

Details on the changes to the calculation and by-law are presented in Chapter 3 and Chapter 5 of this report, respectively. The draft amending by-law is presented in Appendix B to this report.

1.4 Summary of the Process

The public meeting required under section 12 of the D.C.A. has been scheduled for September 15, 2020 located in the Town of Erin's Council chambers. Its purpose is to present the update study to the public and to solicit public input. The meeting is also being held to answer any questions regarding the study's purpose, methodology and the proposed modifications to the Town's D.C. by-law.

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
- Council consideration of the amending by-law on October 20, 2020.



Figure 1-1 outlines the proposed schedule to be followed with respect to the D.C. by-law adoption process

Figure 1-2
Schedule of Key D.C. Process Dates for the Town of Erin

| | |
|---|--------------------------------|
| 1. Data collection, staff review, engineering work, D.C. calculations and policy work | February 2020 to August 2020 |
| 2. Background study and proposed by-law available to public | August 21, 2020 |
| 3. Public meeting advertisement placed in newspaper(s) | August 25, 2020 |
| 4. Public meeting of Council | September 15, 2020 |
| 5. Council considers adoption of background study and passage of by-law | October 20, 2020 |
| 6. Newspaper notice given of by-law passage | By 20 days after passage |
| 7. Last day for by-law appeal | 40 days after passage |
| 8. Town makes pamphlet available (where by-law not appealed) | By 60 days after in force date |

1.5 Policy Recommendations

It is recommended that the Town's current D.C. policies, as identified in section 1.2 of this report, be continued.

Additionally, the new policies as stated in Bill 108 – *More Homes, More Choice Act, 2019*, and O. Reg. 454-19 are recommended to be included. This is discussed in more detail in section 5 of this report.



Chapter 2

Growth Forecast



2. Anticipated Development

2.1 Growth Forecast in the 2019 D.C. Study

The 2019 D.C. study provided for the anticipated residential and non-residential growth within the Town of Erin. The growth forecast associated with services included in the background study is provided in Figure 2-1 below:

Figure 2-1
Town of Erin
2019 D.C. Background Study – Growth Forecast Summary

| Measure | 10 Year 2019-2028 | Long-Term 2019-2041 | Urban Longer- Term 2019-Urban Buildout |
|--|----------------------|------------------------|---|
| (Net) Population Increase | 1,607 | 6,589 | 12,318 |
| Residential Unit Increase (Low, Medium, and High Density) | 650 | 2,283 | 4,497 |
| Non-Residential Gross Floor Area Increase (ft ²) | 187,900 | 479,700 | 1,585,700 |

Source: Watson & Associates Economists Ltd. Forecast 2019

The growth forecast above utilizes the targets outlined from the Town's Growth Management Strategy (undertaken by Dillon Consulting Limited and Watson) and the Town's Urban Centre Wastewater Servicing Class EA (undertaken by Ainley Consulting Engineers).

From the work undertaken by Ainley, the developments to be serviced by the proposed wastewater infrastructure have been provided on a single detached equivalent (SDE) basis. The SDEs have been provided for all residential and non-residential development for both Erin and Hillsburgh for ease of measuring servicing capacity. The overall anticipated buildout is 6,740 SDEs. The forecast has been separated into two categories, new development vs. existing development. The growth-related units (including intensification and non-residential growth) total 4,467 SDEs. The non-growth existing units (including existing non-residential development) to be serviced totals 2,273 SDEs.



The 2019 D.C. Background Study provided a “Buildout” forecast (Appendix A – Schedule 5) which identified the Ainley Wastewater Servicing report growth assumptions. For the purposes of this D.C. update, the 2019 D.C. Background Study growth forecast remains unchanged as the incremental growth is anticipated to remain the same.



Chapter 3

Updates to the Town's D.C. Study



3. Updates to the Town's D.C. Study

As noted earlier, the Town passed By-law 19-32 on, July 23, 2019, being a by-law for the purposes of establishing and collecting a D.C. in accordance with the provisions of the D.C.A. The 2019 D.C. Background Study and by-law identified anticipated capital needs for recovery through D.C.s for Town-wide services and an area-specific water service.

This chapter of the report discusses the revision of growth-related projects related to water and summarizes the capital needs regarding the addition of a wastewater D.C. As these projects are being added as part of the 2019 D.C. Background Study, the capital costs are being presented in 2019 dollars (the year of the last D.C. background study and adoption of the D.C. by-law).

3.1 Wastewater

3.1.1 Background

The Town has been undertaking a multi-year wastewater servicing process dating back to 2013. B.M. Ross conducted the initial engineering evaluation which was presented in the 2014 Servicing and Settlement Master Plan (SSMP). The SSMP considered servicing and planning alternatives for wastewater and identified a preferred wastewater servicing strategy for existing and future development for both the Villages of Erin and Hillsburgh.

Following the SSMP, the Town subsequently completed the Urban Centre Wastewater Servicing Class EA (UCWS Class EA) to which the SSMP addressed Phase 1 and components of Phase 2 of the Class EA planning process (which contains a total of 5 phases). Ainley Consulting Engineers (Ainley) was then retained by the Town to undertake this next phase of work. In completing Phase 2 activities within the UCWS Class EA, the preferred solution remains as established under the SSMP, however, the serviced population was increased to 14,559 persons. This increase in the serviced population subsequently increased the costing for the wastewater system as the capacity of the plant was increased and the areas to be serviced was expanded. To evaluate the cost impact, the Town retained Watson in 2018 to undertake a financial assessment of the capital works provided by Ainley. The Ainley report and the Watson report were then considered by Council and approval was granted to move to the next



stage which included completion of the Environmental Assessment and development of a financing plan.

3.1.2 Proposed Wastewater Capital Works

Based on the engineering analysis undertaken by Ainley, the wastewater infrastructure required to service the Villages of Erin and Hillsburgh includes a wastewater treatment plant, trunk mains, and pumping stations. These works are now being included as a new service category for the Town's D.C. by-law.

The wastewater treatment plant is estimated to have a rated capacity of 7,200 m³/d (based on servicing 6,740 SDEs identified in section 2.1) and has been initially proposed to be constructed in four (4) phases to reflect the staging of development discussed above (i.e. new growth to proceed in advance of servicing existing homes and businesses). The estimated cost (2019 \$) to construct all four phases of the wastewater treatment plant is \$67,208,500. Of this amount, \$22,662,600 (34%) has been deducted to recognize the treatment plant's benefit to the existing community based on 2,273 SDEs (out of the total 6,740 SDEs) comprising of existing residents and businesses. Therefore, the net D.C.-eligible amount of \$44,545,900 has been included in the calculations for D.C. recovery.

Similar to the wastewater treatment plant, the wastewater trunk mains and pumping stations have also been provided in four (4) segments. The estimated cost to construct all segments of the wastewater trunk mains and pumping stations is \$20,346,000. Of this amount, \$5,116,600 has been deducted to recognize the portion of the works that will benefit the existing community (note that a service assessment was undertaken by Ainley to identify servicing for the proposed growth and subsequently evaluated the cost to upsize this infrastructure to also service existing development). Therefore, the net D.C.-eligible amount of \$15,229,400 has been included in the calculations for recovery.

The growth-related costs have been allocated between residential and non-residential development based on incremental growth in residential SDEs to non-residential SDEs over the urban longer-term (buildout) forecast period (as identified by Ainley's analysis). This split results in an 88% allocation to residential and a 12% allocation to non-residential.

Figures 3-1 and 3-2 present the wastewater capital costs being included in the D.C. calculations.



Figure 3-1

Infrastructure Costs Included in the Development Charges Calculation

Town of Erin
Service: Wastewater Facilities

| Prj.No | Increased Service Needs Attributable to Anticipated Development 2019-Urban Buildout | Timing (year) | Gross Capital Cost Estimate (2019\$ Rounded) | 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 88% | Non- Residential Share 12% |
| 1 | Wastewater Treatment Plant - Phase 1 | 2020-2025 | 23,191,700 | - | | 23,191,700 | 7,820,200 | | 15,371,500 | 13,526,920 | 1,844,580 |
| 2 | Wastewater Treatment Plant - Phase 2 | 2026-2030 | 9,336,300 | - | | 9,336,300 | 3,148,200 | | 6,188,100 | 5,445,528 | 742,572 |
| 3 | Wastewater Treatment Plant - Phase 3 | 2031-2035 | 20,271,700 | - | | 20,271,700 | 6,835,600 | | 13,436,100 | 11,823,768 | 1,612,332 |
| 4 | Wastewater Treatment Plant - Phase 4 | 2035+ | 14,408,800 | - | | 14,408,800 | 4,858,600 | | 9,550,200 | 8,404,176 | 1,146,024 |
| | | | | | | | | | | | |
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| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | Total | | 67,208,500 | - | - | 67,208,500 | 22,662,600 | - | 44,545,900 | 39,200,392 | 5,345,508 |



Figure 3-2

Infrastructure Costs Included in the Development Charges Calculation

Town of Erin
Service: Wastewater Sewers

| Prj.No | Segment | Increased Service Needs Attributable to Anticipated Development 2019-Urban Buildout | Timing (year) | Gross Capital Cost Estimate (2019\$ Rounded) | 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 88% | Non- Residential Share 12% |
| 1 | Segment No. 1 | Erin SPS 1 (transmission station to the WWTP) | 2021-2026 | 5,900,500 | - | | 5,900,500 | 1,622,000 | | 4,278,500 | 3,765,080 | 513,420 |
| 2 | Segment No. 1 | Erin SPS 1 Forcemain (transmission station to the WWTP) | 2021-2026 | 1,931,300 | - | | 1,931,300 | 373,500 | | 1,557,800 | 1,370,864 | 186,936 |
| 3 | Segment No. 2 | Erin Village Trunk Sewer (Dundas Street East to Water Street) | 2021-2026 | 2,377,700 | - | | 2,377,700 | 426,800 | | 1,950,900 | 1,716,792 | 234,108 |
| 4 | Segment No. 2 | Service Connections to existing properties along the trunk sewer | 2021-2026 | 480,200 | - | | 480,200 | 480,200 | | - | - | - |
| 5 | Segment No. 3 | Hillsburgh SPS 1 (transmission to Erin) | 2027-2032 | 2,763,500 | - | | 2,763,500 | 613,500 | | 2,150,000 | 1,892,000 | 258,000 |
| 6 | Segment No. 3 | Hillsburgh SPS 1 Forcemain (transmission to Erin along ECT) | 2027-2032 | 4,705,500 | - | | 4,705,500 | 864,400 | | 3,841,100 | 3,380,168 | 460,932 |
| 7 | Segment No. 3 | Extension of the Hillsburgh SPS 1 Forcemain (along Main St, from Main & ECT to Dundas St) | 2027-2032 | 618,900 | - | | 618,900 | 117,400 | | 501,500 | 441,320 | 60,180 |
| 8 | Segment No. 4 | Hillsburgh Village Trunk Sewer (Mill Street to Elora Cataract Trail) | 2033+ | 842,900 | - | | 842,900 | 170,700 | | 672,200 | 591,536 | 80,664 |
| 9 | Segment No. 4 | Hillsburgh Village Trunk Sewer (Queen Street to Mill Street) | 2033+ | 341,400 | - | | 341,400 | 64,000 | | 277,400 | 244,112 | 33,288 |
| 10 | Segment No. 4 | Service Connections to existing properties along the trunk sewer | 2033+ | 384,100 | - | | 384,100 | 384,100 | | - | - | - |
| | | Total | | 20,346,000 | - | - | 20,346,000 | 5,116,600 | - | 15,229,400 | 13,401,872 | 1,827,528 |



3.2 Water

3.2.1 Background

The Town of Erin initiated the Urban Water Servicing Municipal Class Environmental Assessment (Water Class EA) in May 2015. This work was to evaluate potential solutions to address water supply and storage deficiencies for both existing development and future growth scenarios for the two urban centres of Hillsburgh and Erin Village (project), as identified in the 2014 SSMP. Triton Engineering Services Limited (Triton) was retained to administer the Water Class EA on behalf of the Town.

The 2014 SSMP determined that the maximum day demand in each urban centre had exceeded the firm capacity of its respective water system, indicating the need for additional source capacity to provide adequate system redundancy and permit future growth. Additionally, there exists properties within both urban centres that are not connected to the municipal water system due to lack of access to the water distribution infrastructure or because they were not connected as the properties were developed. The connection of these existing properties would further increase this supply deficit. The current Water Class EA has considered the recent water demand available up to the end of 2019 and updated the supply capacity calculations accordingly. Based on current reserve capacity calculation, there is sufficient supply to accommodate the existing serviced population in each community. This change in available reserve capacity between the completion of the SSMP and present day is a result of a significant decrease in the maximum day demand for both the Erin and Hillsburgh water systems.

The Water Class EA report was released on February 28, 2020 and identifies six (6) alternative scenarios for proceeding with water infrastructure. In recognizing the preferred growth scenario that was presented in the Town's 2019 Growth Management Strategy report, it was recommended that the Town interconnect the Erin and Hillsburgh water systems in addition to adding wells. It is noted that the Water Class EA report provided for a population growth of 10,300. A subsequent evaluation was undertaken by Triton to assess the water capital needs to accommodate the same growth target as provided in the wastewater evaluation.



3.2.2 Proposed Water Capital Works

Similar to wastewater servicing, the water servicing needs (as updated by Triton) also utilize the total SDE forecast of 6,740 (as identified in section 2.1) to determine the required water capacity needed to meet the future water demands. Based on Triton's Water Class EA, the future water demands are based on a projected estimated water demand of 325 liters per capita per day. Using this assessment, the proposed water infrastructure will require additional wells, storage towers, booster station, and water mains.

Based on the above, the water capital project on page 5-14 of the Town's 2019 Development Charges Background Study, titled "New Water Supply (Erin and Hillsburgh), is being replaced with a new set of capital projects as identified by Triton. The capital projects being added are:

- Hillsburgh Well & Well House
- Hillsburgh Water Storage Facility
- Erin Well & Well House
- Erin Well Connection
- Erin Well Connection (Pioneer)
- Erin Water Storage
- Erin-Hillsburgh Booster Station
- Cataract Trail Connection - North
- Main Street Connection
- Cataract Trail Connection - South
- Wellington Road 124 Connection

These works have an estimated gross cost of \$26,078,750. A reduction in the amount of \$293,910 has been applied to reflect the benefit to existing development for the Hillsburgh Water Storage Facility. This deduction is to recognize that approximately 6% of the new storage capacity will be to satisfy an existing deficiency in the system. Therefore, the net growth-related amount resulting from these works is \$25,784,840.

Since, however, we are replacing the current water supply project, which had a net D.C. amount of \$23,083,950, the overall change to the water capital recovery is an additional \$2,700,890. Figure 3-3 presents the water capital costs being included in the D.C. calculations.



The allocation between residential and non-residential development has been updated to be based on incremental growth in residential SDEs to non-residential SDEs over the urban longer-term (buildout) forecast period. This split results in an 88% allocation to residential and a 12% allocation to non-residential.



Figure 3-3

Infrastructure Costs Included in the Development Charges Calculation

Town of Erin

Service: Water Services

| Prj.No | ID | Increased Service Needs Attributable to Anticipated Development | Timing (year) | Gross Capital Cost Estimate (2019\$) | 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 88% | Non-Residential Share 12% |
| 2019-Urban Buildout | | | | | | | | | | | | |
| 1 | W2020-01 | Hillsburgh Well & Well House | 2021-2031 | 3,973,200 | - | | 3,973,200 | - | | 3,973,200 | 3,496,416 | 476,784 |
| 2 | W2020-02 | Hillsburgh Water Storage Facility | 2021-2031 | 4,898,500 | - | | 4,898,500 | 293,910 | | 4,604,590 | 4,052,039 | 552,551 |
| 3 | W2020-03A | Erin Well & Well House | 2021-2031 | 3,920,000 | - | | 3,920,000 | - | | 3,920,000 | 3,449,600 | 470,400 |
| 4 | W2020-03B | Erin Well Connection | 2021-2031 | 1,258,600 | - | | 1,258,600 | - | | 1,258,600 | 1,107,568 | 151,032 |
| 5 | W2020-03C | Erin Well Connection (Pioneer) | 2021-2031 | 51,170 | - | | 51,170 | - | | 51,170 | 45,030 | 6,140 |
| 6 | W2020-04 | Erin Water Storage | 2021-2031 | 5,008,500 | - | | 5,008,500 | - | | 5,008,500 | 4,407,480 | 601,020 |
| 7 | W2020-07A | Erin-Hillsburgh Booster Station | 2021-2031 | 2,100,000 | - | | 2,100,000 | - | | 2,100,000 | 1,848,000 | 252,000 |
| 8 | W2020-07B | Cataract Trail Connection - North | 2021-2031 | 1,845,200 | - | | 1,845,200 | - | | 1,845,200 | 1,623,776 | 221,424 |
| 9 | W2020-07C | Main Street Connection | 2021-2031 | 492,660 | - | | 492,660 | - | | 492,660 | 433,541 | 59,119 |
| 10 | W2020-08 | Cataract Trail Connection - South | 2021-2031 | 1,845,200 | - | | 1,845,200 | - | | 1,845,200 | 1,623,776 | 221,424 |
| 11 | W2020-10A | Wellington Road 124 Connection | 2021-2031 | 685,720 | - | | 685,720 | - | | 685,720 | 603,434 | 82,286 |
| 12 | | Water Equipment | 2019 | 43,800 | - | | 43,800 | - | | 43,800 | 38,544 | 5,256 |
| 13 | | Fire Hydrant Rehabilitation | 2019-2022 | 188,000 | - | | 188,000 | 150,400 | | 37,600 | 33,088 | 4,512 |
| 14 | | Reserve Fund Adjustment | Reserve | - | - | | - | 215,992 | | (215,992) | (190,073) | (25,919) |
| | | Total | | 26,310,550 | - | - | 26,310,550 | 660,302 | - | 25,650,248 | 22,572,218 | 3,078,030 |



3.3 D.C. By-law Revised Schedule of Charges

3.3.1 Updated D.C. Calculation (2019\$)

The detailed calculations underlying the additional capital needs are summarized in Figure 3-4. Figure 3-4 calculates the proposed D.C. to be imposed on anticipated development in the Town for the water and wastewater projects over the urban buildout planning horizon.

For the residential calculations, the total cost is divided by the “gross” (new resident) population to determine the per capita amount. The eligible D.C. cost calculations set out in Figures 3-1, 3-2 and 3-3 are based on the net anticipated population increase (the forecast new unit population less the anticipated decline in existing units). The cost per capita is then multiplied by the average occupancy of the new units to calculate the charge in Figure 3-4. With respect to non-residential development, the total costs in the uniform charge allocated to non-residential development (based on need for service) have been divided by the anticipated development over the planning period to calculate a cost per sq.ft. of gross floor area.

Figure 3-4
Town of Erin
Water and Wastewater D.C. Calculations (2019 – Urban Buildout)

| SERVICE | 2019\$ D.C.-Eligible Cost | | 2019\$ D.C.-Eligible Cost | |
|---|---------------------------|---------------------|---------------------------|-------------|
| | Residential | Non-Residential | S.D.U. | per sq.ft. |
| | \$ | \$ | \$ | \$ |
| 1. <u>Wastewater Services</u> | | | | |
| 1.1 Treatment plants | 39,200,392 | 5,345,508 | 9,982 | 3.37 |
| 1.2 Sewers | 13,401,872 | 1,827,528 | 3,413 | 1.15 |
| | 52,602,264 | 7,173,036 | 13,395 | 4.52 |
| 2. <u>Water Services</u> | | | | |
| 2.1 Treatment, storage and distribution systems | 22,572,218 | 3,078,030 | 5,748 | 1.94 |
| | 22,572,218 | 3,078,030 | 5,748 | 1.94 |
| | | | | |
| TOTAL | \$75,174,482 | \$10,251,066 | \$19,143 | 6.46 |
| D.C.-Eligible Capital Cost | \$75,174,482 | \$10,251,066 | | |
| Buildout Gross Population/GFA Growth (sq.ft.) | 12,539 | 1,585,700 | | |
| Cost Per Capita/Non-Residential GFA (sq.ft.) | \$5,995.25 | \$6.46 | | |
| By Residential Unit Type | | | | |
| | P.P.U. | | | |
| Single and Semi-Detached Dwelling | 3.193 | \$19,143 | | |
| Multiples | 2.314 | \$13,873 | | |
| Apartments - 2 Bedrooms + | 1.618 | \$9,700 | | |
| Apartments - Bachelor and 1 Bedroom | 1.375 | \$8,243 | | |
| Special Care/Special Dwelling Units | 1.100 | \$6,595 | | |



Figures 3-5 and 3-6 compare the amended and existing single detached dwelling unit and non-residential per square foot D.C.s (2019 \$ values)

Figure 3-5
Town of Erin
Comparison of Existing and Amending Residential (Single Detached Unit) D.C. (2019 \$)

| Service | D.C. Based on 2019 D.C. Study | Calculated Based on 2020 D.C. Update |
|--|----------------------------------|--|
| Town Wide Services: | | |
| Services Related to a Highway | 7,837 | 7,837 |
| Fire Protection Services | 2,478 | 2,478 |
| Parks & Recreation Services | 4,808 | 4,808 |
| Administration - Engineering Studies | 1,802 | 1,802 |
| Administration - Community Based Studies | 333 | 333 |
| Total Town Wide Services | 17,258 | 17,258 |
| Urban Services: | | |
| Water Services | 5,026 | 5,748 |
| Wastewater Services | - | 13,395 |
| Total Urban Services | 5,026 | 19,143 |
| Grand Total - Urban Area | 22,284 | 36,401 |

Figure 3-6
Town of Erin
Comparison of Existing and Amending Non-Residential D.C. (2019 \$)

| Service | D.C. Based on 2019 D.C. Study | Calculated Based on 2020 D.C. Update |
|--|----------------------------------|--|
| Town Wide Services: | | |
| Services Related to a Highway | 4.39 | 4.39 |
| Fire Protection Services | 1.39 | 1.39 |
| Parks & Recreation Services | 0.85 | 0.85 |
| Administration - Engineering Studies | 0.75 | 0.75 |
| Administration - Community Based Studies | 0.14 | 0.14 |
| Total Town Wide Services | 7.52 | 7.52 |
| Urban Services: | | |
| Water Services | 2.03 | 1.94 |
| Wastewater Services | - | 4.52 |
| Total Urban Services | 2.03 | 6.46 |
| Grand Total - Urban Area | 9.55 | 13.98 |



3.3.2 Revised D.C. Rates (2019 \$ and 2020 \$)

Based on the calculations above, the D.C. (in 2019 \$) for water services is calculated to increase from \$5,026 to \$5,748 per single detached unit and decrease from \$2.03 to \$1.94 per square foot for non-residential development.

For wastewater services, the new D.C. (in 2019 \$) is calculated to be \$13,395 per single detached unit and \$4.52 per square foot for non-residential development.

Figure 3-7 provides for the updated Town-wide D.C.s in 2019 values, as the study was originally completed, and by-law was passed in 2019. This figure would be included as the amending schedule to the D.C. by-law. Figure 3-8 provides for the indexed 2020 values as the Town's current D.C.s have been indexed by 3.3% on January 1, 2020.



Figure 3-7
Town of Erin
Updated Development Charge Schedule (2019 \$)

| Service | RESIDENTIAL | | | | | NON-RESIDENTIAL |
|--|-----------------------------------|---------------|---------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| | Single and Semi-Detached Dwelling | Multiples | Apartments - 2 Bedrooms + | Apartments - Bachelor and 1 Bedroom | Special Care/Special Dwelling Units | (per sq.ft. of Gross Floor Area) |
| Town Wide Services: | | | | | | |
| Services Related to a Highway | 7,837 | 5,680 | 3,971 | 3,375 | 2,700 | 4.39 |
| Fire Protection Services | 2,478 | 1,796 | 1,256 | 1,067 | 854 | 1.39 |
| Parks & Recreation Services | 4,808 | 3,484 | 2,436 | 2,070 | 1,656 | 0.85 |
| Administration - Engineering Studies | 1,802 | 1,306 | 913 | 776 | 621 | 0.75 |
| Administration - Community Based Studies | 333 | 241 | 169 | 143 | 115 | 0.14 |
| Total Town Wide Services | 17,258 | 12,507 | 8,745 | 7,431 | 5,946 | 7.52 |
| Urban Services | | | | | | |
| Water Services | 5,748 | 4,166 | 2,913 | 2,475 | 1,980 | 1.94 |
| Wastewater Services | 13,395 | 9,707 | 6,788 | 5,768 | 4,615 | 4.52 |
| Total Urban Services | 19,143 | 13,873 | 9,701 | 8,243 | 6,595 | 6.46 |
| GRAND TOTAL RURAL AREA | 17,258 | 12,507 | 8,745 | 7,431 | 5,946 | 7.52 |
| GRAND TOTAL URBAN AREA | 36,401 | 26,380 | 18,446 | 15,674 | 12,541 | 13.98 |



Figure 3-8
Town of Erin
Updated Development Charge Schedule (2020 \$)

| Service | RESIDENTIAL | | | | | NON-RESIDENTIAL |
|--|-----------------------------------|---------------|---------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| | Single and Semi-Detached Dwelling | Multiples | Apartments - 2 Bedrooms + | Apartments - Bachelor and 1 Bedroom | Special Care/Special Dwelling Units | (per sq.ft. of Gross Floor Area) |
| Town Wide Services: | | | | | | |
| Services Related to a Highway | 8,096 | 5,867 | 4,102 | 3,486 | 2,789 | 4.53 |
| Fire Protection Services | 2,560 | 1,855 | 1,297 | 1,102 | 882 | 1.44 |
| Parks & Recreation Services | 4,967 | 3,599 | 2,517 | 2,139 | 1,711 | 0.88 |
| Administration - Engineering Studies | 1,861 | 1,349 | 943 | 802 | 641 | 0.77 |
| Administration - Community Based Studies | 344 | 249 | 174 | 148 | 119 | 0.14 |
| Total Town Wide Services | 17,828 | 12,919 | 9,033 | 7,677 | 6,142 | 7.77 |
| Urban Services | | | | | | |
| Water Services | 5,938 | 4,303 | 3,009 | 2,557 | 2,046 | 2.00 |
| Wastewater Services | 13,837 | 10,028 | 7,012 | 5,959 | 4,767 | 4.67 |
| Total Urban Services | 19,775 | 14,331 | 10,021 | 8,516 | 6,813 | 6.67 |
| GRAND TOTAL RURAL AREA | 17,828 | 12,919 | 9,033 | 7,677 | 6,142 | 7.77 |
| GRAND TOTAL URBAN AREA | 37,602 | 27,250 | 19,054 | 16,193 | 12,955 | 14.44 |



Chapter 4

Local Service Policy Revisions



4. Local Service Policy Revisions

The Town's 2019 D.C. Background Study includes a local service policy that outlines the framework on whether the Town or the Developer would be responsible for the construction of certain services based on several criteria (e.g. location, size, benefit, etc.). Through discussions with Town staff during the 2020 D.C. update study, refinements to the local service policy were suggested for it to better reflect the Town's current practices. These revisions include the addition of a parkland section and the inclusion of wastewater as part of the Town's underground services.

The parkland section of the local service policy outlines the direct developer responsibilities for providing community parks, district parks, neighbourhood parks and Village squares to the Town at a minimum base condition (e.g. grading, clearing and grubbing, topsoil spreading, seeding, etc.).

With respect to wastewater, the direct developer responsibilities and D.C.-eligible works have been added to mirror the current requirements for water, which include pipe size thresholds, dealing with internal and external service connections, pumping stations, etc.

The full local service policy is included in Appendix B.



Chapter 5

Changes to the D.C.A. Legislation



5. Changes to the D.C.A. Legislation

5.1 Bill 108 – *More Homes, More Choice Act, 2019*

On May 2, 2019, the Province introduced Bill 108 (*More Homes, More Choice Act*) which proposes changes to the D.C.A. The Bill was introduced as part of the Province’s “More Homes, More Choice: Ontario’s Housing Supply Action Plan.” The Bill received Royal Assent on June 6, 2019.

The Bill provided the following list of eligible services that can be recovered through D.C.s:

- Water supply services, including distribution and treatment services;
- Wastewater services, including sewers and treatment services;
- Stormwater drainage and control services;
- Services related to a highway as defined in subsection 1 (1) of the Municipal Act, 2001 or subsection 3 (1) of the City of Toronto Act, 2006, as the case may be;
- Electrical power services;
- Policing services;
- Fire protection services;
- Toronto-York subway extension, as defined in subsection 5.1 (1);
- Transit services other than the Toronto-York subway extension;
- Waste diversion services; and
- Other services as prescribed.

While having received royal assent, many of the amendments to the D.C.A. were not to come into effect until they are proclaimed by the Lieutenant Governor. At the time of writing the following provisions have been proclaimed and set out in O. Reg. 454-19:

- Effective 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. Interest may be charged on the installments, and any unpaid amounts may be added to the property and collected as taxes.
- Effective January 1, 2020 the D.C. amount for all developments occurring within 2 years of a site plan or zoning by-law amendment planning approval (for



application submitted after this section is proclaimed), shall be determined based on the D.C. in effect on the day of site plan or zoning by-law amendment application. If the development is not proceeding via these planning approvals, then the amount is determined the earlier of the date of issuance of a building permit or occupancy.

- Transitional provisions with respect to soft services, as well as other provisions clarifying definitions and administrative powers to make regulations, are in effect as of the date of royal assent.

5.2 Bill 197 - COVID-19 Economic Recovery Act, 2020

Subsequent to the passing of Bill 108, the Province of Ontario released Bill 197 (*COVID-19 Economic Recovery Act, 2020*) on July 8, 2020, which amends a number of Acts, including the D.C.A. and the *Planning Act*. The Bill received Royal Assent on July 21, 2020. A summary of the proposed changes is presented below.

5.2.1 D.C. Related Changes

List of D.C. Eligible Services

- The following services, which were initially planned to transition from the D.C.A. to the C.B.C. are being returned as D.C.-eligible services:
 - Ambulance services;
 - Services provided by a board within the meaning of the *Public Libraries Act*;
 - Services related to long-term care;
 - Parks and recreation services, but not the acquisition of land for parks; and
 - Services related to public health.
 - Child care and early years programs and services within the meaning of Part VI of the *Child Care and Early Years Act, 2014* and any related services;
 - Housing services;
 - Services related to proceedings under the *Provincial Offences Act*, including by-law enforcement services and municipally administered court services;
 - Services related to emergency preparedness; and



- Services related to airports, but only in the Regional Municipality of Waterloo.

Classes of Services – D.C.

Present legislation allows for categories of services to be grouped together into a minimum of two categories (90% and 100% services).

The Bill proposes to repeal that and replace it with the four following subsections:

- 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.

As well, the mandatory 10% deduction has been removed so that there is no deduction for any D.C. eligible services.

Note: an initial consideration of “class” appears to mean any group of services.

5.2.2 C.B.C. Related Changes

C.B.C. Eligibility

- The C.B.C. will be limited to lower-tier and single tier municipalities, whereas upper-tier municipalities will not be allowed to impose this charge. A maximum rate will be set as a percentage of the market value of the land the day before building permit issuance. The proposed maximum rates will be set by regulation. The C.B.C may only be imposed on developing or redeveloping buildings which have a minimum height of five stories and contain no less than 10 residential units.



- Bill 197 states that before passing a C.B.C. by-law, the municipality shall prepare a C.B.C. strategy that (a) identifies the facilities, services and matters that will be funded with C.B.C.s; and (b) complies with any prescribed requirements.
- Only one C.B.C. by-law may be in effect in a local municipality at a time.

5.2.3 Combined D.C. and C.B.C. Impacts

D.C. vs. C.B.C. Capital Cost

- A C.B.C. may be imposed with respect to the services listed in s. 2 (4) of the D.C.A., “provided that the capital costs that are intended to be funded by the community benefits charge are not capital costs that are intended to be funded under a development charge by-law.”

Transition – D.C. and C.B.C.

- The specified date for municipalities to transition to the D.C. and C.B.C. will be two years after Schedules 3 and 17 of the *COVID-19 Economic Recovery Act* comes into force.
- Generally, for existing reserve funds (related to D.C. services that will be ineligible):
 - If a C.B.C. is passed, the funds are transferred to the C.B.C. special account;
 - If no C.B.C. is passed, the funds are moved to a general reserve fund for the same purpose
 - If a C.B.C. is passed subsequent to moving funds to a general reserve fund, those monies are then moved again to the C.B.C. special account.
- For reserve funds established under s. 37 of the *Planning Act* (e.g. bonus zoning)
 - If a C.B.C. is passed, the funds are transferred to the C.B.C. special account;
 - If no C.B.C. is passed, the funds are moved to a general reserve fund for the same purpose;
 - If a C.B.C. is passed subsequent to moving funds to a general reserve fund, those monies are then moved again to the C.B.C. special account.
- If a municipality passes a C.B.C. by-law, any existing D.C. credits a landowner may retain may be used towards payment of that landowner’s C.B.C.



Although Bill 197 has received Royal Assent, the proposed changes summarized above are currently not in effect. When the regulations are released, it is recommended that the Town incorporate the new policies during the two-year transition window.



Chapter 6

Refinements to the D.C. By-law



6. Updates to the D.C. By-law

As summarized in Chapter 5, the D.C. by-law will need to update the “Time of Payment of Development Charges” section to accommodate the changes currently in effect from Bill 108. These refinements include:

- Six equal annual D.C. payments commencing at occupancy for rental housing and institutional developments;
- Non-profit housing developments will be allowed to pay their D.C.s in 21 equal annual payments; and
- The D.C. amount for all developments occurring within 2 years of a site plan or zoning by-law amendment planning approval (for applications submitted after January 1, 2020) shall be determined based on the D.C. in effect on the day of the site plan or zoning by-law amendment application.

Installment payments and payments determined at the time of site plan or zoning by-law amendment application are subject to annual interest charges. The setting of the interest rate has been discussed with Town staff and will be calculated based on the Town’s D.C. Interest Policy. This will be presented to Council for consideration under a separate staff report.

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



Chapter 7

Recommendations



7. Recommendations

It is recommended that Council:

“Approve the D.C. approach to calculate the water and wastewater charges on an urban area basis”;

“Approve the Development Charges Update Study dated August 21, 2020, as amended (if applicable)”;

“Approve the updated capital projects set out in Chapter 3 of the Development Charges Update Study dated August 21, 2020”;

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

“Approve the Amending Development Charge By-law as set out in Appendix C”.



Appendix A

Asset Management and Long-Term Capital and Operating Cost Examination



A-1: Asset Management Plan

The following Asset Management Plan analysis was presented in the 2019 Development Charges (D.C.) Background Study. It is being updated to reflect the revisions contained within this D.C. Update Study that pertain to the revised water capital projects and the addition of the wastewater capital projects.

The recent changes to the *Development Charges Act, 1997* (D.C.A.) (new subsection 10 (2) (c.2)) require that the background study must include an asset management plan (A.M.P.) related to new infrastructure. Section 10 (3) of the D.C.A. provides:

“The asset management plan shall,

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

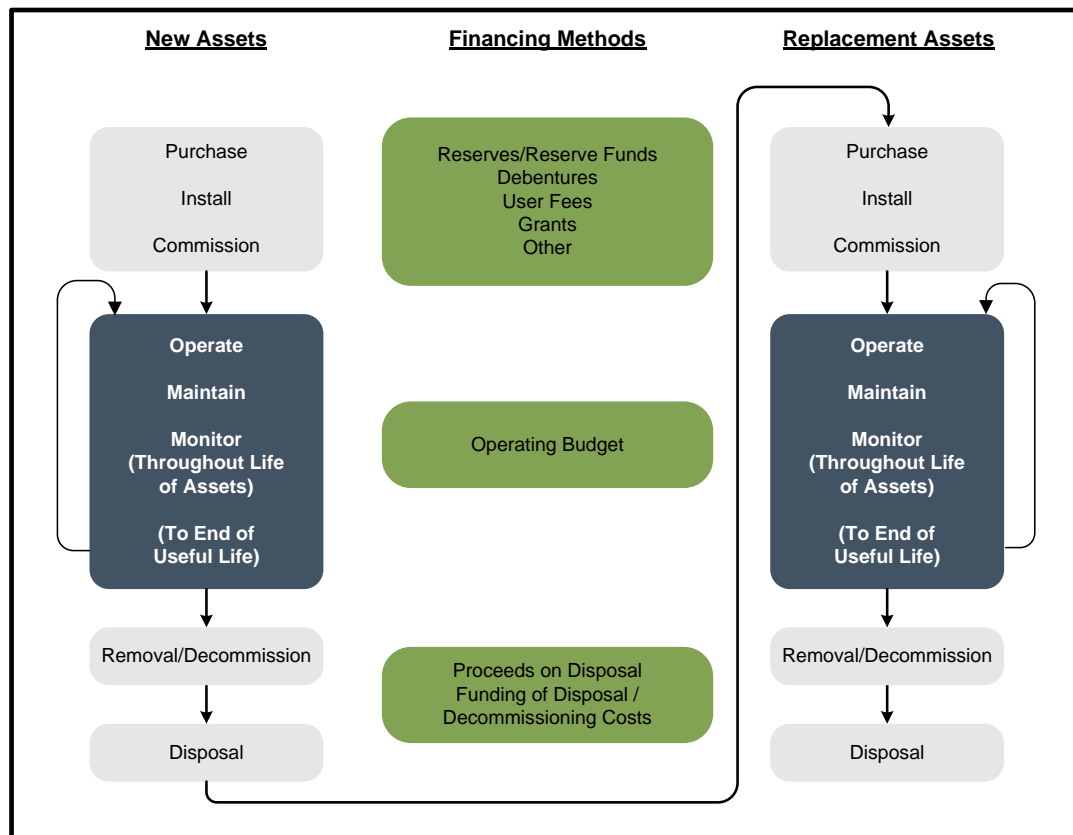
In regard to the above, section 8 of the Regulations was amended to include subsections (2), (3) and (4) which set out for specific detailed requirements for transit (only). For all services except transit, there are no prescribed requirements at this time thus requiring the municipality to define the approach to include within the background study.

At a broad level, the 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.

It should be noted that with the recent passing of the *Infrastructure for Jobs and Prosperity Act* (I.J.P.A.) municipalities are now required to complete A.M.P.s, based on



certain criteria, which are to be completed by 2021 for core municipal services and 2023 for all other services. The amendments to the D.C.A. do not require municipalities to complete these A.M.P.s (required under I.J.P.A.) for the D.C. background study, rather the D.C.A. requires that the D.C. background study include information to show the assets to be funded by the D.C. are sustainable over their full lifecycle.



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.

Commensurate with the above, the Town prepared an A.M.P. in 2017 for its existing assets, however, the A.M.P. did not take into account future growth-related assets. As a result, the asset management requirement for the D.C. must be undertaken in the absence of this information.

In recognition to the schematic above, the following table (presented in 2019 \$) has been developed to provide the annualized expenditures and revenues associated with new growth. Note that the D.C.A. does not require an analysis of the non-D.C. capital needs or their associated operating costs so these are omitted from the table below. As well, as all capital costs included in the D.C.-eligible capital costs are not included in the municipality's A.M.P., the present infrastructure gap and associated funding plan have not been considered at this time. Hence the following does not represent a fiscal impact assessment (including future tax/rate increases) but provides insight into the potential affordability of the new assets:

1. The non-D.C. recoverable portion of the projects which will require financing from municipal financial resources (i.e. taxation, rates, fees, etc.). This amount has been presented on an annual debt charge amount based on 20-year financing.
2. Lifecycle costs for the 2019 D.C. capital works have been presented based on a sinking fund basis. The assets have been considered over their estimated useful lives.
3. Incremental operating costs for the D.C. services (only) have been included.
4. The resultant total annualized expenditures are \$15.39 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 \$5.24 million. This amount, totalled with the existing operating revenues of \$11.15 million, provide annual revenues of \$17.27 million by the end of the period.

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

Figure A-1
Town of Erin
Asset Management – Future Expenditures and Associated Revenues
(Updated with the Revised Water Capital and Added Wastewater Capital)
2019 \$

| | 2041 (Total) |
|--|---------------------|
| Expenditures (Annualized) | |
| Annual Debt Payment on Non-Growth Related Capital ¹ | 2,485,923 |
| Annual Debt Payment on Post Period Capital ² | - |
| Lifecycle: | |
| Sub-Total - Annual Lifecycle | \$8,006,252 |
| | |
| Incremental Operating Costs (for D.C. Services) | \$4,898,582 |
| | |
| Total Expenditures | \$15,390,758 |
| | |
| Revenue (Annualized) | |
| Total Existing Revenue ³ | \$11,153,313 |
| Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.) | \$5,240,036 |
| Total Revenues | \$16,393,349 |

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

² Interim Debt Financing for Post Period Benefit

³ As per Sch. 10 of FIR



A-2: 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 the capital projects for water and wastewater, factor in cost saving 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 Town's approved 2017 Financial Information Return (F.I.R.).

In addition to the operational impacts, over time the initial capital projects will require replacement. This replacement of capital is often referred to as life cycle cost. By definition, life cycle 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 life cycle 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. The following factors were utilized to calculate the annual replacement cost of the capital projects (annual contribution = factor X capital asset cost) and are based on an annual growth rate of 2% (net of inflation) over the average useful life of the asset:

| ASSET | LIFECYCLE COST FACTOR | USEFUL LIFE |
|-------------|-----------------------|-------------|
| Facilities | 0.00886549 | 50 |
| Trunk Mains | 0.00311175 | 80 |
| Equipment | 0.08723051 | 10 |

Figure A-2 depicts the annual operating impact resulting from the proposed gross capital projects for water and wastewater at the time they are all in place. It is important to note that, while Town 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.



Figure A-2
Town of Erin
Operating and Capital Expenditure Impacts
For Future Capital Expenditures

| SERVICE | GROSS COST LESS BENEFIT TO EXISTING | ANNUAL LIFECYCLE EXPENDITURES | ANNUAL OPERATING EXPENDITURES | TOTAL ANNUAL EXPENDITURES |
|---|---|----------------------------------|-------------------------------------|------------------------------|
| 1. Water Services | | | | |
| 1.1 Treatment, storage and distribution systems | 25,650,248 | 612,073 | 1,269,732 | 1,881,805 |
| 1.2 Water Equipment | 43,800 | 4,657 | 2,168 | 6,826 |
| 1.3 Fire Hydrant Rehabilitation | 37,600 | 3,998 | 1,861 | 5,859 |
| | | | | |
| 2. Wastewater Services | | | | |
| 2.1 Treatment plants | 44,545,900 | 1,062,966 | 766,045 | 1,829,011 |
| 2.2 Sewers | 15,229,400 | 231,047 | 133,396 | 364,443 |
| | | | | |
| Total | 85,506,948 | 1,914,741 | 2,173,203 | 4,087,945 |

Note: The Town of Erin does not currently provide for Wastewater Services. Therefore, the operating expenditures have been based on Guelph Eramosa



Appendix B

Local Service Policy

Section: Finance

Policy#: FIN-007

Date Approved:

Local Service Policy

Revision Date:

Review Date:

1. Policy Statement

This policy is to establish three guiding principles when considering projects for D.C. funding:

1. Consideration of existing service levels;
2. Growth pays for growth; and
3. New initiatives to enhance the Town.

The Local Service Policy largely focuses on the principle of “Growth Pays for Growth” in the Town’s approach to infrastructure.

2. Scope

Purpose

This is the municipality’s General Policy Guidelines on development charge (D.C.) and local service funding for services related to a highway, parkland development, stormwater management, and underground linear services. The guidelines outline, in general terms, the size and nature of engineered infrastructure that is included in the study as a D.C. project, vs. infrastructure that is considered as a local service, to be emplaced separately by landowners, pursuant to a development agreement.

The following policy guidelines are general principles by which staff will be guided in considering development applications. Each application, however, will be considered in the context of these policy guidelines as subsection 59 (2) of the *Development Charges Act, 1997*, on its own merits having regard to, among other factors, the nature, type and location of the development and any existing and proposed development in the surrounding area, as well as the location and type of services required and their relationship to the proposed development and to existing and proposed development in the area.

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Alignment with the Town's Strategic Direction

Corporate Strategic Plan's goal for Growth Management with the objective to "Establish the parameters to guide the Town's future growth as a community which leads to sustainable practices, wellness and takes account of community needs and views."

3. Roles and Responsibilities

All Town employees engaged in the development application approval process and associated spending and reimbursement decisions related to D.C. funding will abide by the principles, rules, and guidelines set out in this policy and associated procedures.

For works carried out by the developer(s) through a development agreement, staff shall review and approve the proposed works as detailed by the developer(s) to determine what portions of the works are creditable or reimbursable through D.C. funding.

Finance staff shall ensure that the D.C. funds are allocated in accordance with the guidelines detailed in this policy, and that all spending and reimbursement decisions are in accordance with the Town's financial policies.

4. General Provisions

Services Related to a Highway

1. Roads

- 1.1 **Collector Roads Internal to Development** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service).
- 1.2 **Roads (Collector and Arterial) External to Development** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. If the works are outside the area to which the plan relates, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. (dependent on local circumstances).

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1.3 **Stream Crossing and Rail Crossing Road Works, Excluding Underground Utilities but Including all Other Works within Lands to be Dedicated to the Town or Rail Corridors** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. If the works are outside the area to which the plan relates, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. (dependent on local circumstances).

2. Traffic Signals

2.1 **Traffic Signalization External to Development** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. If the works are outside the area to which the plan relates, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A.

3. Intersection Improvements

3.1 **New Roads (Collector and Arterial) and Road (Collector and Arterial) Improvements** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. If the works are outside the area to which the plan relates, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. (dependent on local circumstances). These works are included as part of road costing noted in item 1 to the limits of the R.O.W.

3.2 **Intersections Improvement within Specific Developments and All Works Necessary to Connect to Entrances (Private and Specific Subdivision) to the Roadway** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. If the works are outside the area to which the plan relates, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. (dependent on local circumstances).

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3.3 **Intersections with County Roads** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. Otherwise, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. (dependent on local circumstances) and for the works for which the Town is responsible.

3.4 **Intersection Improvements on Other Roads Due to Development Growth Increasing Traffic** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. Otherwise, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. (dependent on local circumstances).

4. **Streetlights**

4.1 **Streetlights on External Roads** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. Otherwise, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. These works are included as part of road costing noted in item 1 to the limits of the R.O.W.

4.2 **Streetlights within Specific Developments** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates.

5. **Sidewalks**

5.1 **Sidewalks on M.T.O. and Regional Roads** – Include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. In exceptional circumstances, the works may be local improvement or direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates.

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- 5.2 **Sidewalks on Area Municipal Roads** – Include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. These works are included as part of road costing noted in item 1 to the limits of the R.O.W.
- 5.3 **Other Sidewalks External to Development (which are a Local Service within the Area to which the Plan Relates)** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. Otherwise, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A., and as part of the costs of arterial, collector, local road, and stream crossing and rail crossing works.

6. Bike Routes/Bike Lanes/Bike Paths/Multi-use Trails/Naturalized Walkways

- 6.1 **Bike Routes and Bike Lanes, within Road Allowance, External to Development** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. Otherwise, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. and consistent with the service standard provisions of the D.C.A., s. 5 (1). These works are included as part of road costing noted in item 1 to the limits of the R.O.W.
- 6.2 **Bike Paths/Multi-use Trails/Naturalized Walkways External to Development** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. Otherwise, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. and consistent with the service standard provisions of the D.C.A., s. 5 (1). These works are included as part of road costing noted in item 1 to the limits of the R.O.W.
- 6.3 **Bike Lanes, within Road Allowance, Internal to Development** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates.

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6.4 **Bike Paths/Multi-use Trails/Naturalized Walkways Internal to Development** – Direct developer responsibility as a local service provision (under s. 59 of D.C.A.) to the extent the works are within the area to which the plan relates.

6.5 **Trail Bridges/Underpasses and Associated Works** – Include in the area D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. consistent with the service standard provisions of the D.C.A., s. 5 (1). These works are included as part of road costing noted in item 1 to the limits of the R.O.W.

7. Noise Abatement Measures

7.1 **Internal to Development** – Direct developer responsibility though local service provisions (s. 59 of the D.C.A.).

7.2 **External to Development** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates and are required to mitigate the impacts of development.

8. Traffic Control Systems

8.1 **Traffic Control Systems** – Include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A.

9. Land Acquisition for Road Allowances

9.1 **Land Acquisition for Arterial Roads** – Dedication under s. 51 of the *Planning Act* as a condition to the approval of the plan. In areas with limited or no development, include in the D.C. calculation to the extent permitted under s. 2 (4) and s. 5 (1) of the D.C.A.

9.2 **Land Acquisition for Collector Roads** – Dedication under s. 51 of the *Planning Act* as a condition to the approval of the plan. In areas with

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limited or no development, include in the D.C. calculation to the extent permitted under s. 2 (4) and s. 5 (1) of the D.C.A.

- 9.3 **Land Acquisition for Grade Separations (Beyond Normal Dedication Requirements)** – If an internal works, direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works is within the area to which the plan relates. If an external works, include in the D.C. calculation to the extent permitted under s. 2 (4) and s. 5 (1) of the D.C.A.

10. Land Acquisition for Easements

- 10.1 **Land Acquisition for Easements** – Dedication under s. 51 of the *Planning Act* as a condition to the approval of the plan.

Parkland Development

11. Recreational Trails

- 11.1 **Recreational Trails (Multi-use Trails)** that do not form part of the Town's active transportation network, and their associated infrastructure (landscaping, bridges, trail surface, etc.) – Include in area municipal parkland D.C. calculation.

12. Parkland

- 12.1 **Parkland Development for Community Parks, District Parks, Neighbourhood Parks and Village Squares** – Direct developer responsibility to provide at base condition, as follows:

- Clearing and grubbing. Tree removals as per the subdivision's tree preservation and removals plan.
- Topsoil stripping, screening, and stockpiling.
- Rough grading (pre-grading) to allow for positive drainage of the park, with minimum slopes of 2%. If necessary, this may include

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some minor drainage tile work and grading as per the overall subdivision grading design complete with any required swales or catch basins. Runoff from the development property shall not drain into the park unless approved by the Director of Infrastructure Services.

- Spreading of topsoil to 150 mm depth (import topsoil if existing on-site is insufficient to reach required depth).
- Seeding of site with Town-approved seed mix. Maintenance of seed until acceptance by Town.
- Parks shall be free of any contaminated soil or subsoil.
- Parks shall not be mined for fill.
- Parks shall be conveyed free and clear of all encumbrances.
- 100% of 1.5 m chain link perimeter fencing to the municipal standards to separate the development lands from the municipal lands or lands to be dedicated to the Town, unless the perimeter fencing is on land that will be dedicated to the Town to fulfil the requirement of parkland dedication under the *Planning Act*, in which case the cost shall be shared 50/50.
- When park parcels cannot be developed in a timely manner, they shall be graded to ensure positive drainage, and seeded to minimize erosion and dust. These shall be maintained by the developer until construction commences thereon.
- The park block shall not be used for topsoil or other construction material, equipment storage, or sales pavilions.
- Required heritage features within the park as set out within the planning approval conditions.

12.2 Program Facilities, Amenities, and Furniture within Parkland – Included in the D.C. calculation.

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13. Landscape Buffer Blocks, Features, Cul-de-sac Islands, Berms, Grade Transition Areas, Walkway Connections to Adjacent Arterial Roads, Open Space, etc.

13.1 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 Town – Direct developer responsibility as a local service. Such costs include but are not limited to:

- Seeding of site with Town-approved seed mix. Maintenance of seed until acceptance by Town.
- Parks shall be free of any contaminated soil or subsoil.

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

14.1 N.H.S. includes engineered and in situ stream corridors, natural buffers for woodlots, wetland remnants, etc., as well as subwatersheds within the boundaries of the Town.

14.2 Direct developer responsibility as a local service provision including but not limited to the following:

- Riparian planting and landscaping requirements (as required by the Town, Conservation Authority or other authorities having jurisdiction) as a result of creation of, or construction within in the N.H.S. and associated buffers.
- Perimeter fencing of the N.H.S. to the Municipal standard located on the public property side of the property line adjacent land uses (residential, industrial, commercial) as required by the Town.
- All works to be in conformance with the Town's "Restoration Framework" for stream corridors, natural buffers, and subwatershed areas as directed by the approved studies and reports related to the Secondary Plan that development occurs in.

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14.3 Infrastructure Assets Constructed by Developers

- All infrastructure assets constructed by developers must be designed in accordance with the Town's Engineering and Parks Standards.
- All infrastructure assets shall be conveyed in accordance with the Town's Engineering and Parks Standards.
- Any parks and open space infrastructure assets approved to be built by the developer on behalf of the Town shall be in accordance with the Town's Park Development Methods.

Stormwater Management

15. Stormwater Facilities

- 15.1 Stormwater facilities for quality and/or quantity management, including downstream erosion works, inclusive of land and all associated infrastructure, such as landscaping and perimeter fencing – Direct developer responsibility under s. 59 of the D.C.A. (as a local service).
- 15.2 Oversizing cost of stormwater facilities capacity, excluding land, to accommodate runoff from new, widened, extended, or upgraded municipal arterial roads that are funded as a D.C. project – Included as part of road costing funded through D.C.s.
- 15.3 Erosion works, inclusive of all restoration requirements, related to a development application – Direct developer responsibility under s. 59 of the D.C.A. (as a local service).
- 15.4 Monitoring works – Included in D.C. calculation consistent with the D.C.A., s. 5 (1).
- 15.5 Storm sewer systems and drainage works that are required for a specific development, either internal or external to the area to which the plan

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relates – Direct developer responsibility under s. 59 of the D.C.A. (as a local service).

15.6 Note: for stormwater minimum pipe sizes, refer to section 16.

Underground Services

16. Stormwater, Water, and Wastewater

Underground services (linear infrastructure for stormwater, water, and sanitary services) within the road allowance are not included in the cost of road infrastructure and are treated separately. The responsibility for such services as well as stormwater management ponds and pumping stations, which are undertaken as part of new developments or redevelopments, will be determined by the following principles:

The costs of the following items shall be direct developer responsibilities as a local service:

- 16.1 Providing all underground services internal to the development, including storm, water, and sanitary services;
- 16.2 Providing service connections from existing underground services to the development;
- 16.3 Providing new underground services or upgrading existing underground services external to the development if the services are required to service the development, and if the pipe sizes do not exceed 250 mm for water and sanitary services and up to 900 mm for stormwater services. If external services are required by two or more developments, the developer for the first development will be responsible for the cost of the external services and may enter into front-ending/cost-sharing agreements with other developers independent of the Town;

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- 16.4 Providing stormwater management ponds and other facilities required by the development including all associated features such as landscaping and fencing; and
- 16.5 Water booster pumping stations, reservoir pumping stations and/or sanitary pumping stations serving individual developments.

The costs of the following items shall be paid through D.C.s:

- 16.6 Water treatment, storage facilities, transmission mains, re-chlorination/ sampling stations and wells associated with municipal service areas to be included in the D.C. calculation;
- 16.7 Wastewater treatment plants and transmission mains associated with municipal service areas shall be included in the D.C. calculation;
- 16.8 External underground services involving trunk infrastructure and pipe sizes exceeding 250 mm for water and sanitary services and 900 mm for stormwater services; and
- 16.9 Water reservoir and/or sanitary pumping stations not required for the individual development.



Appendix C

Draft Amending Development Charge By-law



The Corporation of the Town of Erin

By-law Number 20-__

Being a By-Law of The Corporation of the Town of Erin To Amend By-Law 20-__, Respecting Development Charges

Whereas the Town of Erin enacted By-law 19-32 pursuant to the *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended (the “Act”), which Act authorizes Council to pass by-laws for the imposition of development charges against land;

And Whereas the Town has undertaken a study pursuant to the Act which has provided an updated Schedule B to By-law 19-32;

And Whereas Council has before it a report entitled “Town of Erin 2020 Development Charge Update Study” prepared by Watson & Associates Economists Ltd., dated August 21, 2020 (the “update study”);

And Whereas the update study and proposed amending by-law were made available to the public on August 21, 2020 and Council gave notice to the public pursuant to section 12 of the Act.

And Whereas Council, on September 15, 2020 held a meeting open to the public, pursuant to section 12 of the Act, at which Council considered the study, and written and oral submissions from the public;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF ERIN HEREBY ENACTS AS FOLLOWS:

1. By-law 19-32 is hereby amended as follows:

A. Addition of Rental Housing to the definitions in section 1.1 as follows:

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

B. Addition of Institutional development to the definitions in section 1.1 as follows:

“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.

C. Addition of non-profit housing development to the definitions in section 1.1 as follows:

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

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

D. Addition of Interest rate to the definitions in section 1.1 as follows:

"Interest rate" means the annual rate of interest calculated at the Town's D.C. Interest Policy;

E. Replace Section 3.11 with the following:



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

F. Sections 3.15 and 3.16 of the by-law are renumbered to 3.18 and 3.19 respectively.

G. Addition of policies related to the timing of development charges payments. These will be included after section 3.14 of the development charges by-law:

New Section - 3.15 Notwithstanding subsection 3.14, 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 first occupancy certificate issued, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.

New Section - 3.16 Notwithstanding subsection 3.14, 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 certificate issued, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.

New Section - 3.17 Where the development of land results from the approval of a site plan or zoning by-law amendment received on or after January 1, 2020, and the approval of the application occurred within 2 years of building permit issuance, the development charges under subsections 3.14, 3.15 and 3.16 shall be calculated on the rates set out in Schedule "B" on the date of the planning application, including interest. Where both planning applications apply development charges under subsections 3.14, 3.15 and 3.16 shall be calculated on the rates, including interest, set out in



Schedule "B" on the date of the later planning application, including interest.

H. Replace Section 6.1 with the following:

“The following schedules shall form part of this by-law:

Schedule A – Components of Services Designated in subsection 2.1

Schedule B – Residential and Non-Residential Schedule of Development Charges

Schedule C – Map of the Designated Urban Area”

I. Schedules “B-1” and “B-2” are deleted and the attached Schedule “B” is substituted therefore.

2. This by-law shall come into force on the day it is enacted.

3. Except as amended by this by-law, all provisions of By-law 19-32, as amended, are and shall remain in full force and effect.

By-law read a first and second time this 20th day of October, 2020.

By-law read a third time and finally passed this 20th day of October, 2020.

Corporation of the Town of Erin

Mayor: _____

Allan Alls

Clerk: _____

Lisa Campion



Schedule B
SCHEDULE OF DEVELOPMENT CHARGES

| Service | RESIDENTIAL | | | | | NON-RESIDENTIAL |
|--|-----------------------------------|---------------|---------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| | Single and Semi-Detached Dwelling | Multiples | Apartments - 2 Bedrooms + | Apartments - Bachelor and 1 Bedroom | Special Care/Special Dwelling Units | (per sq.ft. of Gross Floor Area) |
| Town Wide Services: | | | | | | |
| Services Related to a Highway | 7,837 | 5,680 | 3,971 | 3,375 | 2,700 | 4.39 |
| Fire Protection Services | 2,478 | 1,796 | 1,256 | 1,067 | 854 | 1.39 |
| Parks & Recreation Services | 4,808 | 3,484 | 2,436 | 2,070 | 1,656 | 0.85 |
| Administration - Engineering Studies | 1,802 | 1,306 | 913 | 776 | 621 | 0.75 |
| Administration - Community Based Studies | 333 | 241 | 169 | 143 | 115 | 0.14 |
| Total Town Wide Services | 17,258 | 12,507 | 8,745 | 7,431 | 5,946 | 7.52 |
| Urban Services | | | | | | |
| Water Services | 5,748 | 4,166 | 2,913 | 2,475 | 1,980 | 1.94 |
| Wastewater Services | 13,395 | 9,707 | 6,788 | 5,768 | 4,615 | 4.52 |
| Total Urban Services | 19,143 | 13,873 | 9,701 | 8,243 | 6,595 | 6.46 |
| GRAND TOTAL RURAL AREA | 17,258 | 12,507 | 8,745 | 7,431 | 5,946 | 7.52 |
| GRAND TOTAL URBAN AREA | 36,401 | 26,380 | 18,446 | 15,674 | 12,541 | 13.98 |