



Watson
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Development Charges Background Study

Town of Deep River

For Public Circulation and Comment

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List of Acronyms and Abbreviations

Acronym	Full Description of Acronym
D.C.	Development charge
D.C.A.	<i>Development Charges Act</i> , 1997 as amended
G.F.A.	Gross floor area
LPAT	Local Planning Appeal Tribunal
N.A.I.C.S.	North American Industry Classification System
N.F.P.O.W.	No Fixed Place of Work
OLT	Ontario Land Tribunal
OMB	Ontario Municipal Board
O.P.A.	Official Plan Amendment
O.Reg.	Ontario Regulation
P.O.A.	Provincial Offences Act
P.P.U.	Persons per unit
S.D.E.	Single detached equivalent
S.D.U.	Single detached unit
s.s.	Subsection
sq.ft.	square foot
sq.m.	square metres
km	kilometers



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* (D.C.A.) (s.10), and accordingly, recommends new Development Charges (D.C.s) and policies for the Town of Deep River (Town).

The Town retained Watson & Associates Economists Ltd. (Watson) to undertake the D.C. study process. Watson worked with senior staff of the Town 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 Town's D.C. background study, as summarized in Chapter 3. It also addresses the forecast amount, type, and location of growth (Chapter 2), the requirement for "rules" governing the imposition of the charges (Chapter 6) 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 and the policies underlying the proposed by-law, to make the exercise understandable to interested parties. Finally, the D.C. background study addresses post-adoption implementation requirements (Chapter 8) which are critical to the successful application of the new policy.

The chapters in the report are supported by Appendices containing the data required to explain and substantiate the calculation of the charge.

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 Town’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 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 meeting with Town staff	February 10, 2022
2. Data collection and staff interviews	February 2022
3. Presentation of draft findings and D.C. policy discussion with Town Staff	March 1, 2022
4. Presentation of draft findings and D.C. policies to Council	March 23, 2022
5. D.C. Background Study and draft D.C. by-law available to public	March 25, 2022
6. Public Meeting of Council	April 20, 2022



Process Steps	Dates
7. D.C. By-law passage	May 25, 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. Town 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) 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. did not come into effect until they were proclaimed by the Lieutenant Governor. On January 1, 2020, the following provisions were proclaimed:

- A D.C. for rental housing and institutional developments will pay the charge in six equal annual installments, with the first payment commencing on the date of occupancy. A D.C. for non-profit housing developments will pay the charge in 21 equal annual installments. A municipality may charge interest on the installments. Any unpaid D.C. amounts may be added to the property and collected as taxes.
- The determination of the D.C. for all developments occurring within two years of a Site Plan or Zoning By-law Amendment planning approval shall be determined based on the D.C.s in effect on the date the planning application was submitted. These provisions only apply to Site Plan and Zoning By-law Amendment planning applications received on or after January 1, 2020. Developments



arising from planning application approvals not fitting these criteria, or if the building permit arising from these planning approvals is issued two years or more after the planning application approval, the D.C. is determined based on the provisions of the D.C. by-law.

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

List of D.C. Eligible Services

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

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



- Services related to emergency preparedness;
- Services related to airports, but only in the Regional Municipality of Waterloo;
and
- Additional services as prescribed.

Removal of 10% Statutory Deduction

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

Classes of D.C. Services

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

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

Statutory Exemptions

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



are provided for the creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to new dwellings.

Transition

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

1.4 Other Legislative Changes

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

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

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



Chapter 2

Anticipated Development in the Town of Deep River



2. Anticipated Development in the Town of Deep River

2.1 Requirement of the Act

Chapter 3 provides the methodology for calculating a D.C. as per the D.C.A. Figure 3-1 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 Town of Deep River will be required to provide services, over a 10-year (mid-2022 to mid-2032) and longer-term (mid-2022 to mid-2036) time horizon.

2.2 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 Town over the forecast period, including:

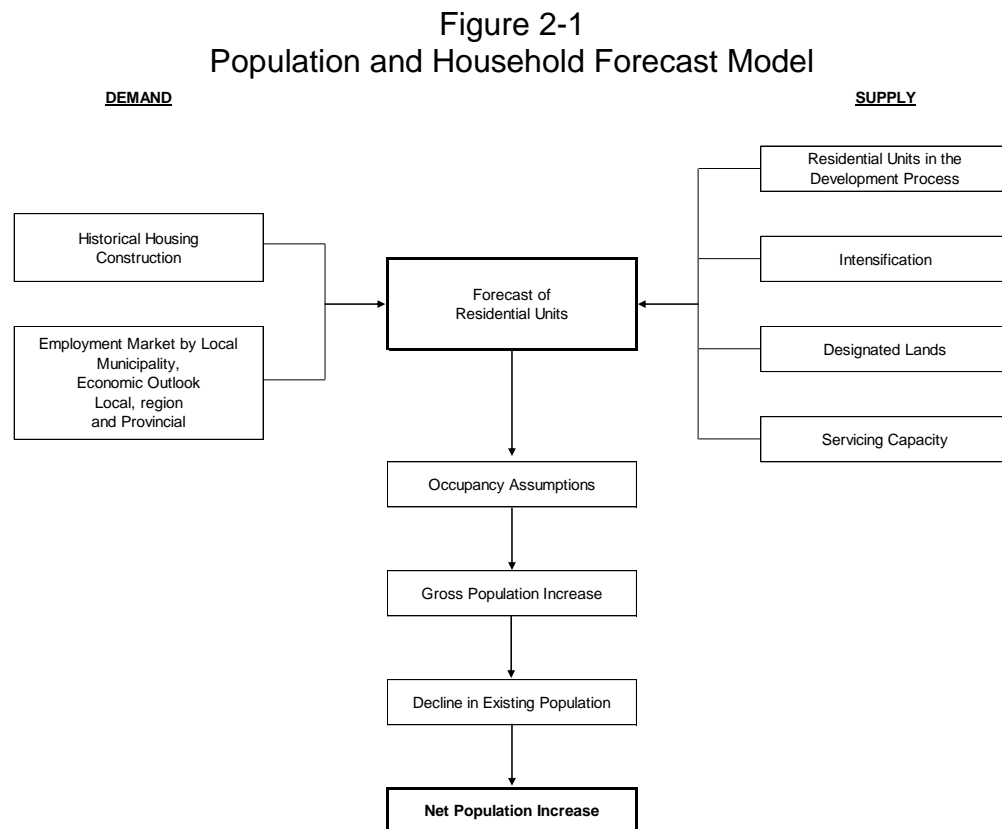
- Official Plan for Renfrew County, Consolidated to March 2020;
- Official Plan of the Town of Deep River, Approved and in effect October 2017;
- 2006, 2011, 2016 and 2021 population and household Census data;
- 2006, 2011 and 2016 employment Census data;
- Historical residential building permit data over the 2011 to 2021 period;
- Residential and non-residential supply opportunities as provided by the Town of Deep River; and
- Discussions with Town staff regarding anticipated residential and non-residential development in the Town of Deep River.



2.3 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 2-1. The discussion provided herein summarizes the anticipated growth for the Town and describes the basis for the forecast. The results of the residential growth forecast analysis are summarized in Table 2-1 below, and *Schedule 1* in Appendix A.

As identified in Table 2-1 and Appendix A, *Schedule 1*, the population in Deep River is anticipated to reach approximately 4,490 by mid-2032 and 4,630 by mid-2036, resulting in an increase of approximately 280 and 420 persons, respectively. ^[1]



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



**Table 2-1
Town of Deep River
Residential Growth Forecast Summary**

	Year	Population (Including Census Undercount) ¹	Excluding Census Undercount			Housing Units				Person Per Unit (P.P.U.): Total Population/ Total Households
			Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi- Detached	Multiple Dwellings ²	Apartments ³	Total Households	
Historical	<i>Mid 2006</i>	4,330	4,216	41	4,175	1,550	0	220	1,770	2.382
	<i>Mid 2011</i>	4,300	4,193	53	4,140	1,605	0	243	1,848	2.269
	<i>Mid 2016</i>	4,220	4,109	59	4,050	1,595	5	220	1,820	2.258
Forecast	<i>Mid 2022</i>	4,320	4,209	61	4,148	1,616	5	258	1,879	2.240
	<i>Mid 2032</i>	4,610	4,492	149	4,343	1,705	8	295	2,008	2.237
	<i>Mid 2036</i>	4,750	4,626	151	4,475	1,748	11	313	2,072	2.233
Incremental	Mid 2006 - Mid 2011	-30	-23	12	-35	55	0	23	78	
	Mid 2011 - Mid 2016	-80	-84	6	-90	-10	5	-23	-28	
	Mid 2016 - Mid 2022	100	100	2	98	21	0	38	59	
	Mid 2022 - Mid 2032	290	283	88	195	89	3	37	129	
	Mid 2022 - Mid 2036	430	417	90	327	132	6	55	193	

Source: Derived by Watson & Associates Economists Ltd., 2022.

Note: Population including the undercount has been rounded.

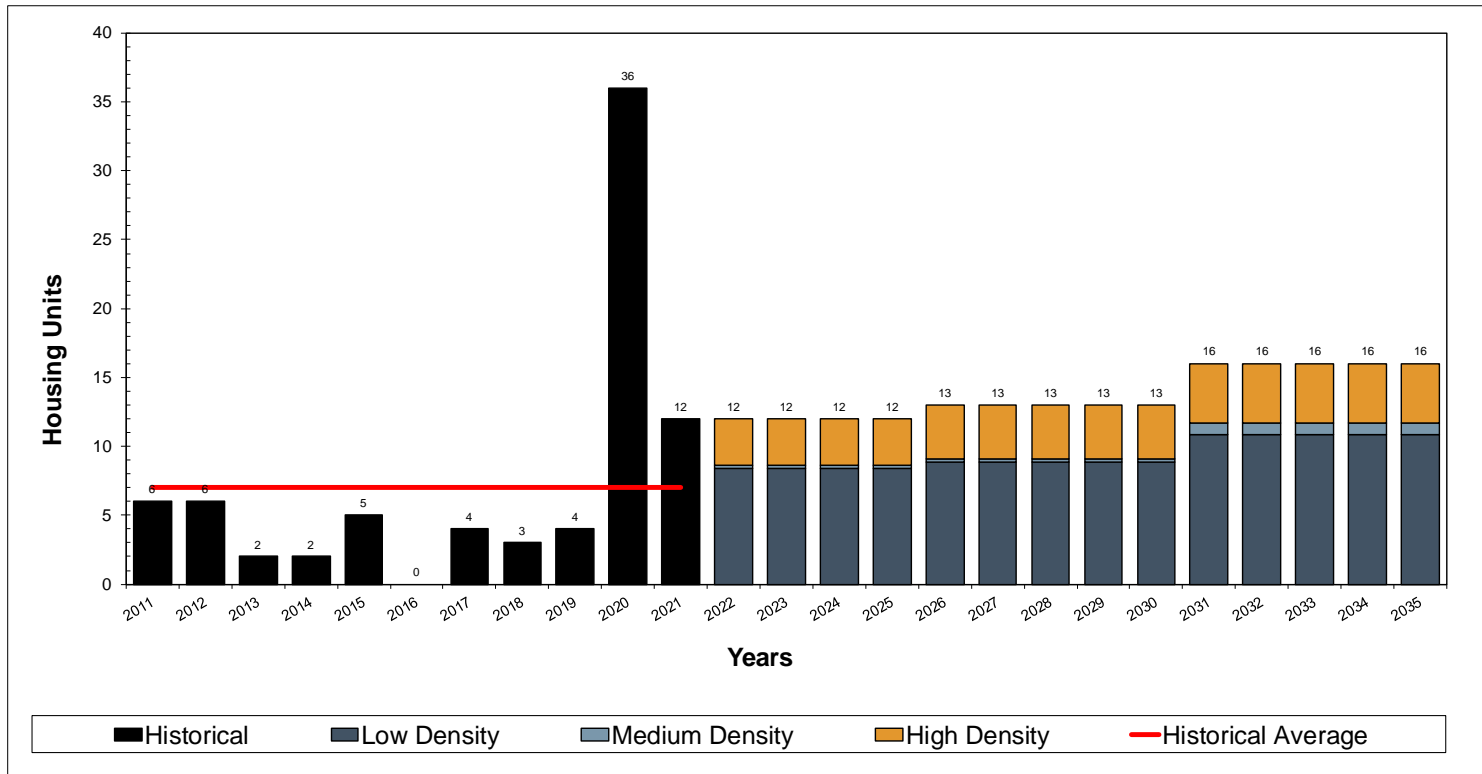
¹ Census undercount estimated at approximately 2.6%

² Includes townhouses and apartments in duplexes.

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



Figure 2-2
Town of Deep River
Annual Housing Forecast



Source: Historical housing activity derived from Statistics Canada building permit data for the Town of Deep River 2011 - 2021.

¹ Growth forecast represents calendar year.



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

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

- The housing unit mix for the Town was derived from a review of historical development activity (as per Schedule 6), as well as active residential development applications and discussions with planning staff regarding anticipated development trends for the Town.
- Based on the above indicators, the 2022 to 2036 household growth forecast for the Town is comprised of 68% low density (single detached and semi-detached), 3% medium density (multiples except apartments) and 29% 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 Town of Deep River.
- In accordance with forecast demand and available land supply, the amount and percentage of forecast housing growth between 2022 and 2036 by development location is summarized below:

Development Location	Amount of Housing Growth, 2022 to 2036	Percentage of Housing Growth, 2022 to 2036
Municipal Water & Sewer Serviced Area	125	65%
Municipal Water Serviced Area	40	21%
Remaining Area	25	14%
<i>Town Total</i>	195	100%

Note: Figures may not add 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 in the Town of Deep River over the forecast period is presented in



- Figure 2-2. Over the 2022 to 2036 forecast period, the Town is anticipated to average 14 new housing units per year.
- Institutional population^[1] is anticipated to increase by approximately 90 people between 2022 to 2036.
- 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 7 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 Town of Deep River. Due to data limitations, P.P.U.s for low, medium and high-density dwellings were derived from Renfrew County's P.P.U.s as outlined in Schedule 7. The total calculated 20-year average P.P.U.s by dwelling type are as follows:
 - Low density: 2.733
 - Medium density: 2.001
 - High density^[2]: 1.396

^[1] Institutional population largely includes special care facilities such as nursing home or residences for senior citizens. A P.P.U. of 1.100 depicts 1-bedroom and 2- or more bedroom units in collective households.

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



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 and mid-2022, 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 2036 forecast period is approximately 120.

6. Employment (Appendix A, Schedules 9a, 9b and 9c)

- The employment projections provided herein are largely based on the activity rate method, which is defined as the number of jobs in the Town 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 data^[1] (place of work) for the Town of Deep River is outlined in Schedule 9a. The 2016 employment base is comprised of the following sectors:
 - 32 primary (2%);
 - 130 work at home employment (10%);
 - 98 industrial (7%);
 - 693 commercial/population related (52%); and
 - 385 institutional (29%).
- The 2016 employment by usual place of work, including work at home, is 1,337. An additional 115 employees have been identified for the Town 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 Town is anticipated to reach approximately 1,640 by mid-2032 and 1,700 by mid-2036. This represents an employment increase of approximately 150 for the 10-year forecast period and 210 for the long-term forecast period.

^[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.



- Schedule 9b, 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). 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 Town of Deep River (excluding work at home employment and N.F.P.O.W.) is anticipated to reach approximately 1,340 by mid-2032 and 1,380 by mid-2036. This represents an employment increase of approximately 120 for the 10-year forecast period and 150 for the long-term forecast period.

7. Non-Residential Sq.ft. Estimates (G.F.A., Appendix A, Schedule 9b)

- Square footage estimates were calculated in Schedule 10b based on the following employee density assumptions:
 - 3,500 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 Town-wide incremental Gross Floor Area (G.F.A.) is anticipated to increase by 92,800 sq.ft. over the 10-year forecast period and 125,800 sq.ft. over the 2022 to 2036 forecast period.
- In terms of percentage growth, the 2022 to 2036 incremental G.F.A. forecast by sector is broken down as follows:
 - primary – 14%;
 - industrial – 14%;
 - commercial/population-related – 11%; and
 - institutional – 61%.

8. Geography of Non-Residential Development (Appendix A, Schedule 9c)

- Schedule 9c summarizes the anticipated amount, type and location of non-residential development by servicing area for the Town of Deep River by area.



- The amount and percentage of forecast total non-residential growth between 2022 and 2036 by development type is summarized below.

Development Location	Amount of Non-Residential G.F.A., 2022 to 2036	Percentage of Non-Residential G.F.A., 2022 to 2036
Municipal Water & Sewer Serviced Area	91,300	72%
Municipal Water Serviced Area	11,100	9%
Remaining Area	23,500	19%
<i>Town Total</i>	<i>125,800</i>	<i>100%</i>

Note: Figures may not add precisely due to rounding.



Chapter 3

The Approach to the Calculation of the Charge



3. The Approach to the Calculation of the Charge

3.1 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 3-1.

3.2 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 and other local services are covered separately under subdivision agreements and related means.

Table 3-1 identifies the potential components within each service category, whether the Town provides the service, and whether the service has been included in the proposed D.C. by-law.

3.3 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. While the need could conceivably be expressed generally in terms of units of capacity, s.s.5(1)3, which requires that municipal council indicate that it intends to ensure that such an increase in need will be met, suggests that a project-specific expression of need would be most appropriate.



Figure 3-1

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

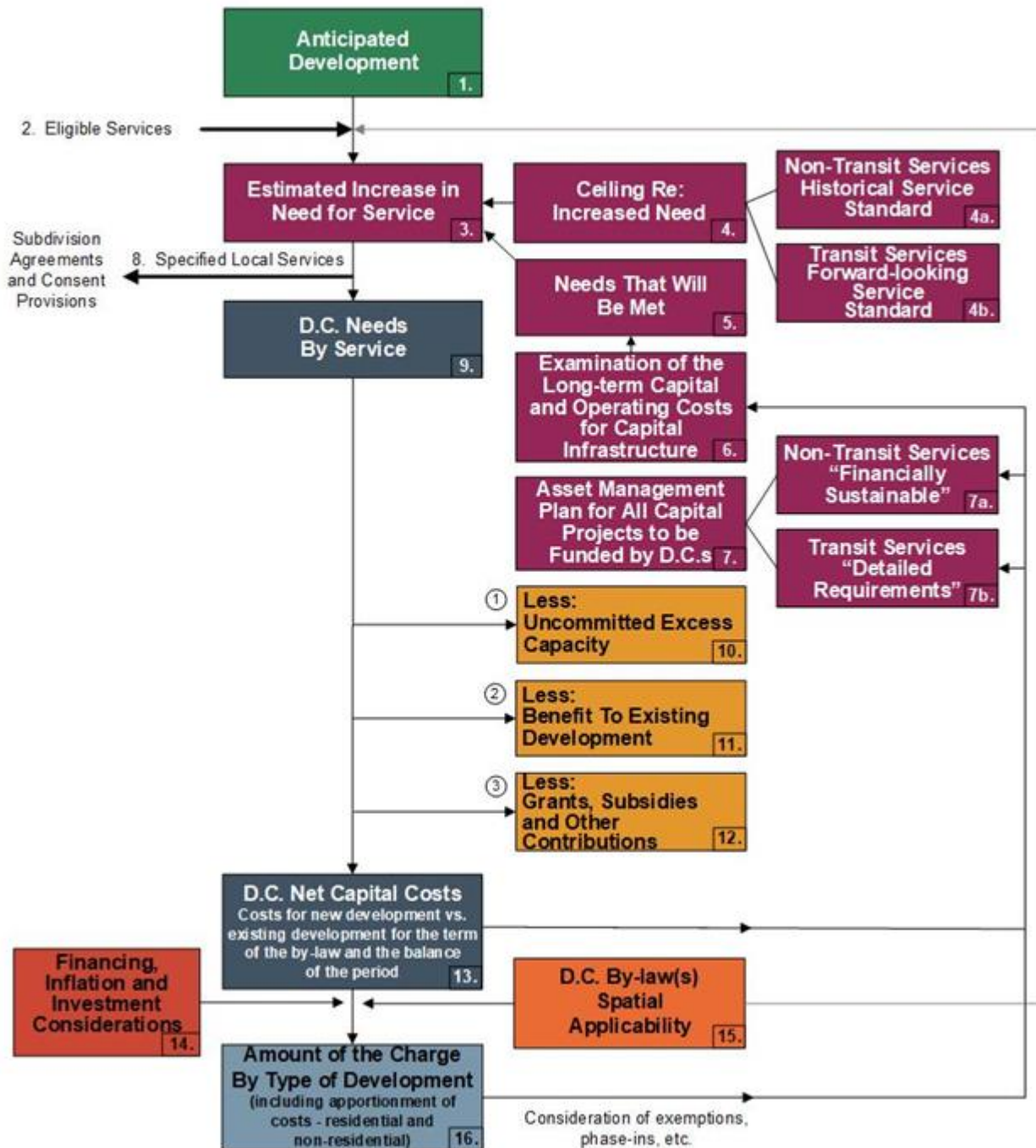




Table 3-1
Categories of Municipal Services to be Addressed as Part of the Calculation

Categories of Municipal Services	Inclusion in the D.C. Calculation	Service Components
1. Services Related to a Highway	No	1.1 Arterial roads
	No	1.2 Collector roads
	No	1.3 Bridges, Culverts and Roundabouts
	No	1.4 Local municipal roads
	No	1.5 Traffic signals
	No	1.6 Sidewalks and streetlights
	No	1.7 Active Transportation
	No	1.8 Works Yard
	No	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	No	3.1 Main channels and drainage trunks
	No	3.2 Channel connections
	No	3.3 Retention/detention ponds
4. Fire Protection Services	No	4.1 Fire stations
	No	4.2 Fire pumpers, aerials and rescue vehicles ¹
	No	4.3 Small equipment and gear

¹with 7+ year life time

*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)	Ineligible No No No No No No	5.1 Acquisition of land for parks, woodlots and E.S.A.s 5.2 Development of area municipal parks 5.3 Development of district parks 5.4 Development of municipal-wide parks 5.5 Development of special purpose parks 5.6 Parks rolling stock ¹ and yards 5.7 Arenas, indoor pools, fitness facilities, community centres, etc. (including land) 5.8 Recreation vehicles and equipment ¹
6. Library Services	No No No	6.1 Public library space (incl. furniture and equipment) 6.2 Library vehicles ¹ 6.3 Library materials
7. Electrical Power Services	n/a n/a n/a	7.1 Electrical substations 7.2 Electrical distribution system 7.3 Electrical system rolling stock
9. Wastewater Services	Yes Yes No No	9.1 Treatment plants 9.2 Sewage trunks 9.3 Local systems 9.4 Vehicles and equipment ¹
10. Water Supply Services	No No No No	10.1 Treatment plants 10.2 Distribution systems 10.3 Local systems 10.4 Vehicles and equipment ¹
11. Waste Diversion Services	Ineligible Ineligible No No	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

¹with 7+ year life time



Categories of Municipal Services	Inclusion in the D.C. Calculation	Service Components
12. Policing Services	No No No	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	23.1 Ferries 23.2 Airports (in the Regional Municipality of Waterloo). 23.2 (Other)
24. Provision of Cultural, Entertainment and Tourism Facilities and Convention Centres	Ineligible Ineligible Ineligible	24.1 Cultural space (e.g. art galleries, museums and theatres) 24.2 Tourism facilities and convention centres

¹with 7+ year life time



Categories of Municipal Services	Inclusion in the D.C. Calculation	Service Components
25. Other Services	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
	No	25.2 Interest on money borrowed to pay for growth-related capital

¹with a 7+ year lifetime

²same percentage as service component to which it pertains

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

3.4 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. A copy of the Town’s Local Service Policy is included in this report as Appendix C.

3.5 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.” The Act goes on to require two potential cost reductions and the Regulation sets out the way in which such costs are to be presented. These requirements are outlined below.



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

The capital costs include:

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

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

3.6 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 Town currently has no outstanding D.C. credit obligations.



3.7 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 do not include any classes of service.

3.8 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.



3.9 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. Because the Town has not imposed D.C.s to date, there are no existing D.C. Reserve Fund balances.

3.10 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:

3.10.1 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 Town 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.

With respect to transit services, the changes to the Act as a result of Bill 73 have provided for an alternative method for calculating the services standard ceiling. Transit services must now utilize a forward-looking service standard analysis.

3.10.2 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 Town's "excess capacity," other than excess capacity which is "committed."

"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.

3.10.3 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 3.10.1 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.

3.10.4 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 (including direct developer contributions required due to the local service policy) 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). That is, some grants and contributions may not specifically be applicable to growth or where Council targets fundraising as a measure to offset impacts on taxes. 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.

3.11 Municipal-wide vs. Area Rating

This step involves determining whether all of 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 amended 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 6.3.8.

3.12 Allocation of Development

This step involves relating the costs involved to 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 4

Development Charge Eligible Cost Analysis by Service



4. Development Charge Eligible Cost Analysis by Service

This chapter outlines the basis for calculating eligible costs for the D.C.s. The services outlined in Section 4.1 only apply to urban areas of the Town, serviced by wastewater. The required calculation process set out in s.5(1) paragraphs 2 to 7 in the D.C.A. and described in Chapter 3, 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, Town projects and Council priorities may 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.

4.1 Service Levels and 14-Year Capital Costs for Wastewater D.C. Calculation

The needs to provide wastewater services over the forecast period have been reviewed based on capital budgets and information provided by Town staff. The gross capital costs of the anticipated needs over the forecast period total \$3.77 million. Included within these costs are the expansion and re-rating of the Sewer Treatment Plant, oversizing of a section of wastewater main along LaSalle Drive, this D.C. Background Study and two future updates that will be undertaken over the forecast period

Deductions of approximately \$2.70 million and \$500,900 for post period benefits and the benefit to existing development have been recognized, respectively, resulting in approximately \$565,700 being included in the D.C. calculation.

The net growth-related costs for wastewater services have been allocated between future residential and non-residential development on the basis of anticipated flow demands on the system within the wastewater serviced area over the forecast period (i.e. 62% residential/ 38% non-residential).



Infrastructure Costs Covered in the D.C. Calculation – Wastewater Services

Prj. No.	Increased Service Needs Attributable to Anticipated Development	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 62%	Non-Residential Share 38%
	2022-2036									
1	Plant expansion project - Class EA schedule C	2022	\$ 350,000	\$ -	\$ 350,000	\$ -	\$ -	\$ 350,000	\$ 215,888	\$ 134,112
2	Plant upgrades tender and construction start	2023	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Plant expansion project - add tertiary filtration units	2024	\$ 800,000	\$ 800,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Plant expansion project - additional aerobic digestion tankage and sludge storage	2024	\$ 900,000	\$ 900,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Sewer Treatment Plant Re-rating	2022	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ -	\$ 20,000	\$ 12,336	\$ 7,664
				\$ -						
6	Oversizing: LaSalle Drive (Banting to Beach) - 200mm to 300mm	2022	\$ 648,566	\$ -	\$ 648,566	\$ 500,873	\$ -	\$ 147,693	\$ 91,101	\$ 56,593
7	Development Charges Studies (3)	2022-2036	\$ 48,000	\$ -	\$ 48,000	\$ -	\$ -	\$ 48,000	\$ 29,607	\$ 18,393
	Total		\$ 3,766,566	\$ 2,700,000	\$ 1,066,566	\$ 500,873	\$ -	\$ 565,693	\$ 348,932	\$ 216,761



Chapter 5

D.C. Calculation



5. D.C. Calculation

Table 5-1 presents the D.C. calculation for wastewater services to be imposed on the development in areas of the Town serviced by wastewater, over the 2022-2036 forecast period.

The D.C. eligible costs were derived in Chapter 4 based on the proposed capital program.

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 Chapter 4 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 based upon four forms of housing types (single and semi-detached, apartments 2+ bedrooms, apartments bachelor & 1-bedroom, and other multiples). The non-residential D.C. has been calculated uniformly on a per square foot (sq.ft.) of gross floor area (G.F.A.) basis.

Table 5-2 summarizes the calculated schedule of charges, reflecting the maximum D.C.s by residential dwelling type and per sq.ft. of non-residential G.F.A. The calculated charges per single-detached dwelling unit in the serviced area are \$3,529. The calculated charges for non-residential development in the serviced area are \$2.39 per sq.ft of G.F.A.

Table 5-1
Wastewater D.C. Calculation
2022-2036

Service	2022\$ D.C.-Eligible Cost		2022\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
1. <u>Wastewater Services</u>	\$ 347,325	\$ 218,368	\$ 3,529	\$ 2.39
TOTAL	\$ 347,325	\$ 218,368	\$ 3,529	\$ 2.39
14-Year Gross Population/GFA Growth (sq.ft.)	269	91,300		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$ 1,291.17	\$ 2.39		
<u>By Residential Unit Type</u>	<u>P.P.U.</u>			
Single and Semi-Detached Dwelling	2.733	\$ 3,529		
Apartments - 2 Bedrooms +	1.629	\$ 2,103		
Apartments - Bachelor and 1 Bedroom	1.013	\$ 1,308		
Other Multiples and Mobile Homes	2.001	\$ 2,584		



Table 5-2
Schedule of Calculated D.C.s

Service	RESIDENTIAL (per unit)				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples and Mobile Homes	(per sq.ft. of Gross Floor Area)
Wastewater	\$ 3,529	\$ 2,103	\$ 1,308	\$ 2,584	\$ 2.39
Total Wastewater-serviced Area	\$ 3,529	\$ 2,103	\$ 1,308	\$ 2,584	\$ 2.39



Chapter 6

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



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

6.1 Introduction

Subsection 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 the section goes on to state that the rules may provide for exemptions, phasing in and/or indexing of D.C.s.

Subsection 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; and
- 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.

With respect to “the rules,” section 6 states that a D.C. by-law must expressly address the matters referred to above re subsection 5 (1) paragraphs 9 and 10, as well as how the rules apply to the redevelopment of land.

6.2 D.C. By-law Structure

It is recommended that:

- Development charges for Wastewater services be imposed in the urban serviced areas of the Town.



6.3 D.C. By-law Rules

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

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

6.3.1 Payment in any Particular Case

In accordance with the D.C.A., subsection 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 subsection 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 9 of the *Condominium Act, 1998*; or
- (g) the issuing of a permit under the *Building Code Act, 1992* in relation to a building or structure.”

6.3.2 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 decade. Costs allocated to non-residential uses will be assigned based on the amount of square feet of gross floor area constructed for eligible uses (i.e. industrial, commercial and institutional).



- 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 detailed in Chapter 4 herein.

6.3.3 Application to Redevelopment of Land (Demolition and Conversion)

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

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

The demolition credit is allowed only if the land was improved by occupied structures and if the demolition permit related to the site was issued less than five years prior to the issuance of a building permit. The credit can, in no case, exceed the amount of D.C.s that would otherwise be payable.

6.3.4 Exemptions (full or partial)

- a) Statutory exemptions:
 - industrial building additions of up to and including 50% of the existing gross floor area (defined in O.Reg. 82/98, section 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 (subsection 4 (3) of the D.C.A.);
 - buildings or structures owned by and used for the purposes of any municipality, local board or Board of Education (section 3);
 - 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 section 2 of O. Reg. 82/98);



- 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; and
- buildings or structures owned and used by a University that receives regular and ongoing operating funds from the government for the purposes of post-secondary education.

6.3.5 Phasing in

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

6.3.6 Timing of Collection

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

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 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.

Instalment payments and payments determined at the time of Site Plan or Zoning By-law Amendment application will be subject to annual interest charges. The interest charged on installment payments and charges calculated when the planning application is made will be governed by the Town's Council approved Development Charges Interest Policy.

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*.

6.3.7 Indexing

All D.C.s shall be subject to mandatory annual indexing commencing on January 1, 2023 and annually thereafter, in accordance with the Statistics Canada Quarterly, Non-



Residential Building Construction Price Index (Table 18-10-0135-01)¹ for the most recent year-over-year period.

6.3.8 D.C. Spatial Applicability

As noted earlier, Bill 73 has introduced two new sections where Council must consider the use of area specific charges:

1. Section 2 (9) of the Act now requires a municipality to implement area-specific D.C.s for either specific services which are prescribed and/or for specific municipalities which are to be regulated (note that at this time, no municipalities or services are prescribed by the Regulations).
2. Section 10 (2) c.1 of the D.C.A. requires that “the development charges background study shall include consideration of the use of more than one development charge by-law to reflect different needs for services in different areas.”

In regard to the first item, there are no services or specific municipalities identified in the regulations which must be area-rated. The second item requires Council to consider the use of area-rating.

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.

It is recommended that Council take the approach to calculate the charges on a uniform charge across the urban serviced area for wastewater. Based on the foregoing, no area-specific D.C.s are recommended at this time.

¹ O. Reg. 82/98 referenced “The Statistics Canada Quarterly, Construction Price Statistics, catalogue number 62-007” as the index source. Since implementation, Statistics Canada has modified this index twice and the above-noted index is the most current. The draft by-law provided herein refers to O. Reg. 82/98 to ensure traceability should this index continue to be modified over time.



6.4 Other D.C. By-law Provisions

It is recommended that:

6.4.1 Categories of Services/Classes for Reserve Fund and Credit Purposes

It is recommended that the Town's D.C. collections be contributed into one reserve fund including:

- Wastewater Services.

6.4.2 By-law In-force Date

The proposed by-laws under D.C.A., 1997 will come into force on the date of by-law passage.

6.4.3 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 section 11 of O. Reg. 82/98).

6.5 Other Recommendations

It is recommended that Council:

“Approve the capital project listing set out in Chapter 4 of the D.C. Background Study dated March 25, 2022, subject to further annual review during the capital budget process;”

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

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



Chapter 7

Asset Management Plan



7. Asset Management Plan

7.1 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,

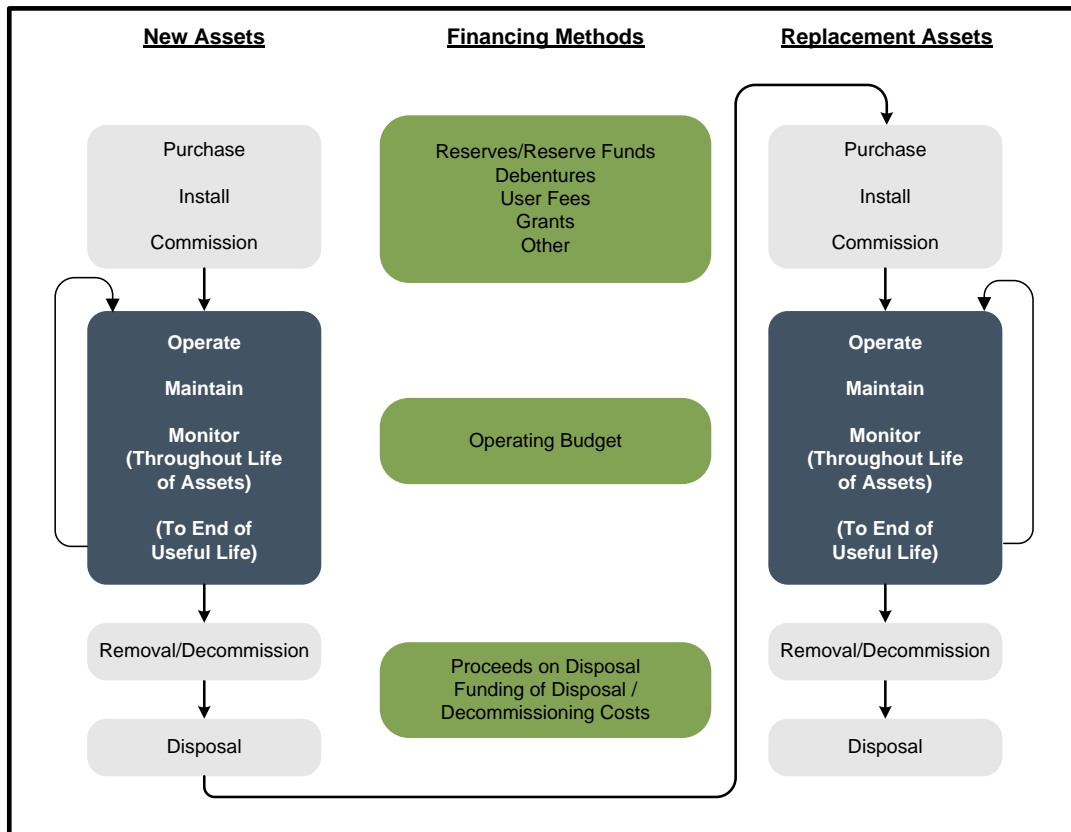
- a) deal with all assets whose capital costs are proposed to be funded under the development charge by-law;**
- b) demonstrate that all the assets mentioned in clause (a) are financially sustainable over their full life cycle;**
- c) contain any other information that is prescribed; and**
- d) be prepared 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 Town completed its A.M.P. in 2016, however, this A.M.P. did 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 2016 A.M.P.



7.2 Asset Management Plan Analysis

In recognition to the above schematic, 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 Town 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 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. Total incremental costs attributable to the growth-related expenditures (i.e. annual lifecycle costs and incremental operating costs) total approximately \$201,700.
5. The resultant total annualized expenditures are approximately \$238,500, of which approximately \$198,700 is related to Post Period Capital.
6. 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 estimated to be \$47,600. This amount, totalled with the existing operating revenues of \$11.17 million, provides annual revenues of \$11.22 million by the end of the period.



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

Table 7-1
Asset Management – Future Expenditures and Associated Revenues (2022\$)

	2036 (Total)
Expenditures (Annualized)	
Annual Debt Payment on Non-Growth Related Capital ¹	\$ 36,855
Annual Debt Payment on Post Period Capital ²	\$ 198,671
Annual Lifecycle - Area Specific Services	\$ 2,790
Incremental Operating Costs (for D.C. Services)	\$229
Total Expenditures	\$238,545
Revenue (Annualized)	
Total Existing Revenue ³	\$11,167,597
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)	\$47,649
Total Revenues	\$11,215,246

¹ Non-Growth Related component of Projects

² Interim Debt Financing for Post Period Benefit

³ As per Sch. 10 of FIR



Chapter 8

By-law Implementation



8. By-law Implementation

8.1 Public Consultation Process

8.1.1 Introduction

This chapter addresses the mandatory, formal public consultation process (Section 8.1.2), as well as the optional, informal consultation process (Section 8.1.3). The latter is designed to seek the co-operation and participation of those involved, in order to produce the most suitable policy.

8.1.2 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) and Ontario Municipal Board (OMB)).

8.1.3 Other Consultation Activity

There are three broad groupings of the public who are generally the most concerned with Town 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 Town 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 Town 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.

8.2 Anticipated Impact of the Charge on Development

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

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



8.3 Implementation Requirements

8.3.1 Introduction

Once the Town 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.

8.3.2 Notice of Passage

In accordance with s.13 of the D.C.A., when a D.C. by-law is passed, the Town 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.

8.3.3 By-law Pamphlet

In addition to the "notice" information, the Town 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 Town must give one copy of the most recent pamphlet without charge, to any person who requests one.

8.3.4 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 Town 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.

The Town is carrying out a public consultation process, in order to address the issues that come forward as part of that process, thereby avoiding or reducing the need for an appeal to be made.

8.3.5 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 Council to the OLT.



8.3.6 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 Town agrees to expand the credit to other services for which a D.C. is payable.

8.3.7 Front-Ending Agreements

The Town 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 Town 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 Town assesses whether this mechanism is appropriate for its use, as part of funding projects prior to Town funds being available.

8.3.8 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*.”

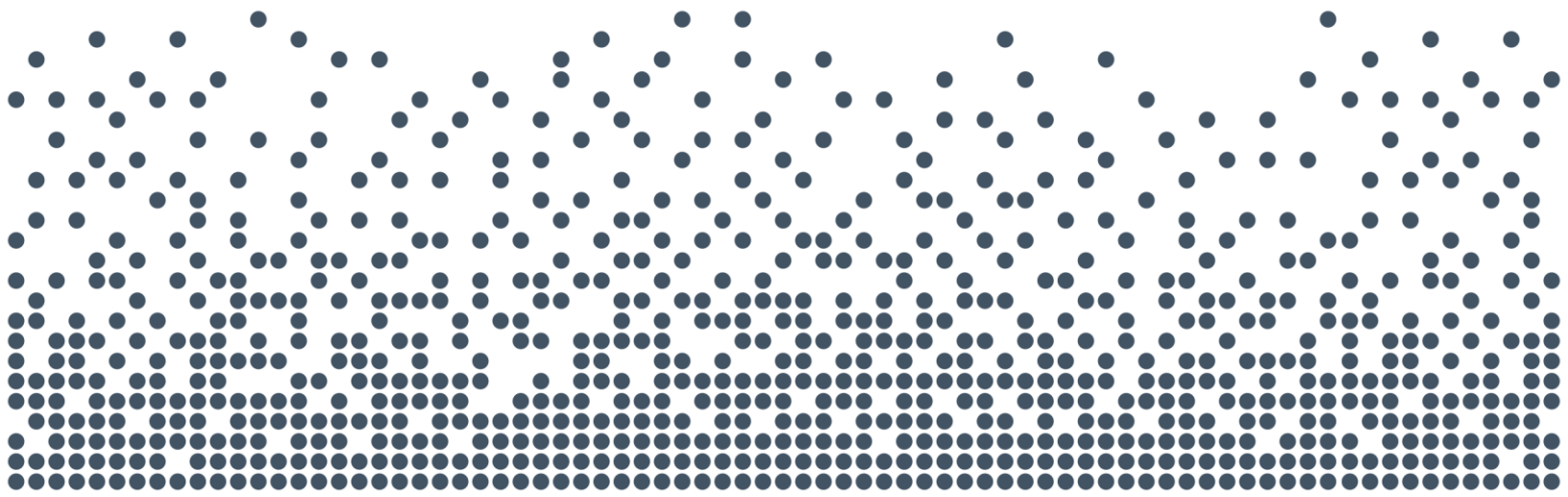


It is also noted that s.s.59(4) of the D.C.A. requires that the municipal approval authority for a draft plan of subdivision under s.s.51(31) of the *Planning Act*, use its power to impose conditions to ensure that the first purchaser of newly subdivided land is informed of all the D.C.s related to the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

If the municipality 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
Town of Deep River
Residential Growth Forecast Summary

Year	Population (Including Census Undercount) ¹	Excluding Census Undercount			Housing Units				Person Per Unit (P.P.U.): Total Population/ Total Households	
		Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi-Detached	Multiple Dwellings ²	Apartments ³	Total Households		
Historical	<i>Mid 2006</i>	4,330	4,216	41	4,175	1,550	0	220	1,770	2.382
	<i>Mid 2011</i>	4,300	4,193	53	4,140	1,605	0	243	1,848	2.269
	<i>Mid 2016</i>	4,220	4,109	59	4,050	1,595	5	220	1,820	2.258
Forecast	<i>Mid 2022</i>	4,320	4,209	61	4,148	1,616	5	258	1,879	2.240
	<i>Mid 2032</i>	4,610	4,492	149	4,343	1,705	8	295	2,008	2.237
	<i>Mid 2036</i>	4,750	4,626	151	4,475	1,748	11	313	2,072	2.233
Incremental	Mid 2006 - Mid 2011	-30	-23	12	-35	55	0	23	78	
	Mid 2011 - Mid 2016	-80	-84	6	-90	-10	5	-23	-28	
	Mid 2016 - Mid 2022	100	100	2	98	21	0	38	59	
	Mid 2022 - Mid 2032	290	283	88	195	89	3	37	129	
	Mid 2022 - Mid 2036	430	417	90	327	132	6	55	193	

Source: Derived by Watson & Associates Economists Ltd., 2022

Note: Population including the undercount has been rounded.

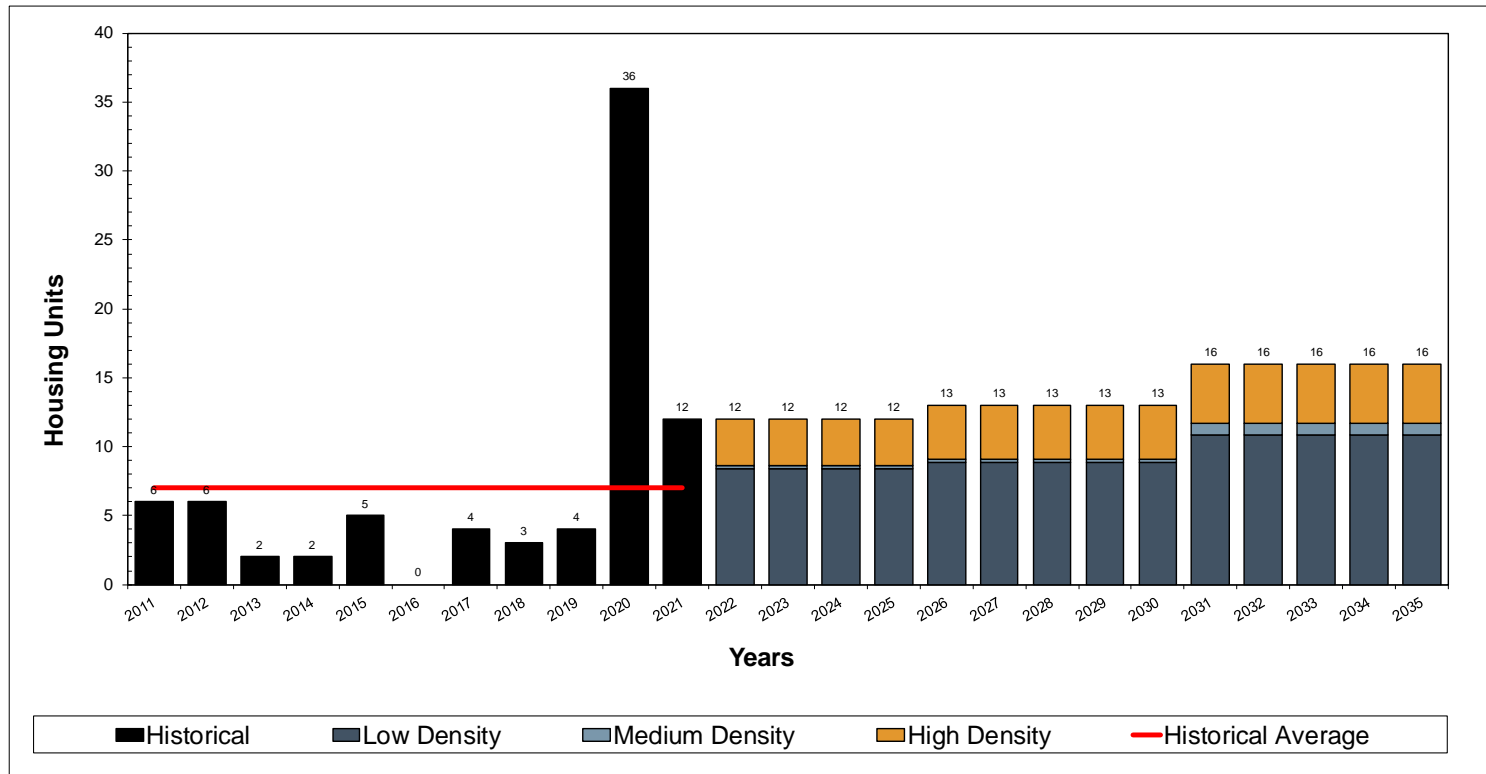
¹ Census undercount estimated at approximately 2.6%

² Includes townhouses and apartments in duplexes.

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



Figure A-1
Town of Deep River
Annual Housing Forecast¹



Source: Historical housing activity derived from Statistics Canada building permit data for the Town of Deep River 2011 - 2021.

¹ Growth forecast represents calendar year.



Schedule 2
Town of Deep River
Estimate of the Anticipated Amount, Type and Location of
Residential 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, Excluding Institutional	Institutional Population	Net Population Including Institutional
Mun. Water & Sewer Serviced Area	2022 - 2032	44	3	37	84	179	(57)	122	88	210
	2022 - 2036	66	6	55	127	269	(67)	202	90	292
Mun. Water Serviced Area	2022 - 2032	27	0	0	27	73	(21)	51	0	51
	2022 - 2036	40	0	0	40	108	(25)	83	0	83
Remaining Area	2022 - 2032	18	0	0	18	49	(27)	23	0	23
	2022 - 2036	27	0	0	27	73	(31)	42	0	42
Town of Deep River	2022 - 2032	89	3	37	129	300	(105)	195	88	283
	2022 - 2036	132	6	55	193	450	(123)	327	90	417

Source: Derived by Watson & Associates Economists Ltd., 2022.

¹ Includes townhouses and apartments in duplexes.

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

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



Schedule 3
Town of Deep River
Current Year Growth Forecast
Mid 2016 to Mid 2022

		Population
Mid 2016 Population		4,109
Occupants of New Housing Units, Mid 2016 to Mid 2022	<i>Units (2)</i>	59
	<i>multiplied by P.P.U. (3)</i>	1,947
	<i>gross population increase</i>	115
Occupants of New Equivalent Institutional Units, Mid 2016 to Mid 2022	<i>Units</i>	2
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	2
Decline in Housing Unit Occupancy, Mid 2016 to Mid 2022	<i>Units (4)</i>	1,820
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.009
	<i>total decline in population</i>	-17
Population Estimate to Mid 2022		4,209
<i>Net Population Increase, Mid 2016 to Mid 2022</i>		<i>100</i>

- (1) 2016 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>	2.756	36%	0.981
<i>Multiples (6)</i>	2.254	0%	0.000
<i>Apartments (7)</i>	1.500	64%	0.966
Total		100%	1.947

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 4
Town of Deep River
Ten Year Growth Forecast
Mid 2022 to Mid 2032

		Population
Mid 2022 Population		4,209
Occupants of New Housing Units, Mid 2022 to Mid 2032	<i>Units (2)</i>	129
	<i>multiplied by P.P.U. (3)</i>	2,329
	<i>gross population increase</i>	300
		300
Occupants of New Equivalent Institutional Units, Mid 2022 to Mid 2032	<i>Units</i>	80
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	88
		88
Decline in Housing Unit Occupancy, Mid 2022 to Mid 2032	<i>Units (4)</i>	1,879
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.056
	<i>total decline in population</i>	-105
		-105
Population Estimate to Mid 2032		4,492
<i>Net Population Increase, Mid 2022 to Mid 2032</i>		283

(1) Mid 2022 Population based on:

2016 Population (4,109) + Mid 2016 to Mid 2022 estimated housing units to beginning of forecast period (59 x 1.947 = 115) + (2 x 1.1 = 2) + (1,820 x -0.009 = -17) = 4,209

(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>	2.733	69%	1.879
<i>Multiples (6)</i>	2.001	2%	0.047
<i>Apartments (7)</i>	1.396	29%	0.403
<i>one bedroom or less</i>	1.013		
<i>two bedrooms or more</i>	1.629		
Total		100%	2.329

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 2016 Census (1,820 units) + Mid 2016 to Mid 2022 unit estimate (59 units) = 1,879 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
Town of Deep River
Long term Growth Forecast
Mid 2022 to Mid 2036

		Population
Mid 2022 Population		4,209
Occupants of New Housing Units, Mid 2022 to Mid 2036	<i>Units (2)</i>	193
	<i>multiplied by P.P.U. (3)</i>	2,331
	<i>gross population increase</i>	450
Occupants of New Equivalent Institutional Units, Mid 2022 to Mid 2036	<i>Units</i>	82
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	90
Decline in Housing Unit Occupancy, Mid 2022 to Mid 2036	<i>Units (4)</i>	1,879
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.066
	<i>total decline in population</i>	-123
Population Estimate to Mid 2036		4,626
<i>Net Population Increase, Mid 2022 to Mid 2036</i>		417

(1) Mid 2022 Population based on:

2016 Population (4,109) + Mid 2016 to Mid 2022 estimated housing units to beginning of forecast period (59 x 1.947 = 115) + (2 x 1.1 = 2) + (1,820 x -0.009 = -17) = 4,209

(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>	2.733	68%	1.872
<i>Multiples (6)</i>	2.001	3%	0.065
<i>Apartments (7)</i>	1.396	28%	0.394
<i>one bedroom or less</i>	1.013		
<i>two bedrooms or more</i>	1.629		
Total		100%	2.331

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 2016 Census (1,820 units) + Mid 2016 to Mid 2022 unit estimate (59 units) = 1,879 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
Town of Deep River
Historical Residential Building Permits
Years 2011 to 2021

Year	Residential Building Permits			
	Singles & Semi Detached	Multiples ¹	Apartments ²	Total
2011	6	0	0	6
2012	6	0	0	6
2013	2	0	0	2
2014	2	0	0	2
2015	5	0	0	5
2016	0	0	0	0
Sub-total	21	0	0	21
Average (2011 - 2016)	4	0	0	4
% Breakdown	100.0%	0.0%	0.0%	100.0%
2017	4	0	0	4
2018	3	0	0	3
2019	4	0	0	4
2020	4	0	32	36
2021	6	0	6	12
Sub-total	21	0	38	59
Average (2017 - 2021)	4	0	8	12
% Breakdown	35.6%	0.0%	64.4%	100.0%
2011 - 2021				
Total	42	0	38	80
Average	4	0	4	7
% Breakdown	52.5%	0.0%	47.5%	100.0%

Source: Statistics Canada Publication, 64-001XIB

¹ Includes townhouses and apartments in duplexes.

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



Schedule 7
Renfrew County
Person Per Unit by Age and Type of Dwelling
(2016 Census)

Age of Dwelling	Singles and Semi-Detached						20 Year Average
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total	
1-5	-	1.364	1.830	2.791	4.594	2.756	
6-10	-	-	1.942	2.875	4.214	2.883	
11-15	-	-	1.906	2.772	3.846	2.673	
16-20	-	-	1.745	2.714	3.966	2.621	2.733
20-25	-	-	1.984	2.722	3.500	2.631	
25-35	-	1.636	1.868	2.507	3.604	2.462	
35+	-	1.432	1.789	2.470	3.386	2.339	
Total	-	1.487	1.817	2.556	3.678	2.453	

Age of Dwelling	Multiples ¹						20 Year Average
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total	
1-5	-	-	1.762	2.553	-	2.254	
6-10	-	-	1.750	2.037	-	1.868	
11-15	-	-	-	-	-	1.882	
16-20	-	-	-	2.136	-	2.000	2.001
20-25	-	-	1.813	2.056	-	1.833	
25-35	-	-	1.720	2.259	-	1.982	
35+	-	1.148	1.887	2.615	-	2.255	
Total	-	1.429	1.826	2.447	-	2.128	

Age of Dwelling	Apartments ²						20 Year Average
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total	
1-5	-	-	-	-	-	1.500	
6-10	-	-	-	-	-	1.500	
11-15	-	-	1.429	-	-	1.333	
16-20	-	-	1.417	-	-	1.250	1.396
20-25	-	1.077	1.577	-	-	1.298	
25-35	-	1.083	1.418	-	-	1.281	
35+	-	1.141	1.634	2.582	-	1.477	
Total	1.100	1.126	1.568	2.493	-	1.426	

Age of Dwelling	All Density Types					
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total
1-5	-	1.211	1.741	2.763	4.710	2.627
6-10	-	2.000	1.851	2.794	4.211	2.740
11-15	-	1.444	1.797	2.740	4.040	2.571
16-20	-	1.294	1.688	2.642	3.833	2.499
20-25	-	1.132	1.789	2.658	3.500	2.432
25-35	-	1.128	1.695	2.502	3.625	2.264
35+	-	1.239	1.757	2.476	3.406	2.227
Total	0.909	1.240	1.754	2.545	3.694	2.320

¹ Includes townhouses and apartments in duplexes.

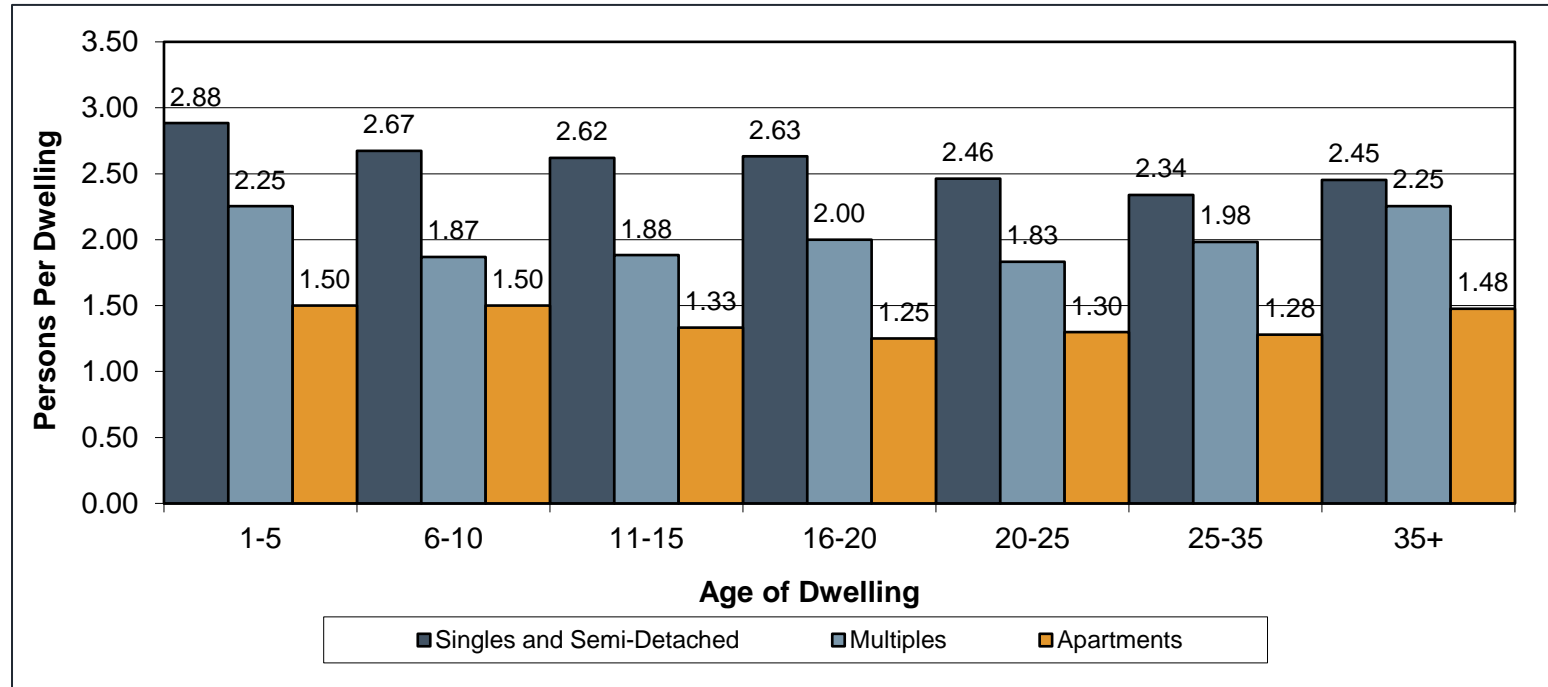
² Includes bachelor, 1 bedroom and 2 bedroom+ apartments.

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 8
Renfrew County
Person Per Unit Structural Type and Age of Dwelling
(2016 Census)





Schedule 9a Town of Deep River Employment Forecast, 2022 to 2036

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 N.F.P.O.W.	Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total	
Mid 2006	4,216	0.005	0.026	0.029	0.169	0.090	0.319	0.016	0.335	20	110	123	713	380	1,345	1,235
Mid 2016	4,109	0.008	0.032	0.024	0.169	0.094	0.325	0.028	0.353	32	130	98	693	385	1,337	1,207
Mid 2022	4,209	0.009	0.035	0.025	0.166	0.092	0.325	0.029	0.354	37	146	104	698	386	1,371	1,225
Mid 2032	4,492	0.009	0.038	0.025	0.158	0.107	0.336	0.029	0.365	40	169	112	709	480	1,510	1,341
Mid 2036	4,626	0.009	0.041	0.025	0.156	0.107	0.339	0.030	0.368	42	190	118	723	495	1,568	1,378
Incremental Change																
Mid 2006 - Mid 2016	-107	0.003	0.006	-0.005	0.000	0.004	0.006	0.012	0.018	12	20	-25	-20	5	-8	-28
Mid 2016 - Mid 2022	100	0.0010	0.0030	0.0010	-0.0028	-0.0021	0.0001	0.0010	0.0011	5	16	7	6	1	34	18
Mid 2022 - Mid 2032	283	0.0001	0.0030	0.0002	-0.0079	0.0153	0.0107	0.0002	0.0109	3	23	8	11	94	139	116
Mid 2022 - Mid 2036	417	0.0003	0.0064	0.0007	-0.0095	0.0154	0.0132	0.0007	0.0139	5	44	14	25	109	197	153
Annual Average																
Mid 2006 - Mid 2016	-11	0.00030	0.00055	-0.00053	-0.00005	0.00036	0.00064	0.00115	0.00179	1	2	-3	-2	1	-1	-3
Mid 2016 - Mid 2022	17	0.0002	0.0005	0.0002	-0.0005	-0.0004	0.0000	0.0002	0.0002	1	3	1	1	0	6	3
Mid 2022 - Mid 2032	28	0.00001	0.00030	0.00002	-0.00079	0.00153	0.00107	0.00002	0.00109	0	2	1	1	9	14	12
Mid 2022 - Mid 2036	30	0.00002	0.00046	0.00005	-0.00068	0.00110	0.00095	0.00005	0.00100	0	3	1	2	8	14	11

Source: Derived by Watson & Associates Economists Ltd., 2022.

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 work place location at the beginning of each shift". Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc.



Schedule 9b
Town of Deep River
Employment and Gross Floor Area (G.F.A.) Forecast, 2022 to 2036

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	4,216	20	123	713	380	1,235					
Mid 2016	4,109	32	98	693	385	1,207					
Mid 2022	4,209	37	104	698	386	1,225					
Mid 2032	4,492	40	112	709	480	1,341					
Mid 2036	4,626	42	118	723	495	1,378					
Incremental Change											
Mid 2006 - Mid 2016	-23	10	-18	773	35	800					
Mid 2016 - Mid 2022	100	5	7	6	1	18					
Mid 2022 - Mid 2032	283	3	8	11	94	116	10,500	10,400	6,100	65,800	92,800
Mid 2022 - Mid 2036	417	5	14	25	109	153	17,500	18,200	13,800	76,300	125,800
Annual Average											
Mid 2006 - Mid 2016	-5	2	-4	155	7	160					
Mid 2016 - Mid 2022	17	1	1	1	0	3					
Mid 2022 - Mid 2032	28	0	1	1	9	12	1,050	1,040	610	6,580	9,280
Mid 2022 - Mid 2036	30	0	1	2	8	11	1,250	1,300	986	5,450	8,986

Source: Derived by Watson & Associates Economists Ltd., 2022.

¹ Square Foot Per Employee Assumptions

Primary	3500
Industrial	1,300
Commercial/ Population Related	550
Institutional	700

* Reflects Mid 2022 to Mid 2036 forecast period

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



Schedule 9c
Town of Deep River
Estimate of the Anticipated Amount, Type and Location of
Non-Residential Development for Which Development Charges can be Imposed, 2022 to 2036

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
Mun. Water & Sewer Serviced Area	2022 - 2032		5,700	4,200	61,900	71,800	100
	2022 - 2036		10,000	9,600	71,700	91,300	127
Mun. Water Serviced Area	2022 - 2032		2,100	1,300	3,900	7,300	10
	2022 - 2036		3,600	2,900	4,600	11,100	15
Remaining Area	2022 - 2032	10,500	2,600	600	-	13,700	6
	2022 - 2036	17,500	4,600	1,400	-	23,500	11
Town of Deep River	2022 - 2032	10,500	10,400	6,100	65,800	92,800	116
	2022 - 2036	17,500	18,200	13,800	76,300	125,800	153

Source: Derived by Watson & Associates Economists Ltd., 2022.

¹ Square feet per employee assumptions:

Primary	3,500
Industrial	1,300
Commercial	550
Institutional	700

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

*Reflects Mid 2022 to Mid 2036 forecast period



Schedule 10
Town of Deep River
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>				Categories which relate to local land-based resources
11	<i>Agriculture, forestry, fishing and hunting</i>	20	0	-20	
21	<i>Mining and oil and gas extraction</i>	0	0	0	
Sub-total		20	0	-20	
	<u>Industrial and Other Employment</u>			0	Categories which relate primarily to industrial land supply and demand
22	<i>Utilities</i>	15	35	20	
23	<i>Construction</i>	0	20	20	
31-33	<i>Manufacturing</i>	50	10	-40	
41	<i>Wholesale trade</i>	0	10	10	
48-49	<i>Transportation and warehousing</i>	50	20	-30	
56	<i>Administrative and support</i>	23	13	-10	
Sub-total		138	108	-30	
	<u>Population Related Employment</u>			0	Categories which relate primarily to population growth within the municipality
44-45	<i>Retail trade</i>	260	245	-15	
51	<i>Information and cultural industries</i>	20	15	-5	
52	<i>Finance and insurance</i>	20	25	5	
53	<i>Real estate and rental and leasing</i>	15	25	10	
54	<i>Professional, scientific and technical services</i>	220	225	5	
55	<i>Management of companies and enterprises</i>	0	0	0	
56	<i>Administrative and support</i>	23	13	-10	
71	<i>Arts, entertainment and recreation</i>	60	40	-20	
72	<i>Accommodation and food services</i>	95	135	40	
81	<i>Other services (except public administration)</i>	80	40	-40	
Sub-total		793	763	-30	
	<u>Institutional</u>			0	
61	<i>Educational services</i>	140	65	-75	
62	<i>Health care and social assistance</i>	210	275	65	
91	<i>Public administration</i>	45	95	50	
Sub-total		395	435	40	
Total Employment		1,345	1,305	-40	
Population		4,216	4,109	-107	
<u>Employment to Population Ratio</u>				0	
Industrial and Other Employment		0.03	0.03	-0.01	
Population Related Employment		0.19	0.19	0.00	
Institutional Employment		0.09	0.11	0.01	
Primary Industry Employment		0.00	0.00	0.00	
Total		0.32	0.32	0.00	

Source: Statistics Canada Employment by Place of Work

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



Appendix B

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 Town'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 costs at the time they are all in place. It is important to note that, while municipal program expenditures will increase with growth in population, the costs associated with the new infrastructure (i.e. facilities) would be delayed until the time these works are in place.

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

SERVICE	ANNUAL LIFECYCLE EXPENDITURES	ANNUAL OPERATING EXPENDITURES	TOTAL ANNUAL EXPENDITURES
Wastewater	2,790	229	3,019
Total	2,790	229	3,019



Appendix C

Local Service Policy



Appendix D: 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 following local service guidelines are proposed to delineate the jurisdiction for capital cost recovery (i.e. local service or D.C.s) for Wastewater Services.

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

- a) providing all underground services internal to the development;
- b) providing service connections from existing underground services to the development;
- c) 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 are less than 300mm. 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;
- d) sanitary pumping stations serving individual developments.

The costs of the following items shall be paid through development charges:

- a) Wastewater treatment plants and transmission mains associated with municipal service areas shall be included in the DC;
- b) external underground services involving trunk infrastructure and pipe sizes of 300mm or greater for wastewater services; and
- c) sanitary pumping stations not required for the individual development.



Appendix D

Proposed Development Charges By-law



CORPORATION OF THE TOWN OF DEEP RIVER

BY-LAW NUMBER ____-2022

BEING A BY-LAW FOR THE IMPOSITION OF DEVELOPMENT CHARGES

WHEREAS the Town of Deep River will experience growth through development and re-development;

AND WHEREAS development and re-development requires the provision of physical and social services by the Town of Deep River;

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 Town of Deep River 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 municipality 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 Town of Deep River has given notice of and held a public meeting on _____, 2022 in accordance with the Act and the regulations thereto;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF DEEP RIVER ENACTS AS FOLLOWS:

DEFINITIONS

1. In this by-law,

- (1) “Act” means the *Development Charges Act*, as amended, or any successor thereof;



- (2) “apartment unit” means any residential unit within a building containing more than four dwelling units where the units are connected by an interior corridor;
- (3) “bedroom” means a habitable room which can be used as sleeping quarters, but does not include a bathroom, living room, dining room or kitchen;
- (4) “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;
- (5) “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;
- (6) “Building Code Act” means the *Building Code Act*, S.O. 1992, as amended, or any successor thereof;
- (7) “capital cost” means costs incurred or proposed to be incurred by the municipality or a local board thereof directly or by others on behalf of and as authorized by the municipality 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) furniture and equipment other than computer equipment, and
 - (ii) 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; and



- (iii) rolling stock with an estimated useful life of seven years or more, and
 - (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 municipality, including interest on borrowing for those expenditures under clauses (a) to (e) above that are growth-related;
- (8) “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;
- (9) “Council” means the Council of the Town of Deep river;
- (10) “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 the effect of increasing the size of usability thereof, and includes redevelopment;
- (11) “development charge” means a charge imposed with respect to this By-law;
- (12) “dwelling unit” means any part of a building or structure used, designed or intended to be used as a domestic establishment in which one or more persons may sleep and are provided with culinary and sanitary facilities for their exclusive use;
- (13) “existing” means the number, use and size that existed as of the date this by-law was passed;
- (14) “farm building” means that part of a bona fide farming operation encompassing barns, silos and other ancillary development to an agricultural use, but excluding a residential use;



- (15) “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;
- (16) “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 to the general public through a warehouse club;



- (17) “institutional” means land, buildings, structures or any part thereof used by any organization, group or association for promotion of charitable, educational or benevolent objectives and not for profit or gain;
- (a) for the purposes of subsection 3.15, means development of a building or structure intended for use:
- (i) as a long-term care home within the meaning of Subsection 2 (1) of the *Long-Term Care Homes Act, 2007*;
 - (ii) as a retirement home within the meaning of Subsection 2(1) of the *Retirement Homes Act, 2010*.
 - (iii) By any institution of the following post-secondary institutions for the objects of the institution:
 - 1. a university in Ontario that receives direct, regular and ongoing operation funding from the Government of Ontario;
 - 2. a college or university federated or affiliated with a university described in subclause (a); or
 - 3. an Indigenous Institute prescribed for the purposes of section 6 of the *Indigenous Institute Act, 2017*;
 - (iv) as a memorial home, clubhouse or athletic grounds by an Ontario branch of the Royal Canadian Legion; or
 - (v) as a hospice to provide end of life care;
- (18) “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 municipality or of two or more municipalities or parts thereof;



- (19) “local services” means those services, facilities or things which are under the jurisdiction of the Town of Deep River 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;
- (20) “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;
- (21) “multiple dwellings” means all dwellings other than single-detached, semi-detached, apartment unit dwellings;
- (22) “municipality” means the Corporation of the Town of Deep River;
- (23) “non-profit housing development”, for the purposes of subsection 3.16, 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 objective 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*;
- (24) “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;
- (25) “Official Plan” means the Official Plan adopted for the Town, as amended and approved;



- (26) “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;
- (27) “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;
- (28) “rate” means the interest rate established weekly by the Bank of Canada based on Treasury Bills having a term of 91 days;
- (29) “regulation” means any regulation made pursuant to the Act;
- (30) “rental housing”, for the purposes of subsection 3.15, means development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises;
- (31) “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;
- (32) “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;
- (33) “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;
- (34) “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 unit are not connected by an interior corridor;



- (35) “service” means a service designed in Schedule “A” to this By-law, and “services” shall have a corresponding meaning;
- (36) “servicing agreement” means an agreement between a landowner and the municipality relative to the provision of municipal services to specified land within the municipality;
- (37) “single detached dwelling unit” means a residential building consisting of one dwelling unit and not attached to another structure;
- (38) “Town” means the area within the geographic limits of the Town of Deep River; and
- (39) “Zoning By-Law” means the Zoning By-Law of the Town of Deep River or any successor thereof passed pursuant to Section 34 of the *Planning Act*, S.O. 1998.

2. DESIGNATION OF SERVICES

- 2.1 The categories of services for which development charges are imposed under this By-law are as follows:
 - (a) Wastewater Services.
- 2.2 The components of the services designated in section 2.1 are described in Schedule A.

3. APPLICATION OF BY-LAW RULES

- 3.1 Development charges shall be payable in the amounts set out in this By-law where:
 - (a) the lands are located in the area described in section 3.2; and
 - (b) the development of the lands requires any of the approvals set out in subsection 3.4(a).



Area to Which By-law Applies

- 3.2 Subject to section 3.3, this By-law applies to all lands in the Town of Deep River 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 municipality or a local board thereof; or
 - (b) the County of Renfrew or any local board thereof;
 - (c) a board of education; or
 - (d) a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education.

Approvals for Development

- 3.4 (a) Development charges shall be imposed on all lands, buildings or structures that are developed for residential or non-residential uses if the development requires:
- (i) the passing of a zoning by-law or of an amendment to a zoning by-law under section 34 of the *Planning Act*;
 - (ii) the approval of a minor variance under section 45 of the *Planning Act*;
 - (iii) a conveyance of land to which a by-law passed under subsection 50(7) of the *Planning Act* applies;
 - (iv) the approval of a plan of subdivision under section 51 of the *Planning Act*;
 - (v) a consent under section 53 of the *Planning Act*;



- (vi) the approval of a description under section 50 of the *Condominium Act*, R.S.O. 1990, Chap. C.26, as amended, or any successor thereof; or
 - (vii) the issuing of a permit under the *Building Code Act* in relation to a building or structure.
- (b) No more than one development charge for each service designated in subsection 2.1 shall be imposed upon any lands, buildings or structures to which this By-law applies even though two or more of the actions described in subsection 3.4(a) are required before the lands, buildings or structures can be developed.
- (c) Despite subsection 3.4(b), if two or more of the actions described in subsection 3.4(a) occur at different times, additional development charges shall be imposed if the subsequent action has the effect of increasing the need for services.

Exemptions

- 3.5 This by-law shall not apply to that category of exempt development described in subsection 2(3) of the Act and Section 2 of O.Reg. 82/98, namely:
- (a) the enlargement to an existing residential 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;
 - (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 In addition to the restrictions outlined in section 3.5, for the purposes of the exemption for an additional residential unit in a building ancillary to a proposed new Single Detached, Semi-Detached or Row Townhouse Dwelling, the proposed new Single Detached, Semi-Detached or Row Townhouse Dwelling must be located on a parcel of land on which no other Single Detached, Semi-Detached or Row Townhouse dwelling is or would be located.
- 3.7 Notwithstanding section 3.5(b), development charges shall be imposed if the total gross floor area of the additional one or two units exceeds the gross floor area of the existing dwelling unit.
- 3.8 Notwithstanding section 3.5, development charges shall be imposed if the additional unit has a gross floor area greater than
- (a) in the case of a semi-detached or row dwelling, the gross floor area of the existing dwelling unit; and
 - (b) in the case of any other residential building, the gross floor area of the smallest dwelling unit contained in the residential building.
- 3.9 Exemption for Industrial Development:
- 3.9.1 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.
- 3.9.2 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:
- (a) determine the amount by which the enlargement exceeds 50 percent of the gross floor area before the enlargement;
 - (b) divide the amount determined under subsection 3.9.2 (a) by the amount of the enlargement.



3.9.3 For the purpose of section 3.8 herein, “existing industrial building” is used as defined in the Regulation made pursuant to the Act.

Amount of Charges

Residential

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

Non-Residential

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

Reduction of Development Charges for Redevelopment

3.12 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 prior to the date of payment of development charges in regard to such redevelopment was, or is to be demolished, in whole or in part, or converted from one principal use to another principal use on the same land, in order to facilitate the redevelopment, the development charges otherwise payable with respect to such redevelopment shall be reduced by the following amounts:

- (a) in the case of a residential building or structure, or in the case of a mixed-use building or structure, the residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charge under subsection 3.10 by the number, according to type, of



dwelling units that have been or will be demolished or converted to another principal use; and

- (b) in the case of a non-residential building or structure or, in the case of 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 subsection 3.11, by the gross floor area that has been or will be demolished or converted to another principal use;

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

Time of Payment of Development Charges

- 3.13 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.
- 3.14 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.
- 3.15 Notwithstanding Subsections 3.13 and 3.14, Development Charges for rental housing and institutional developments are due and payable in 6 instalments commencing with the first instalment payable on the date of occupancy, and each subsequent instalment, including interest as provided in the Town's Council approved Development Charge Interest Policy, payable on the anniversary date each year thereafter.
- 3.16 Notwithstanding Subsections 3.13 and 3.14, Development Charges for non-profit housing developments are due and payable in 21 instalments commencing with the first instalment payable on the date of occupancy, and each subsequent instalment, including interest as provided in the Town's Council approved Development Charge Interest Policy, 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 Bylaw 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 3.13, 3.15, and 3.16 shall be calculated based on the rates set out in Schedule "B" on the date the planning application was made, including interest as provided in the Town's Council approved Development Charge Interest Policy. Where both planning applications apply, Development Charges under Subsections 3.13, 3.15, and 3.16 shall be calculated based on the rates, including interest as provided in the Town's Council approved Development Charge Interest Policy, set out in Schedule "B" on the date of the later planning application.
- 3.18 Despite Subsections 3.13, 3.15, 3.16, and 3.17, Council from time to time, and at any time, may enter into agreements providing for all or any part of a development charge to be paid before or after it would otherwise be payable, in accordance with section 27 of the Act.

4. PAYMENT BY SERVICES

- 4.1 Despite the payment required under subsections 3.10 and 3.11, 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, for the most recent year-over-year period of the prescribed index in the Act.

6. SCHEDULES

- 6.1 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



7. CONFLICTS

- 7.1 Where the Town 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.
- 7.2 Notwithstanding section 7.1, where a development which is the subject of an agreement to which section 7.1 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.

8. SEVERABILITY

- 8.1 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.

9. DATE BY-LAW IN FORCE

- 9.1 This By-law shall come into effect at 12:01 AM on _____, 2022.



10. DATE BY-LAW EXPIRES

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

READ a FIRST, SECOND and THIRD TIME and FINALLY PASSED on this ____ day of _____, 2022.

Mayor

Clerk



SCHEDULE "A" to BY-LAW ___-2022

COMPONENTS OF SERVICES DESIGNATED IN SUBSECTION 2.1

Area-Specific Services

- Wastewater Services



SCHEDULE “B” to BY-LAW ___-2022

SCHEDULE OF DEVELOPMENT CHARGES

Service	RESIDENTIAL (per unit)				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples and Mobile Homes	(per sq.ft. of Gross Floor Area)
Wastewater	\$ 3,529	\$ 2,103	\$ 1,308	\$ 2,584	\$ 2.39
Total Wastewater-serviced Area	\$ 3,529	\$ 2,103	\$ 1,308	\$ 2,584	\$ 2.39