



 **Watson
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ECONOMISTS LTD.

Development Charges Background Study

Municipality of West Grey

February 28, 2020

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List of Acronyms and Abbreviations

Acronym	Full Description of Acronym
A.M.P.	Asset management plan
CANSIM	Canadian Socio-Economic Information Management System (Statistics Canada)
D.C.	Development charge
D.C.A.	Development Charges Act, 1997, as amended
F.I.R.	Financial Information Return
G.F.A.	Gross floor area
L.P.A.T.	Local Planning Appeal Tribunal
M.O.E.C.P.	Ministry of the Environment, Conservation and Parks
N.F.P.O.W.	No Fixed Place of Work
O.M.B.	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.W.M.	Stormwater management
sq.ft.	square foot
sq.m	square metre



Executive Summary



Executive Summary

1. The report provided herein represents the Development Charges (D.C.) Background Study for the Municipality of West Grey required by the *Development Charges Act, 1997* (D.C.A.). This report has been prepared in accordance with the methodology required under the D.C.A. The contents include the following:
 - Chapter 1 – Overview of the legislative requirements of the Act;
 - Chapter 2 – Review of present D.C. policies of the Municipality;
 - Chapter 3 – Summary of the residential and non-residential growth forecasts for the Municipality;
 - Chapter 4 – Approach to calculating the D.C.;
 - Chapter 5 – Review of historical service standards and identification of future capital requirements to service growth and related deductions and allocations;
 - Chapter 6 – Calculation of the D.C.s;
 - Chapter 7 – D.C. policy recommendations and rules; and
 - Chapter 8 – By-law implementation.

2. D.C.s provide for the recovery of growth-related capital expenditures from new development. The D.C.A. is the statutory basis to recover these charges. The methodology is detailed in Chapter 4; a simplified summary is provided below:
 - 1) Identify amount, type and location of growth;
 - 2) Identify servicing needs to accommodate growth;
 - 3) Identify capital costs to provide services to meet the needs;
 - 4) Deduct:
 - Grants, subsidies and other contributions;
 - Benefit to existing development;
 - Statutory 10% deduction (soft services);
 - Amounts in excess of 10-year historical service calculation;
 - D.C. reserve funds (where applicable);



- 5) Net costs are then allocated between residential and non-residential benefit; and
 - 6) Net costs divided by growth to provide the D.C. charge.
3. A number of changes to the D.C. process need to be addressed as a result of the *Smart Growth for our Communities Act, 2015* (Bill 73). These changes have been incorporated throughout the report and in the updated draft by-law, as necessary. These items include:
- a. Area-rating: Council must consider the use of area-specific charges.
 - b. Asset Management Plan for New Infrastructure: The D.C. background study must include an asset management plan that deals with all assets proposed to be funded, in whole or in part, by D.C.s. The asset management plan must show that the assets are financially sustainable over their full lifecycle.
 - c. 60-day Circulation Period: The D.C. background study must be released to the public at least 60-days prior to passage of the D.C. by-law.
 - d. Timing of Collection of Development Charges: The D.C.A. now requires D.C.s to be collected at the time of the first building permit.
4. Another change to the D.C.A. was introduced on May 2, 2019 through Bill 108, *More Homes, More Choice Act*. While having received royal assent on June 6, 2019, many of the amendments to the D.C.A. do not come into effect until they are proclaimed by the Lieutenant Governor. The changes that have come into effect are incorporated throughout the report and in the updated draft by-law. These items include:
- a. Effective January 1, 2020, rental housing and institutional developments will pay D.C.s in six equal annual payments commencing at occupancy. Non-profit housing developments will pay D.C.s in 21 equal annual payments. Interest may be charged on the installments, and any unpaid amounts may be added to the property and collected as taxes.
 - b. Effective January 1, 2020 the D.C. amount for all developments occurring within 2 years of a Site Plan or Zoning By-law Amendment planning



approval (for application submitted after this section is proclaimed), shall be determined based on the D.C. charge in effect on the day of Site Plan or Zoning By-law Amendment application. If the development is not proceeding via these planning approvals, then the amount is determined the earlier of the date of issuance of a building permit or occupancy.

Further changes are suggested by the province through Bill 108. Most significant is the removal of Parks, Recreation, Library and other services which will be included within a newly created charge under the *Planning Act* called a Community Benefit Charge. This is described in more detail in section 1.4.

5. The growth forecast (Chapter 3) on which the Municipal-wide D.C. is based, projects the following population, housing and non-residential floor area for the 10-year (2020 to 2029) and longer-term (2020 to 2031) periods.

Measure	10 Year	2031
	2020-2029	2020-2031
(Net) Population Increase	518	633
Residential Unit Increase	332	383
Non-Residential Gross Floor Area Increase (ft ²)	70,600	83,500

Source: Watson & Associates Economists Ltd. Forecast 2020

6. On April 6, 2015, the Municipality of West Grey passed By-law 19-2015 under the D.C.A. The by-law imposes D.C.s on residential and non-residential uses. This by-law will expire on May 1, 2020 . The Municipality is undertaking a D.C. public process and anticipates passing a new by-law in advance of the expiry date. The mandatory public meeting has been set for April 7, 2020.
7. The Municipality’s D.C.s currently in effect are \$3,250 per household for full services. There are no non-residential charges currently in effect. This report has undertaken a recalculation of the charge based on future identified needs (presented in Schedule ES-1 for residential and non-residential). Charges have been provided on a Municipal-wide basis for all services. The corresponding single detached unit charge is \$6,172. The non-residential charge is \$3.34 per square foot of building area. Note that the residential charge was previously calculated as a per household charge without a distinction in the form of



residential dwelling. The charges have now been updated to reflect varying charges based on the form of dwelling (i.e. single detached, multiples, apartments, etc.). These rates are submitted to Council for its consideration.

8. The D.C.A. requires a summary be provided of the gross capital costs and the net costs to be recovered over the life of the by-law. This calculation is provided by service and is presented in Table 6-4. A summary of these costs is provided below:

Total gross expenditures planned over the next five years	\$11,384,417
Less:	
Benefit to existing development	\$ 5,745,900
Post planning period benefit	\$ 2,987,917
Ineligible re: Level of Service	\$ -
Mandatory 10% deduction for certain services	\$ 71,910
Grants, subsidies and other contributions	\$ -
Net Costs to be recovered from development charges	\$ 2,578,690

This suggests that for the non-D.C. cost over the five-year D.C. by-law (benefit to existing development, mandatory 10% deduction, and the grants, subsidies and other contributions), \$5.82 million (or an annual amount of \$1.16 million) will need to be contributed from taxes and rates, or other sources. With respect to the post period benefit amount of \$2.99 million, it will be included in subsequent D.C. study updates to reflect the portion of capital that benefits growth in the post period D.C. forecasts.

Based on the above table, the Municipality plans to spend \$11.38 million over the next five years, of which \$2.58 million (23%) is recoverable from D.C.s. Of this net amount, \$2.29 million is recoverable from residential development and \$0.29 million from non-residential development. It is noted also that any exemptions or reductions in the charges would reduce this recovery further.

9. Considerations by Council – The background study represents the service needs arising from residential and non-residential growth over the forecast periods.

The following services are calculated based on the growth forecast to 2031:

- Fire Services;
- Police Services; and



- Services Related to a Highway.

All other services are calculated based on a 10-year forecast. These include:

- Parks & Recreation Services;
- Library Services; and
- Administration Studies (Hard and Soft Services).

Council will consider the findings and recommendations provided in the report and, in conjunction with public input, approve such policies and rates it deems appropriate. These directions will refine the draft D.C. by-law which is appended in Appendix G. These decisions may include:

- adopting the charges and policies recommended herein;
- considering additional exemptions to the by-law; and
- considering reductions in the charge by class of development (obtained by removing certain services on which the charge is based and/or by a general reduction in the charge).



Table ES-1
Summary of Development Charges

Service	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)
Municipal Wide Services:						
Services Related to a Highway	3,561	2,280	2,400	1,601	1,518	2.27
Fire Protection Services	549	352	370	247	234	0.35
Police Services	170	109	115	76	72	0.11
Parks & Recreation Services	1,193	764	804	536	509	0.28
Library Services	306	196	206	138	130	0.07
Administration Studies - Hard	120	77	81	54	51	0.08
Administration Studies - Soft	277	177	187	125	118	0.18
Total Municipal Wide Services	6,176	3,955	4,163	2,777	2,632	3.34



Report



Chapter 1

Introduction



1. Introduction

1.1 Purpose of this Document

This background study has been prepared pursuant to the requirements of the D.C.A. (section 10) and, accordingly, recommends new D.C.s and policies for the Municipality of West Grey.

The Municipality retained Watson & Associates Economists Ltd. (Watson), to undertake the D.C.s (D.C.) study process throughout 2019 and 2020. Watson worked with Municipal staff preparing the D.C. analysis and 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 Municipality's D.C. background study, as summarized in Chapter 4. It also addresses the requirement for "rules" (contained in Chapter 7) and the proposed by-law to be made available as part of the approval process (included as Appendix G).

In addition, the report is designed to set out sufficient background on the legislation (Chapter 4), West Grey's current D.C. policies (Chapter 2) and the policies underlying the proposed by-law, to make the exercise understandable to those who are involved.

Finally, it addresses post-adoption implementation requirements (Chapter 8) which are critical to the successful application of the new policy.

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



1.2 Summary of the Process

The public meeting required under section 12 of the D.C.A., has been scheduled for April 7, 2020. Its purpose is to present the study to the public and to solicit public input. The meeting is also being held to answer any questions regarding the study's purpose, methodology and the proposed modifications to the Municipality's D.C.s.

In accordance with the legislation, the background study and proposed D.C. by-law will be available for public review on February 28, 2020.

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.

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

Figure 1-1
Schedule of Key D.C. Process Dates for the Municipality of West Grey

1. Data collection, staff review, engineering work, D.C. calculations and policy work	Fall 2019 to Winter 2020
2. Background study and proposed by-law available to public	February 28, 2020
3. Public meeting advertisement placed in newspaper(s)	March 17, 2020
4. Public meeting of Council	April 7, 2020
5. Council considers adoption of background study and passage of by-law	April 28, 2020
6. Newspaper notice given of by-law passage	By 20 days after passage
7. Last day for by-law appeal	40 days after passage
8. Municipality makes pamphlet available (where by-law not appealed)	By 60 days after in force date



1.3 Changes to the D.C.A.: Bill 73 – Smart Growth for our Communities Act, 2015

With the amendment of the D.C.A. (as a result of Bill 73 and O. Reg. 428/15), there are a number of areas that must be addressed to ensure that the Municipality is in compliance with the D.C.A., as amended. The following provides an explanation of the changes to the Act that affect the Municipality's background study and how they have been dealt with to ensure compliance with the amended legislation.

1.3.1 Area Rating

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.

1.3.2 Asset Management Plan for New Infrastructure

The new legislation now requires that a D.C. background study must include an Asset Management Plan (subsection 10 (2) (c.2)). The asset management plan must deal with all assets that are proposed to be funded, in whole or in part, by D.C.s. The current regulations provide very extensive and specific requirements for the asset management plan related to transit services; however, they are silent with respect to how the asset management plan is to be provided for all other services. As part of any asset



management plan, the examination should be consistent with the municipality's existing assumptions, approaches and policies on asset management planning. This examination may include both qualitative and quantitative measures such as examining the annual future lifecycle contributions needs (discussed further in Appendix F of this report).

1.3.3 60-Day Circulation of D.C. Background Study

Previously the legislation required that a D.C. background study be made available to the public at least two weeks prior to the public meeting. The amended legislation now provides that the D.C. background study must be made available to the public (including posting on the municipal website) at least 60 days prior to passage of the D.C. by-law. No other changes were made to timing requirements for such things as notice of the public meeting and notice of by-law passage.

This D.C. study is being provided to the public on February 28, 2020 to ensure the new requirements for release of the study is met.

1.3.4 Timing of Collection of D.C.s

The D.C.A. has been refined by Bill 73 to require that D.C.s are collected at the time of the first building permit. For the majority of development, this will not impact the Municipality's present process. There may be instances, however, where several building permits are to be issued and either the size of the development or the uses will not be definable at the time of the first building permit. In these instances, the Municipality may enter into a delayed payment agreement in order to capture the full development.

1.3.5 Other Changes

It is also noted that a number of other changes were made through Bill 73 and O. Reg. 428/15, including changes to the way in which transit D.C. service standards are calculated, the inclusion of waste diversion and the ability for collection of additional levies; however, these sections do not impact the Municipality's D.C.



1.4 Proposed Changes to the D.C.A.: Bill 108 – An Act to Amend Various Statutes with Respect to Housing, Other Development and Various Other Matters

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

While having received royal assent, many of the amendments to the D.C.A. do not come into effect until they are proclaimed by the Lieutenant Governor. At the time of writing the following provisions have been proclaimed

- Transitional provisions with respect to soft services, as well as other provisions clarifying definitions and administrative powers to make regulations, are in effect as of the date of royal assent. Regarding the transitional provisions for soft services, as noted below, services not identified under the new subsection 2(4) (i.e. soft services) will no longer be eligible to be included in D.C. by-law once proclaimed. Soft services within an existing D.C. by-law can remain in effect, even if the by-law expires, until the earlier of the prescribed date (currently anticipated to be January 1, 2021), the date a Community Benefits Charge By-law is passed, or the date when the existing D.C. by-law is repealed.
- Effective January 1, 2020, rental housing and institutional developments will pay D.C.s in six equal annual payments commencing at occupancy. Non-profit housing developments will pay D.C.s in 21 equal annual payments. Interest may be charged on the installments, and any unpaid amounts may be added to the property and collected as taxes.
- Effective January 1, 2020 the D.C. amount for all developments occurring within 2 years of a Site Plan or Zoning By-law Amendment planning approval (for application submitted after this section is proclaimed), shall be determined based on the D.C. charge in effect on the day of Site Plan or Zoning By-law Amendment application. If the development is not proceeding via these planning approvals, then the amount is determined the earlier of the date of issuance of a building permit or occupancy.



A summary of further the changes to the D.C.A. to take effect upon proclamation by the Lieutenant Governor is provided below:

Changes to Eligible Services – the Bill will remove "soft services" from the D.C.A. These services will be considered as part of a new community benefits charge (discussed below) imposed under the authority of the *Planning Act*. Once the new s. 2 (4) is proclaimed, eligible services under the D.C.A. include:

- 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 as defined in subsection 1 (1) of the *Municipal Act, 2001* or subsection 3 (1) of the *City of Toronto Act, 2006*, as the case may be;
- Electrical power services;
- Policing services;
- Ambulance services;
- Fire protection services;
- Toronto-York subway extension, as defined in subsection 5.1 (1);
- Transit services other than the Toronto-York subway extension;
- Waste diversion services; and
- Other services as prescribed.

Waste Diversion and Ambulance – the Bill will remove the mandatory 10% deduction for these services.

Soft Services to be Included in a new Community Benefit Charge under the Planning Act - it is proposed that a municipality may, by by-law, impose community benefits charges against land to pay for the capital costs of facilities, services and matters required because of development or redevelopment in the area to which the by-law applies. These services may not include services authorized by the D.C.A. Various provisions are provided as follows:

- Before passing a community benefits charge by-law, the municipality shall prepare a community benefits charge strategy that, (a) identifies the facilities, services and matters that will be funded with community benefits charges and (b) complies with any prescribed requirements;



- The amount of a community benefits charge payable shall not exceed an amount equal to the prescribed percentage of the value of the land as of the valuation date;
- The valuation date is the day before building permit issuance;
- Valuations will be based on appraised value of land. Various requirements are set out in this regard;
- All money received by the municipality under a community benefits charge by-law shall be paid into a special account;
- In each calendar year, a municipality shall spend or allocate at least 60 percent of the monies that are in the special account at the beginning of the year;
- Requirements for annual reporting shall be prescribed; and
- Transitional provisions are set out regarding the D.C. reserve funds and D.C. credits.



Chapter 2

Current Municipality of West Grey Policy



2. Current Municipality of West Grey Policy

2.1 Schedule of Charges

On April 6, 2015, the Municipality of West Grey passed By-law 19-2015 under the D.C.A.

This by-law imposes D.C.s for residential uses. The table below provides the rates currently in effect, as at January 1, 2020.

Table 2-1
Municipality of West Grey
Current D.C. Rates

Service	Residential
	Per Household
Services Related to a Highway	1,513
Police Services	492
Parks & Recreation Services	76
Library Services	196
Administration Studies	973
Total	3,250

2.2 Services Covered

The following services are covered under By-law 19-2015:

- Services Related to a Highway;
- Police Services (which was contained within Administration Studies);
- Parks & Recreation Services;
- Library Services; and
- Administration Studies.

2.3 Timing of D.C. Calculation and Payment

D.C.s are calculated and payable in full on the date the first building permit is issued. A building permit shall not be issued until the D.C. has been paid in full.



2.4 Indexing

Rates may be indexed on January 1st of every year by the percentage change recorded in the Statistics Canada Quarterly, Construction Price Index catalogue number 62-007.

2.5 Redevelopment Allowance

Where there is a redevelopment, conversion, demolition or change of use of a building or structure or part thereof, the D.C. payable by the new or proposed development shall be credited by the amount to which the previous use of the building or structure was subject to D.C.s prior to the current by-law.

The credit shall not exceed the amount of D.C.s shall not exceed the amount of the D.C.s payable under the D.C. by-law with respect to the new or proposed development.

A credit shall not be warranted where a building, structure or part thereof was demolished, and no building permit has been issued within five years from the date of issuance of the demolition permit. A credit shall also not be warranted if the existing building or structure would have been exempt from D.C.s payable.

2.6 Exemptions

The following non-statutory exemptions are provided under By-law 09-2015.

- Non-residential building that are accessory to an agricultural operation;
- Temporary buildings where the owner has completed an agreement with the Municipality specifying the owner's obligation to remove the building;
- Places of worship exempt from taxation under the *Assessment Act*; and
- Public hospitals under the *Public Hospitals Act*.



Chapter 3

Anticipated Development in the Municipality of West Grey



3. Anticipated Development in the Municipality of West Grey

3.1 Requirement of the Act

The growth forecast contained in this chapter (with supplemental tables in Appendix A) provides for the anticipated development for which the Municipality of West Grey will be required to provide services, over a 10-year (early 2020 to early 2030) and a longer-term time horizon (early 2020 to mid-2031).

Chapter 4 provides the methodology for calculating a D.C. as per the D.C.A. Figure 4-1 presents this methodology graphically. It is noted in the first box of the schematic that in order to determine the D.C. that may be imposed, it is a requirement of section 5 (1) of the D.C.A. that “the anticipated amount, type and location of development, for which development charges can be imposed, must be estimated.”

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

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

- Grey County Growth Management Strategy – Forecast and Land Supply Review and Update, May 17, 2018 and growth forecast for the Municipality of West Grey;
- 2006, 2011 and 2016 population, household and employment Census data;
- Historical residential and non-residential building permit data; and
- Residential land supply opportunities.

3.3 Summary of Growth Forecast

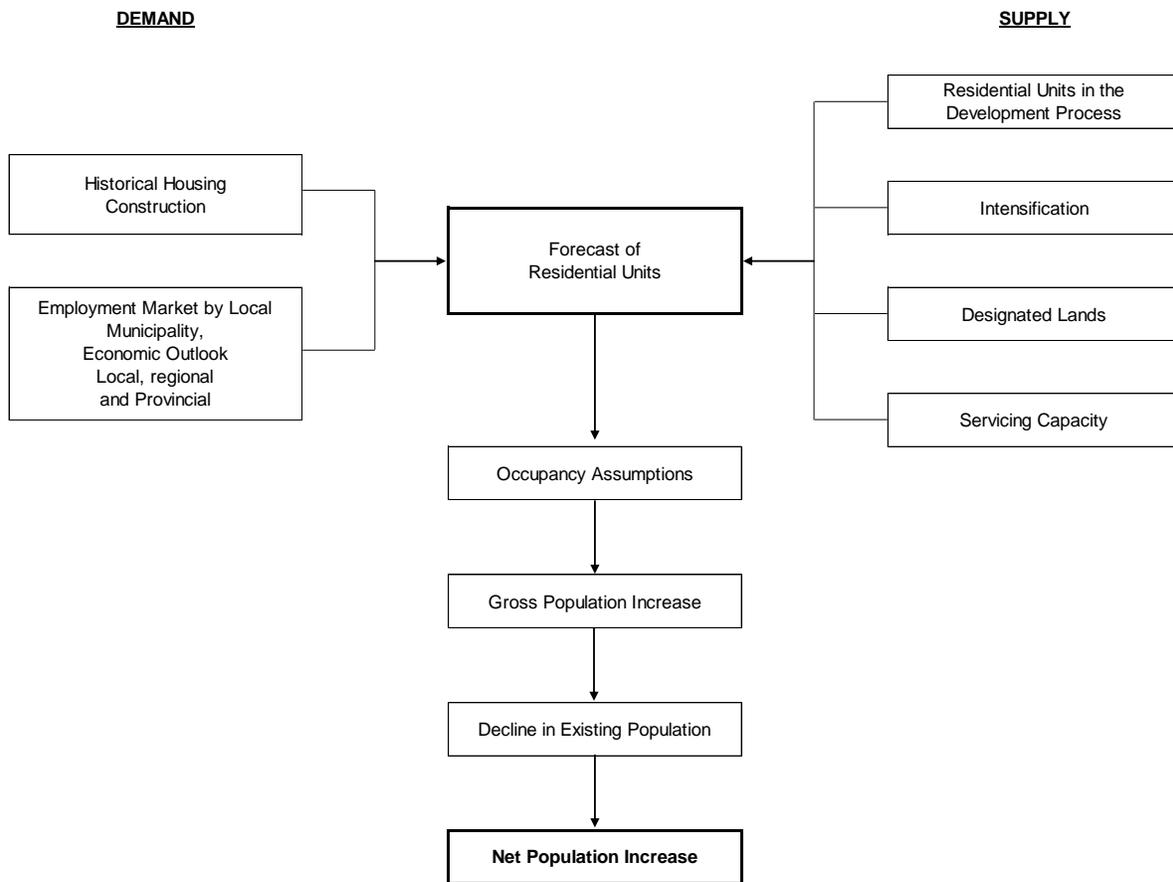
A detailed analysis of the residential and non-residential growth forecasts is provided in Appendix A and the methodology employed is illustrated in Figure 3-1. The discussion provided herein summarizes the anticipated growth for the Municipality and describes



the basis for the forecast. The results of the residential growth forecast analysis are summarized in Table 3-1 below, and Schedule 1 in Appendix A.

As identified in Table 3-1 and Appendix A, Schedule 1, the Municipality's population is anticipated to reach approximately 13,410 by early-2030 and 13,530 by mid-2031, resulting in an increase of approximately 520 and 630 persons, respectively, over the 10-year and longer-term forecast periods.¹

Figure 3-1
Population and Household Forecast Model



¹ The population figures used in the calculation of the 2020 D.C. exclude the net Census undercount, which is estimated at approximately 2.4%.



**Table 3-1
Municipality of West Grey
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	Other	Total Households	
Historical	<i>Mid 2006</i>	12,490	12,193	198	11,995	4,270	130	245	75	4,720	2.583
	<i>Mid 2011</i>	12,580	12,286	266	12,020	4,391	136	217	126	4,870	2.523
	<i>Mid 2016</i>	12,820	12,518	278	12,240	4,535	155	250	135	5,075	2.467
Forecast	<i>Early 2020</i>	13,200	12,893	287	12,606	4,706	156	257	135	5,254	2.454
	<i>Early 2030</i>	13,740	13,411	298	13,113	4,964	217	270	135	5,586	2.401
	<i>Mid 2031</i>	13,850	13,526	300	13,226	5,003	227	272	135	5,637	2.400
Incremental	Mid 2006 - Mid 2011	90	93	68	25	121	6	-28	51	150	
	Mid 2011 - Mid 2016	240	232	12	220	144	19	33	9	205	
	Mid 2016 - Early 2020	380	375	9	366	171	1	7	0	179	
	Early 2020 - Early 2030	540	518	11	507	258	61	13	0	332	
	Early 2020 - Mid 2031	650	633	13	620	297	71	15	0	383	

Derived from Grey County Growth Management Strategy – Forecast and Land Supply Review and Update, May 17, 2018, forecast for the Municipality of West Grey by Watson & Associates Economists Ltd., 2019

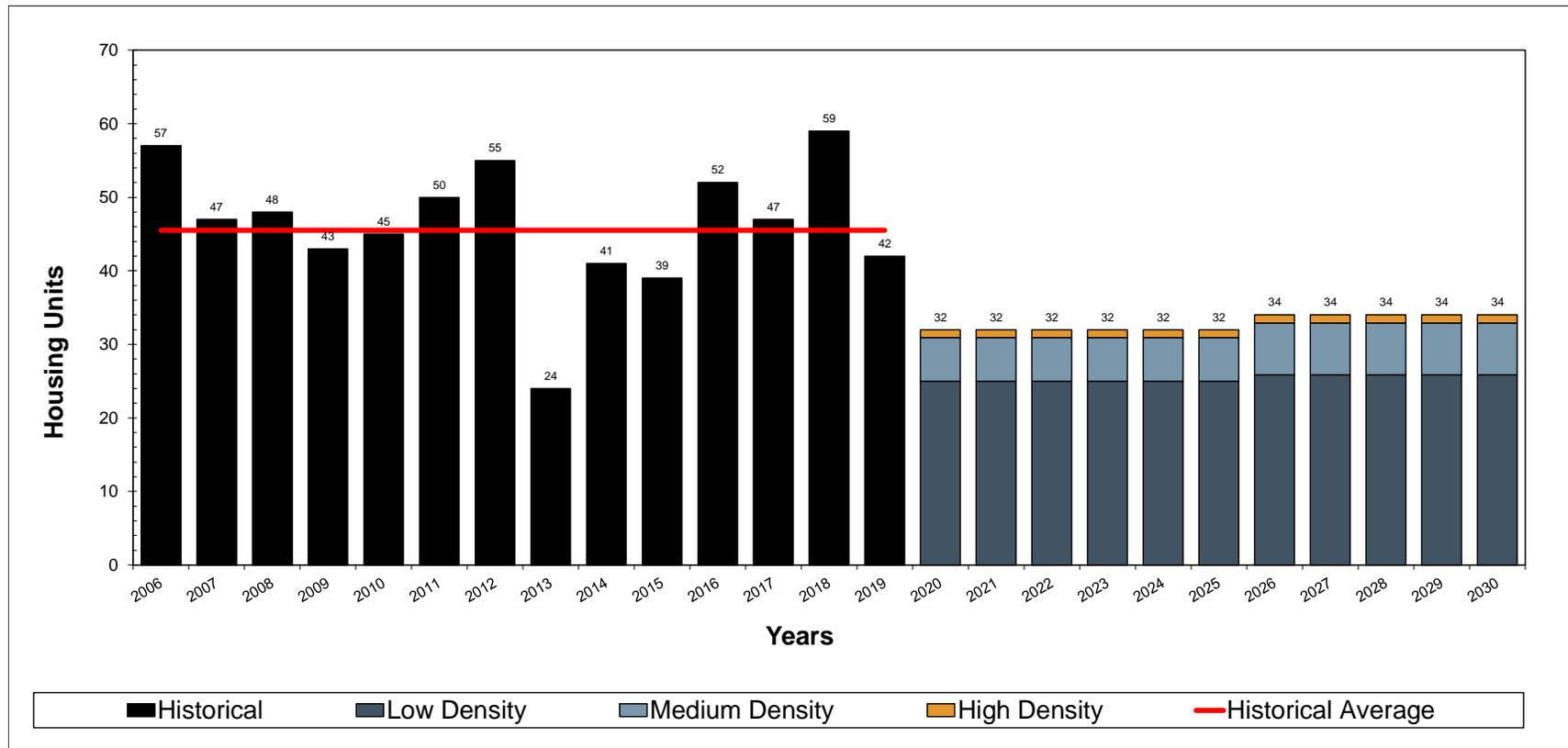
¹ Census undercount estimated at approximately 2.4%. Note: Population including the undercount has been rounded.

² Includes townhouses and apartments in duplexes.

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



Figure 3-2
Municipality of West Grey
Annual Housing Forecast



Source: Historical housing activity derived from Statistics Canada building permit data for the Municipality of West Grey, 2007-2019. 2019 reflects an estimated full year based on Jan-Aug actuals.
1 Growth forecast represents calendar year.



Provided below is a summary of the key assumptions and findings regarding the Municipality of West Grey D.C. growth forecast.

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

- The forecast housing unit mix for the Municipality was derived from a review of the vacant residential land supply as of early 2020 (Schedule 6) and a detailed review of historical development activity (as per Schedule 7).
- Based on the above indicators, the 2020 to 2030 household growth forecast is comprised of a unit mix of 78% low density (single detached and semi-detached), 18% medium density (multiples except apartments) and 4% high density (bachelor, 1-bedroom and 2-bedroom apartments).

2. Planning Period

- Short and longer-term time horizons are required for the D.C. process. The D.C.A. limits the planning horizon for certain services, such as parks, recreation and libraries, to a 10-year planning horizon. Services related to a highway, public works, fire, police, stormwater, water and wastewater services can utilize a longer planning period.

3. Population in New Housing Units (Appendix A – Schedules 3, 4, 5 and 8)

- The number of housing units to be constructed in the Municipality of West Grey during the short- and long-term periods is presented on Figure 3-2. Over the 2020 to 2030 forecast period, the Municipality is anticipated to average approximately 33 new housing units per year.
- Institutional population¹ is anticipated to grow modestly by 11 persons between 2020 to 2030.
- Population in new units is derived from Schedules 3, 4 and 5, which incorporate historical development activity, anticipated units (see unit mix

¹ Institutional includes special care facilities such as nursing home or residences for senior citizens. A persons per unit of 1.100 depicts 1-bedroom and 2-or-more-bedroom units in these special care facilities.



discussion) and average persons per unit (P.P.U.) by dwelling type for new units.

- Schedule 8a summarizes the average P.P.U. assumed for the new housing units by age and type of dwelling based on a 2016 custom Census data for the Municipality of West Grey. Due to data limitations, medium and high-density P.P.U.s were derived from the Grey County data, which includes the Municipality of West Grey, as outlined in Schedule 8b. Forecast 15-year average P.P.U.s by dwelling type are as follows:
 - Low density: 2.580
 - Medium density: 1.652
 - High density¹: 1.552

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

- Existing households for early-2020 are based on the 2016 Census households, plus estimated residential units constructed between 2016 and June-2019 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 2020 to 2030 forecast period is approximately 280.

5. Employment (Appendix A, Schedules 10a, 10b and 11)

- The employment forecast is largely based on the activity rate method, which is defined as the number of jobs in a municipality 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.

¹ Includes bachelor, 1-bedroom and 2-or-more-bedroom apartments



- 2016 employment data¹ (place of work) for the Municipality of West Grey is outlined in Schedule 10a. The 2016 employment base is comprised of the following sectors:
 - 120 primary (4%);
 - 920 work at home employment (33%);
 - 690 industrial (25%);
 - 700 commercial/population related (25%); and
 - 375 institutional (13%).
- The 2016 employment by usual place of work, including work at home, is approximately 2,805. An additional 485 employees have been identified for the Municipality in 2016 that have no fixed place of work (N.F.P.O.W.).² The 2016 employment base, including N.F.P.O.W., totals approximately 3,290.
- Total employment, including work at home and N.F.P.O.W. for the Municipality of West Grey is anticipated to reach approximately 3,500 by early-2030 and 3,520 by 2031. This represents an employment increase of 120 for the 10-year forecast period and 140 for the longer-term forecast.
- Schedule 10b, Appendix A, summarizes the employment forecast, excluding work at home employment and N.F.P.O.W. employment, which is the basis for the D.C. employment forecast. The impact on municipal services from work at home employees has already been included in the population forecast. The need for municipal services related to N.F.P.O.W. employees has largely been included in the employment forecast by usual place of work (i.e. employment and gross floor area generated from N.F.P.O.W. construction employment). 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 Municipality of West Grey (excluding work at home and No Fixed Place of Work) is estimated to reach approximately

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

² 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."



2,010 by early-2030 and 2,020 by mid-2031. This represents an employment increase of 80 and 90 over the 10-year and longer-term forecast periods, respectively.

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

- Square footage estimates were calculated in Schedule 10b based on the following employee density assumptions:
 - 1,500 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 Municipality-wide incremental Gross Floor Area (G.F.A.) is anticipated to increase by approximately 70,600 sq.ft. over the 10-year forecast period and 83,500 sq.ft. over the longer-term forecast period.
- In terms of percentage growth, the 2020 to 2030 incremental G.F.A. forecast by sector is broken down as follows:
 - industrial – 57%;
 - commercial/population-related – 33%; and
 - institutional – 10%.



Chapter 4

The Approach to the Calculation of the Charge



4. The Approach to the Calculation of the Charge

4.1 Introduction

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

4.2 Services Potentially Involved

Table 4-1 lists the full range of municipal service categories which are provided within the Municipality.

A number of these services are defined in subsection 2 (4) of the D.C.A. as being ineligible for inclusion in D.C.s. These are shown as “ineligible” on Table 4-1. Two ineligible costs defined in subsection 5 (3) of the D.C.A. are “computer equipment” and “rolling stock with an estimated useful life of (less than) seven years...” In addition, local roads are covered separately under subdivision agreements and related means (as are other local services). Services which are potentially eligible for inclusion in the Municipality’s D.C. are indicated with a “Yes.”

4.3 Increase in the 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, subsection 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 4-1
The Process of Calculating a Development Charge under the Act
that must be followed

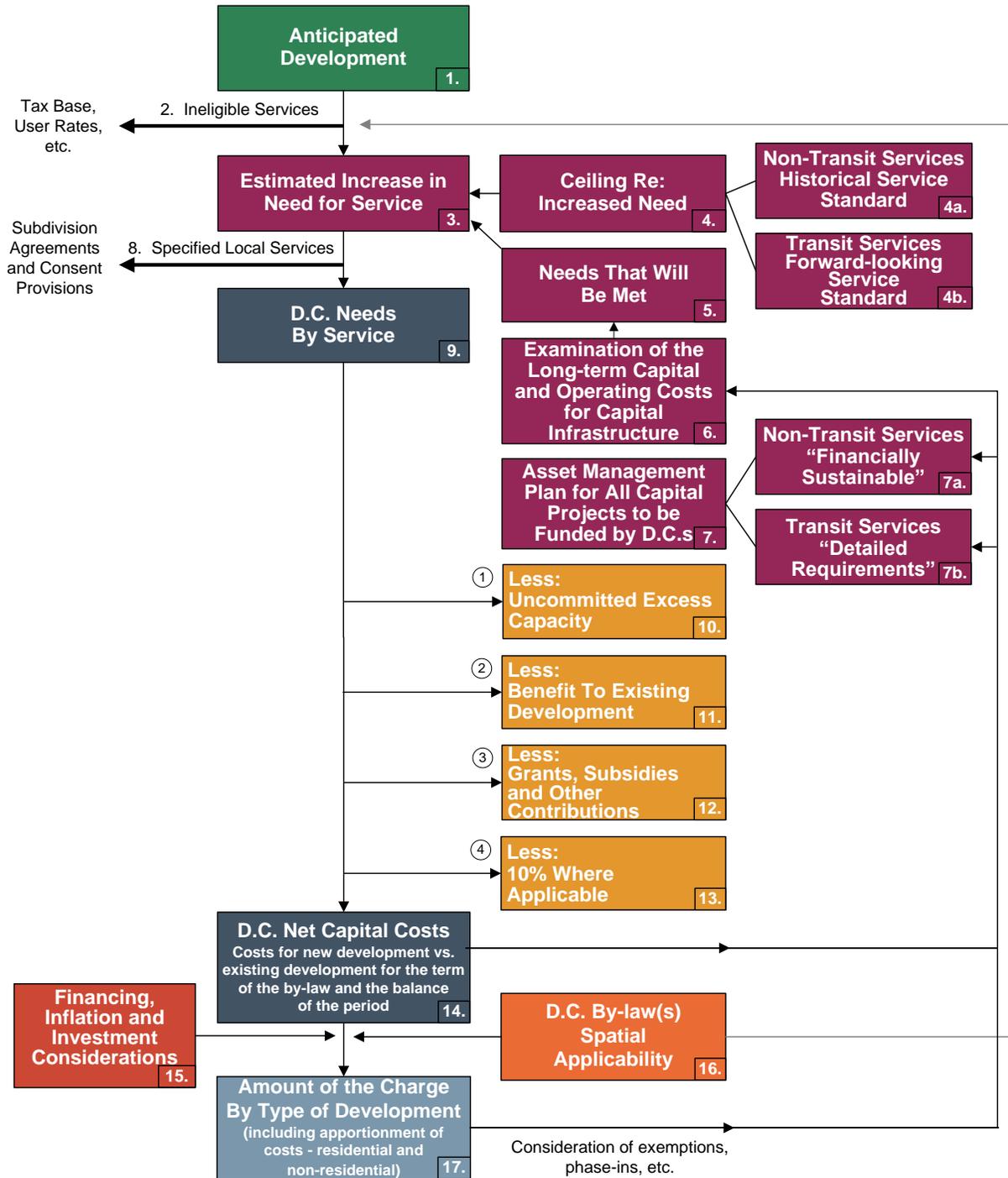




Table 4-1
Categories of Municipal Services to be Addressed as Part of the Calculation

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

Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
1. Services Related to a Highway	Yes	1.1 Arterial roads	100
	Yes	1.2 Collector roads	100
	Yes	1.3 Bridges, Culverts and Roundabouts	100
	No	1.4 Local municipal roads	0
	Yes	1.5 Traffic signals	100
	Yes	1.6 Sidewalks and streetlights	100
	Yes	1.7 Active Transportation	100
2. Other Transportation Services	No	2.1 Transit vehicles ¹ & facilities	100
	No	2.2 Other transit infrastructure	100
	n/a	2.3 Municipal parking spaces - indoor	90
	n/a	2.4 Municipal parking spaces - outdoor	90
	Yes	2.5 Works Yards	100
	Yes	2.6 Rolling stock ¹	100
	n/a	2.7 Ferries	90
	n/a	2.8 Airport	90

¹with 7+ year life time

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



Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
3. Stormwater Drainage and Control Services	No	3.1 Main channels and drainage trunks	100
	No	3.2 Channel connections	100
	No	3.3 Retention/detention ponds	100
4. Fire Protection Services	Yes	4.1 Fire stations	100
	Yes	4.2 Fire pumpers, aerials and rescue vehicles ¹	100
	Yes	4.3 Small equipment and gear	100
5. Outdoor Recreation Services (i.e. Parks and Open Space)	Ineligible	5.1 Acquisition of land for parks, woodlots and E.S.A.s	0
	Yes	5.2 Development of area municipal parks	90
	Yes	5.3 Development of district parks	90
	Yes	5.4 Development of municipal-wide parks	90
	Yes	5.5 Development of special purpose parks	90
	Yes	5.6 Parks rolling stock ¹ and yards	90
6. Indoor Recreation Services	Yes	6.1 Arenas, indoor pools, fitness facilities, community centres, etc. (including land)	90
	Yes	6.2 Recreation vehicles and equipment ¹	90
7. Library Services	Yes	7.1 Public library space (incl. furniture and equipment)	90
	No	7.2 Library vehicles ¹	90
	Yes	7.3 Library materials	90
8. Electrical Power Services	Ineligible	8.1 Electrical substations	0
	Ineligible	8.2 Electrical distribution system	0
	Ineligible	8.3 Electrical system rolling stock	0

¹with 7+ year life time



Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
9. Provision of Cultural, Entertainment and Tourism Facilities and Convention Centres	Ineligible	9.1 Cultural space (e.g. art galleries, museums and theatres)	0
	Ineligible	9.2 Tourism facilities and convention centres	0
10. Wastewater Services	No	10.1 Treatment plants	100
	No	10.2 Sewage trunks	100
	n/a	10.3 Local systems	0
	No	10.4 Vehicles and equipment ¹	100
11. Water Supply Services	No	11.1 Treatment plants	100
	No	11.2 Distribution systems	100
	n/a	11.3 Local systems	0
	No	11.4 Vehicles and equipment ¹	100
12. Waste Management Services	Ineligible	12.1 Landfill collection, transfer vehicles and equipment	0
	Ineligible	12.2 Landfills and other disposal facilities	0
	No	12.3 Waste diversion facilities	90
	No	12.4 Waste diversion vehicles and equipment ¹	90
13. Police Services	Yes	13.1 Police detachments	100
	Yes	13.2 Police rolling stock ¹	100
	Yes	13.3 Small equipment and gear	100
14. Homes for the Aged	n/a	14.1 Homes for the aged space	90
	n/a	14.2 Vehicles ¹	90
15. Child Care	n/a	15.1 Child care space	90
	n/a	15.2 Vehicles ¹	90
16. Health	n/a	16.1 Health department space	90
	n/a	16.2 Health department vehicles ¹	90
17. Social Housing	n/a	17.1 Social Housing space	90
18. Provincial Offences Act (P.O.A.)	n/a	18.1 P.O.A. space	90
19. Social Services	n/a	19.1 Social service space	90

¹with 7+ year life time



Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
20. Ambulance	n/a n/a	20.1 Ambulance station space 20.2 Vehicles ¹	90 90
21. Hospital Provision	Ineligible	21.1 Hospital capital contributions	0
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	0 0 0
23. Other Services	Yes Yes	23.1 Studies in connection with acquiring buildings, rolling stock, materials and equipment, and improving land ² and facilities, including the D.C. background study cost 23.2 Interest on money borrowed to pay for growth-related capital	 0-100 0-100

¹with a 7+ year life time

²same percentage as service component to which it pertains

4.4 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.

4.5 Capital Forecast

Paragraph 7 of subsection 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, Municipality Council must indicate "...that it intends to ensure that such an increase in need will be met" (subsection 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 section 3). The capital program contained herein reflects the Municipality's approved and proposed capital budgets and master servicing/needs studies.

4.6 Treatment of Credits

Section 8, paragraph 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." Subsection 17, paragraph 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. There are no outstanding credit obligations included in the D.C. calculations.

4.7 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 subsection 5 (1) to net the outstanding reserve fund balance as part of making the D.C. calculation; however, section 35 does restrict the way in which the funds are used in future.

For services which are subject to a per capita based, service level “cap,” the reserve fund balance should be applied against the development-related costs for which the charge was imposed once the project is constructed (i.e. the needs of recent growth). This cost component is distinct from the development-related costs for the next 10-year period, which underlie the D.C. calculation herein.

The alternative would involve the Municipality spending all reserve fund monies prior to renewing each by-law, which would not be a sound basis for capital budgeting. Thus, the Municipality will use these reserve funds for the Municipality’s cost share of applicable development-related projects, which are required but have not yet been undertaken, as a way of directing the funds to the benefit of the development which contributed them (rather than to future development, which will generate the need for additional facilities directly proportionate to future growth).

The Municipality’s D.C. reserve fund balance by service at December 31, 2019 is shown below:



Service	Totals
Services Related to a Highway	\$242,655
Fire Protection Services	\$125,413
Police Services*	\$222,268
Parks & Recreation Services	\$45,240
Library Services	\$169,154
Administration Studies	\$13,763
Total	\$818,493

*Note: The Police Services Reserve Fund is based on the proportionate share of growth-related capital recovery from when it was combined with Administration Studies

Note: Amounts in brackets are Deficit balances.

4.8 Deductions

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

- the level of service ceiling;
- uncommitted excess capacity;
- benefit to existing development;
- anticipated grants, subsidies and other contributions; and
- 10% reduction for certain services.

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

4.8.1 Reduction Required by Level of Service Ceiling

This is designed to ensure that the increase in need included in section 4.3 does "...not include an increase that would result in the level of service (for the additional development increment) exceeding the average level of the service provided in the municipality over the 10-year period immediately preceding the preparation of the background study..." O. Reg. 82.98 (section 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, described later in this section.

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

4.8.2 Reduction for Uncommitted Excess Capacity

Paragraph 5 of subsection 5 (1) requires a deduction from the increase in the need for service attributable to the anticipated development that can be met using the Municipality's "excess capacity," other than excess capacity which is "committed."

"Excess capacity" is undefined, but in this case must be able to meet some or all of the increase in need for service, in order to potentially represent a deduction. The deduction of uncommitted excess capacity from the future increase in the need for service would normally occur as part of the conceptual planning and feasibility work associated with justifying and sizing new facilities, e.g. if a road widening to accommodate increased traffic is not required because sufficient excess capacity is already available, then widening would not be included as an increase in need, in the first instance.

4.8.3 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 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 section 4.4 is related but is not the identical requirement. Sanitary, storm and water trunks are highly localized to growth areas and can be more readily allocated in this regard than other services such as services related to a highway, which do not have a fixed service area.

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

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



4.8.4 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. 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 (O. Reg. 82/98 section 6).

4.8.5 The 10% Reduction

Paragraph 8 of subsection 5 (1) of the D.C.A. requires that, “the capital costs must be reduced by 10 per cent.” This paragraph does not apply to water supply services, waste water services, stormwater drainage and control services, services related to a highway, police and fire protection services. The primary services to which the 10% reduction does apply include services such as parks, recreation, libraries, childcare/ social services, the Provincial Offences Act, ambulance, homes for the aged, and health.

The 10% is to be netted from the capital costs necessary to provide the increased services, once the other deductions have been made, as per the infrastructure costs sheets in Chapter 5.

4.9 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 7.4.4.

4.10 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.

4.11 Asset Management

The new legislation now requires that a D.C. background study must include an asset management plan (subsection 10 (2) c. 2). The asset management plan (A.M.P.) must deal with all assets that are proposed to be funded, in whole or in part, by D.C.s. The current regulations provide very extensive and specific requirements for the A.M.P. related to transit services (as noted in the subsequent subsection); however, they are silent with respect to how the A.M.P. is to be provided for all other services. As part of any A.M.P., the examination should be consistent with the municipality's existing assumptions, approaches and policies on the asset management planning. This examination has been included in Appendix F.

4.12 Transit

The most significant changes to the Act relate to the transit service. These changes relate to four areas of the calculations, as follows:

- A. Transit no longer requires the statutory 10% mandatory deduction from the net capital cost (subsection 5.2 (i) of the D.C.A.).
- B. The background study requires the following in regard to transit costs (as per subsection 8 (2) of the Regulations):
 1. The calculations that were used to prepare the estimate for the planned level of service for the transit services, as mentioned in subsection 5.2 (3) of the Act.
 2. An identification of the portion of the total estimated capital cost relating to the transit services that would benefit,
 - i. the anticipated development over the 10-year period immediately following the preparation of the background study, or
 - ii. the anticipated development after the 10-year period immediately following the preparation of the background study.



3. An identification of the anticipated excess capacity that would exist at the end of the 10-year period immediately following the preparation of the background study.
 4. An assessment of ridership forecasts for all modes of transit services proposed to be funded by the development charge over the 10-year period immediately following the preparation of the background study, categorized by development types, and whether the forecasted ridership will be from existing or planned development.
 5. An assessment of the ridership capacity for all modes of transit services proposed to be funded by the development charge over the 10-year period immediately following the preparation of the background study.
- C. A new forward-looking service standard (as per subsection 6.1 (2) of the Regulations):
1. The service is a discrete service.
 2. No portion of the service that is intended to benefit anticipated development after the 10-year period immediately following the preparation of the background study may be included in the estimate.
 3. No portion of the service that is anticipated to exist as excess capacity at the end of the 10-year period immediately following the preparation of the background study may be included in the estimate.
- D. A very detailed asset management strategy and reporting requirements (subsection 6.1 (3) of the Regulation) that includes lifecycle costs, action plans that will enable the assets to be sustainable, summary of how to achieve the proposed level of service, discussion on procurement measures and risk.

The Municipality does not currently intend to include any expansionary transit capital. Therefore, the above calculations and reporting requirements are not required.



Chapter 5

D.C.-Eligible Cost Analysis by Service



5. D.C.-Eligible Cost Analysis by Service

5.1 Introduction

This chapter outlines the basis for calculating eligible costs for the D.C.s to be applied on a uniform basis. In each case, the required calculation process set out in subsection 5 (1) paragraphs 2 to 8 in the D.C.A. and described in Chapter 4, was followed in determining D.C.-eligible costs.

The nature of the capital projects and timing identified in the Chapter reflects Council's current intention. Over time, however, Municipality projects and Council priorities change and accordingly, Council's intentions may alter and different capital projects (and timing) may be required to meet the need for services required by new growth.

5.2 Service Levels and 10-Year Capital Costs for D.C. Calculation

This section evaluates the development-related capital requirements for all of the “softer” services over a 10-year planning period. Each service component is evaluated on two format sheets: the average historical 10-year level of service calculation (see Appendix B), which “caps” the D.C. amounts; and, the infrastructure cost calculation, which determines the potential D.C. recoverable cost.

5.2.1 Parks & Recreation Services

The Municipality currently has 30.25 acres of developed parkland within its jurisdiction. The Municipality has sustained the current level of service over the historical 10-year period (2010 to 2019), with an average of 2.4 acres of parkland and 2.8 parkland amenities items per 1,000 population. Including parkland and parkland amenities (e.g. tennis courts, basketball courts, playground equipment, etc.) the level of service provided is approximately \$432 per capita. When applied over the forecast period, this average level of service translates into a D.C.-eligible amount of \$224,071.

With respect to recreation facilities, the Municipality currently operates out of 120,782 sq.ft. of facility space. The average historical level of service for the previous ten years



has been approximately 9.73 sq.ft. of space per capita or an investment of \$235 per capita. Based on this service standard, the Municipality would be eligible to collect \$1,184,511 from D.C.s for facility space.

Therefore, the total D.C.-eligible amount for Parks & Recreation services over the forecast period is \$1,408,582.

Based on the projected growth over the 10-year forecast period, the Municipality has identified \$832,000 in future growth capital costs for parks & recreation. These projects include expansions to the Durham Arena dressing rooms, a new swing set for the Town Hall park, a new outdoor pool facility and construction of a new playground at Centennial Ball Park. Allocations for a post period benefit of \$100,000 and existing development benefit of \$250,000 have been made. A deduction in the amount of \$45,240 has been made to recognize the reserve fund balance. The net growth capital cost after the mandatory 10% deduction and the allocation of reserve balance of \$388,560 for inclusion in the D.C.

As the predominant users of Parks & Recreation Services tend to be residents of the Municipality, the forecast growth-related costs have been allocated 95% to residential and 5% to non-residential.



5.2.2 Library Services

The Municipality operates its library services from four facilities totalling 7,350 sq.ft. Over the past ten years, the average level of service was 0.59 sq.ft. of space per capita or an investment of \$163 per capita. Within those library facilities, the Municipality has an inventory of library collection materials which total 29,855 items. These collection materials include books, periodicals, DVDs, Ebooks, and other electronic resources. Based on the service standard over the past ten years, the Municipality would be eligible to collect a total of \$129,531 from D.C.s for library services.

With respect to capital needs, the Municipality has identified an expansion to the Durham library, parking upgrades, additional library materials, and a library strategic plan for inclusion in the D.C. for library services due to growth. The gross cost of these projects totals \$530,000, with a post period benefit of \$214,700 and an existing benefit of \$16,700. In addition, an allocation to recognize the reserve fund balance of \$169,154 has been applied to the D.C. calculation. The net growth capital cost after the mandatory 10% deduction is \$99,586.

While library usage is predominately residential based, there is some use of the facilities by non-residential users, for the purpose of research. To acknowledge this use, the growth-related capital costs have been allocated 95% residential and 5% non-residential.



5.2.3 Administration Studies

The D.C.A. permits the inclusion of studies undertaken to facilitate the completion of the Municipality's capital works program. The Municipality has made provision for the inclusion of new studies undertaken to facilitate this D.C. process, as well as other studies which benefit growth (in whole or in part). The list of studies has been separated into two categories: Hard Services and Soft Services.

Hard Services:

- D.C. Studies

The cost of these studies is \$52,000. A deduction in the amount of \$4,161 has been made to reflect the balance in the reserve fund, which has been prorated for the share of the D.C. costs associated with hard services related studies. The net growth-related capital cost, after the mandatory 10% deduction is \$42,639. This amount has been included in the D.C. calculations.

Soft Services:

- Municipal strategic plans;
- Official plan updates; and
- Zoning by-law updates.

The cost of these studies totals \$240,000, of which \$120,000 is attributable to existing benefit. A deduction in the amount of \$9,602 has been made to reflect the balance in the reserve fund, which has been prorated for the share of the D.C. costs associated with soft services related studies. The net growth-related capital cost, after the mandatory 10% deduction is \$98,398. This amount has been included in the D.C. calculations.

These costs have been allocated 87% residential and 13% non-residential based on the incremental growth in population to employment for the 10-year forecast period.



5.3 Service Levels and 2031 Capital Costs for West Grey's D.C. Calculation

This section evaluates the development-related capital requirements for those services with a 2031 forecast period.

5.3.1 Services Related to a Highway

5.3.1.1 Services Related to a Highway - Roads

West Grey owns and maintains 723 km of urban and rural roadways, which comprise of gravel, hot mix, and surface treated roads. This provides an average level of investment of \$54,609 per capita, resulting in a D.C.-eligible recovery amount of \$34.57 million over the 2031 forecast period.

With respect to future needs, the capital projects include a conversion of Durham Road East from a rural to urban standard, Park Street Widening and an expansion to existing bridges. The gross capital cost of these projects totals \$4.8 million. A deduction for existing benefit of \$1.9 million has been made, along with a deduction of \$1.83 million for post period benefit. A further reduction of \$242,655 has also been applied to account for the existing reserve fund balance, resulting in a D.C.-eligible amount of \$832,345 to be recovered over the current forecast period (2020 to 2031).

These costs have been allocated 87% residential and 13% non-residential based on the incremental growth in population to employment for the 2031 forecast period.



Infrastructure Costs Included in the Development Charges Calculation

Municipality of West Grey
Service: Roads

Prj .No	Increased Service Needs Attributable to Anticipated Development 2020-2031	Timing (year)	Gross Capital Cost Estimate (2020\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 87%	Non-Residential Share 13%
	Bridges										
1	B-028 (single to double lane)	2020	1,400,000	350,000		1,050,000	700,000		350,000	304,500	45,500
2	N-051 (single to double lane)	2020	1,400,000	350,000		1,050,000	700,000		350,000	304,500	45,500
	Roads										
3	Durham Road E. - Rural to Urban Standard	2023-2025	1,800,000	1,012,500		787,500	450,000		337,500	293,625	43,875
4	Park Street Widening	2021	200,000	112,500		87,500	50,000		37,500	32,625	4,875
5	Reserve Fund Adjustment	Reserve	-	-		-	242,655		(242,655)	(211,110)	(31,545)
	Total		4,800,000	1,825,000	-	2,975,000	2,142,655	-	832,345	724,140	108,205



5.3.1.2 Services Related to a Highway - Public Works Facilities, Fleet & Equipment

The Public Works department operates out of several facilities throughout the Municipality. The facilities total 46,790 sq.ft. of building area, providing for an average level of service of 3.74 sq.ft. per capita or \$570 per capita. This level of service provides the Municipality with a maximum D.C.-eligible amount for recovery over the 2031 forecast period of \$360,937.

To support the facilities, Public Works has a variety of vehicles and major equipment (pick up trucks, sweepers, loaders, trailers, etc.), with an approximate value totalling \$12.07 million. The inventory provides for a per capita standard of \$987. Over the forecast period, the D.C.-eligible amount for vehicles and equipment is \$624,556.

Therefore, the total eligible amount for this service is \$985,493.

With respect to capital needs, a new shed, a shed expansion, and a provision for new vehicles and equipment have been identified at a gross capital cost of \$836,000. A deduction of \$209,000 has been made to account for the post period benefit resulting in a net eligible amount of \$627,000 to be included in the D.C. calculation.

The residential/non-residential capital cost allocation for Public Works facilities, fleet and equipment is based on an 87%/13% split which is based on the incremental growth in population to employment for the 2031 forecast period.



5.3.2 Police Services

The West Grey Police currently operates out of the West Grey Police Station, as well as dedicated space within the Municipal Building. These facilities combine for a total 3,541 sq.ft. of building area, providing for a per capita average level of service of 0.28 sq.ft. and \$67 per capita. This level of service provides the Municipality with a maximum D.C.-eligible amount for recovery over the 2031 forecast period of \$42,690 for police facilities.

The police services maintain a fleet of 7 cruisers. The average level of service for the 10-year period is \$25 per capita, providing for a D.C.-eligible amount over the forecast period of \$15,958.

The West Grey Police currently have 22 equipped officers. The average level of service for the historical 10-year period of \$18 per capita, providing for a D.C.-eligible amount over the forecast period of \$11,147.

Therefore, the total D.C.-eligible amount for Police services over the forecast period is \$69,795.

To service growth over the 2031 forecast period, staff have identified the need for a police station expansion, which will be able to hold 30 officers (currently at 22). The gross capital cost of the expansion is \$5,000,000. A deduction of \$1,041,300 has been made to account for the benefit to growth beyond the forecast period. An additional deduction of \$3,666,700 to account for benefit to existing development has also been made. Note that the reserve fund for police services and administration studies has been historically combined into one reserve fund. It is recommended that these reserve funds be split out by service based on the proportionate share of growth-related capital recovery from when it was combined with Administration. This results in a reserve fund balance for police services of \$222,268. Therefore, \$222,268 has been allocated as the existing reserve fund, resulting in a total D.C.-eligible amount of \$69,732 for inclusion in the D.C. calculations.

The costs for the police service are shared 87%/13% between residential and non-residential based on the population to employment ratio over the 2031 forecast period.



5.3.3 Fire Protection Services

West Grey currently operates its fire services from four stations, totalling 16,860 sq.ft. of facility space. This provides for a per capita average level of service of 1.35 sq.ft. per capita or \$439 per capita. This level of service provides the Municipality with a maximum D.C.-eligible amount for recovery over the forecast period of \$277,583.

In addition to the facilities, the fire department has a current inventory of 19 vehicles and 192 sets of equipment for the use in fire services. This results in a calculated average level of service for the historical 10-year period of \$366 per capita, providing for a D.C.-eligible amount over the forecast period of \$231,976 for vehicles and equipment.

Therefore, the total D.C.-eligible amount over the forecast period related to Fire services is \$509,559.

With respect to capital needs, a provision for additional fire related capital has been identified at a cost of \$225,000. This amount has been included in the D.C. calculations.

These costs are shared between residential and non-residential based on the population to employment ratio over the 2031 forecast period, resulting in 87% being allocated to residential development and 13% being allocated to non-residential development.



Infrastructure Costs Included in the Development Charges Calculation

Municipality of West Grey
 Service: Fire Services

Prj .No	Increased Service Needs Attributable to Anticipated Development 2020-2031	Timing (year)	Gross Capital Cost Estimate (2020\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 87%	Non- Residential Share 13%
1	Provision for Fire Capital	2020-2031	225,000	-		225,000	-		225,000	195,750	29,250
	Total		225,000	0	0	225,000	0	0	225,000	195,750	29,250



Chapter 6

D.C. Calculation



6. D.C. Calculation

Table 6-1 calculates the proposed uniform D.C. to be imposed on anticipated development in the Municipality for Municipal-wide services over a 12-year planning horizon. Table 6-2 calculates the proposed uniform D.C. to be imposed on anticipated development in the Municipality for Municipal-wide services over a 10-year planning horizon

The calculation for residential development is generated on a per capita basis and is based upon five forms of housing types (singles and semi-detached, apartments 2+ bedrooms, apartments bachelor and 1 bedroom, all other multiples, and special care/special dwelling units). The non-residential D.C. has been calculated on a per sq.ft. of gross floor area basis for all types of non-residential development (industrial, commercial and institutional).

The D.C.-eligible costs for each service component were developed in Chapter 5 for all Municipal services, based on their proposed capital programs.

For the residential calculations, the total cost is divided by the “gross” (new resident) population to determine the per capita amount. The eligible D.C. cost calculations set out in Chapter 5 are based on the net anticipated population increase (the forecast new unit population less the anticipated decline in existing units). The cost per capita is then multiplied by the average occupancy of the new units (Appendix A, Schedule 5) to calculate the charge in Tables 6-1 and 6-2.

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

Table 6-3 summarizes the total D.C. that is applicable for municipal-wide services and Table 6-4 summarizes the gross capital expenditures and sources of revenue for works to be undertaken during the 5-year life of the by-law.



Table 6-1
Municipality of West Grey
D.C. Calculation
Municipal-wide Services
2020-2031

SERVICE	2020\$ D.C.-Eligible Cost		2020\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
	\$	\$	\$	\$
1. <u>Services Related to a Highway</u>				
1.1 Roads	724,140	108,205	2,031	1.29
1.2 PW Buildings & Rolling Stock	545,490	81,510	1,530	0.98
	1,269,630	189,715	3,561	2.27
2. <u>Fire Protection Services</u>				
2.1 Fire facilities, vehicles & equipment	195,750	29,250	549	0.35
	195,750	29,250	549	0.35
3. <u>Police Services</u>				
3.1 Police facilities, vehicles & equipment	60,667	9,065	170	0.11
	60,667	9,065	170	0.11
TOTAL	\$1,526,047	\$228,030	\$4,280	\$2.73
D.C.-Eligible Capital Cost	\$1,526,047	\$228,030		
2031 Gross Population/GFA Growth (sq.ft.)	920	83,500		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$1,658.75	\$2.73		
By Residential Unit Type	P.P.U.			
Single and Semi-Detached Dwelling	2.580	\$4,280		
Apartments - 2 Bedrooms +	1.739	\$2,885		
Apartments - Bachelor and 1 Bedroom	1.160	\$1,924		
Multiples	1.652	\$2,740		
Special Care/Special Dwelling Units	1.100	\$1,825		



Table 6-2
Municipality of West Grey
D.C. Calculation
Municipal-wide Services
2020-2029

SERVICE	2020\$ D.C.-Eligible Cost		2020\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
4. <u>Parks & Recreation Services</u>	\$	\$	\$	\$
4.1 Recreation facilities, vehicles and equipment	369,132	19,428	1,193	0.28
	369,132	19,428	1,193	0.28
5. <u>Library Services</u>				
5.1 Library facilities, materials and vehicles	94,607	4,979	306	0.07
	94,607	4,979	306	0.07
6. <u>Administration</u>				
6.1 Studies - Hard Services	37,096	5,543	120	0.08
6.2 Studies - Soft Services	85,606	12,792	277	0.18
TOTAL	\$586,442	\$42,742	\$1,896	\$0.61
D.C.-Eligible Capital Cost	\$586,442	\$42,742		
10-Year Gross Population/GFA Growth (sq.ft.)	798	70,600		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$734.89	\$0.61		
By Residential Unit Type	P.P.U.			
Single and Semi-Detached Dwelling	2.580	\$1,896		
Apartments - 2 Bedrooms +	1.739	\$1,278		
Apartments - Bachelor and 1 Bedroom	1.160	\$852		
Multiples	1.652	\$1,214		
Special Care/Special Dwelling Units	1.100	\$808		

Table 6-3
Municipality of West Grey
D.C. Calculation
Total All Services

	2020\$ D.C.-Eligible Cost		2020\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
Municipal-wide Services 2031	\$ 1,526,047	\$ 228,030	\$ 4,280	\$ 2.73
Municipal-wide Services 10 Year	586,442	42,742	1,896	0.61
TOTAL	2,112,488	270,772	6,176	3.34



Table 6-4
Municipality of West Grey
Gross Expenditures and Sources of Revenue Summary for Costs to be Incurred over the Life of the By-law

Service	Total Gross Cost	Sources of Financing							
		Tax Base or Other Non-D.C. Source				Post D.C. Period Benefit	D.C. Reserve Fund		
		Other Deductions	Benefit to Existing	Other Funding	Legislated Reduction		Residential	Non-Residential	
1. Services Related to a Highway									
1.1 Roads	4,200,000	0	1,750,000	0	0	1,487,500	837,375	125,125	
1.2 PW Buildings & Rolling Stock	777,667	0	0	0	0	194,417	507,428	75,823	
2. Fire Protection Services									
2.1 Fire facilities, vehicles & equipment	93,750	0	0	0	0	0	81,563	12,188	
3. Police Services									
3.1 Police facilities, vehicles & equipment	5,000,000	0	3,666,700	0	0	1,041,300	254,040	37,960	
4. Parks & Recreation Services									
4.1 Recreation facilities, vehicles and equipment	632,000	0	250,000	0	33,200	50,000	283,860	14,940	
5. Library Services									
5.1 Library facilities, materials and vehicles	530,000	0	16,700	0	29,860	214,700	255,303	13,437	
6. Administration									
6.1 Studies - Hard Services	26,000	0	0	0	2,600	0	20,358	3,042	
6.2 Studies - Soft Services	125,000	0	62,500	0	6,250	0	48,938	7,313	
Total Expenditures & Revenues	\$11,384,417	\$0	\$5,745,900	\$0	\$71,910	\$2,987,917	\$2,288,864	\$289,827	



Chapter 7

D.C. Policy Recommendations and D.C. By-law Rules



7. D.C. Policy Recommendations and D.C. By-law Rules

7.1 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.

The rules provided are based on the Municipality’s existing policies, with consideration for the updates from Bill 108. However, there are items under consideration at this time and these may be refined prior to adoption of the by-law.



7.2 D.C. By-law Structure

It is recommended that:

- the Municipality uses a uniform Municipal-wide D.C. calculation for all municipal services;
- one municipal D.C. by-law be used for all services.

7.3 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.:

7.3.1 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.”



7.3.2 Determination of the Amount of the Charge

The following conventions be adopted:

- 1) Costs allocated to residential uses will be assigned to different types of residential units based on the average occupancy for each housing type constructed during the previous 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, e.g.
 - for administration, the costs have been based on a population vs. employment growth ratio (87%/13%) for residential and non-residential, respectively) over the 10-year forecast period;
 - for parks & recreation services and library services, a 5% non-residential attribution has been made to recognize use by the non-residential sector; and
 - for services related to a highway, police services and fire services, an 87% residential/13% non-residential attribution has been made based on a population vs. employment growth ratio over the 2031 forecast period.

7.3.3 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 60 months prior to



the issuance of a building permit. The credit can, in no case, exceed the amount of D.C.s that would otherwise be payable.

7.3.4 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).

b) Non-statutory exemptions (for Council Consideration):

- Non-residential building that are accessory to an agricultural operation;
- Temporary buildings where the owner has completed an agreement with the Municipality specifying the owner's obligation to remove the building;
- Places of worship exempt from taxation under the *Assessment Act*, and
- Public hospitals under the *Public Hospitals Act*.

7.3.5 Phasing in

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

7.3.6 Timing of Collection

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

Commencing January 1, 2020, rental housing and institutional developments will pay D.C.s in six equal annual payments commencing at occupancy. Non-profit housing



developments will pay D.C.s in 21 equal annual payments. Moreover, the D.C. amount for all developments occurring within 2 years of a Site Plan or Zoning By-law Amendment planning approval (for applications submitted after January 1, 2020), shall be determined based on the D.C. charge in effect on the day of the Site Plan or Zoning By-law Amendment application.

Installment payments and payments determined at the time of Site Plan or Zoning Bylaw Amendment application are subject to annual interest charges. The setting of the interest rate has been discussed with Municipal staff and will be calculated based on the Town's 10-year annual borrowing rate plus 1%. This will be presented to Council for consideration under a separate staff report.

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

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

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

- a) as a long-term care home within the meaning of subsection 2 (1) of the *Long-Term Care Homes Act, 2007*;
- b) as a retirement home within the meaning of subsection 2 (1) of the *Retirement Homes Act, 2010*;
- c) by any of the following post-secondary institutions for the objects of the institution:
 - i. a university in Ontario that receives direct, regular and ongoing operating funding from the Government of Ontario,
 - ii. a college or university federated or affiliated with a university described in subclause (i), or
 - iii. an Indigenous Institute prescribed for the purposes of section 6 of the *Indigenous Institutes Act, 2017*;
- d) as a memorial home, clubhouse or athletic grounds by an Ontario branch of the Royal Canadian Legion; or
- e) as a hospice to provide end of life care.



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

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

Despite the above, Council, from time to time and at any time, may enter into agreements providing for all or any part of a D.C. to be paid before or after it would otherwise be payable.

7.3.7 Indexing

Indexing of the D.C.s shall be implemented on a mandatory basis annually commencing on the first day of January and each year 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.

7.3.8 The Applicable Areas

The charges developed herein provide for varying charges within the Municipality, as follows:

- all municipal-wide services – the full residential and non-residential charge will be imposed on all lands within the Municipality.

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.



7.4 Other D.C. By-law Provisions

It is recommended that:

7.4.1 Categories of Services for Reserve Fund and Credit Purposes

The Municipality's D.C. collections are currently reserved in five separate reserve funds: services related to a highway, fire protection services, parks & recreation, library services, and administration studies. It is recommended that the Administration reserve fund category be separated out into Administration studies and Police Services to have a total of six separate reserve funds. Appendix D outlines the reserve fund policies that the Municipality is required to follow as per the D.C.A.

7.4.2 By-law In-force Date

A by-law under the D.C.A. comes into force on the day after which the by-law is passed by Council.

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

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

7.4.4 Area Rating

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.

At present, the Municipality's by-law does not provide for area-rating. All Municipality services are recovered based on a uniform, Municipal-wide basis. There have been several reasons why they have not been imposed including:

1. All Municipality services, with the exception of water, wastewater and stormwater, require that the average 10-year service standard be calculated. This average service standard multiplied by growth in the Municipality, establishes an upper ceiling on the amount of funds which can be collected from all developing landowners. Section 4 (4) of O. Reg. 82/98 provides that "...if a development charge by-law applies to a part of the municipality, the level of service and average level of service cannot exceed that which would be determined if the by-law applied to the whole municipality." Put in layman terms, the average service standard multiplied by the growth within the specific area, would establish an area specific ceiling which would significantly reduce the total revenue recoverable for the Municipality hence potentially resulting in D.C. revenue shortfalls and impacts on property taxes.
2. Extending on item 1, attempting to impose an area charge potentially causes equity issues in transitioning from a Municipal-wide approach to an area specific approach. For example, if all services were now built (and funded) within Area A (which is 75% built out) and this was funded with some revenues from Areas B and C, moving to an area rating approach would see Area A contribute no funds to the costs of services in Areas B and C. The development charges would be lower in Area A (as all services are now funded) and higher in Areas B and C. As well, funding shortfalls may then potentially encourage the municipality to provide less services to Areas B and C due to reduced revenue.
3. Many services which are provided (roads, parks, recreation facilities, library) are not restricted to one specific area and are often used by all residents. For example, arenas located in different parts of the Municipality will be used by residents from all areas depending on the programming of the facility (i.e. a public skate is available each night, but at a different arena; hence usage of any one facility at any given time is based on programming availability).



For the reasons noted above, it is recommended that Council continue the D.C. approach to calculate the charges on a uniform Municipal-wide basis.

7.5 Other Recommendations

It is recommended that Council:

“Whenever appropriate, request that grants, subsidies and other contributions be clearly designated by the donor as being to the benefit of existing development or new development, as applicable;”

“Adopt the assumptions contained herein as an ‘anticipation’ with respect to capital grants, subsidies and other contributions;”

“Continue the D.C. approach to calculate the charges on a uniform Municipal-wide basis for all services;”

“Approve the capital project listing set out in Chapter 5 of the D.C.s Background Study dated February 28, 2020, subject to further annual review during the capital budget process;”

“Approve the D.C.s Background Study dated February 28, 2020, as amended (if applicable);”

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

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



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. Section 8.1.4 addresses the anticipated impact of the D.C. on development from a generic viewpoint.

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, once made, is final and not subject to review by a Court or the Local Planning Appeal Tribunal (L.P.A.T.) (formerly the Ontario Municipal Board (O.M.B.)).

8.1.3 Other Consultation Activity

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

1. The first grouping is the residential development community, consisting of land developers and builders, who are typically responsible for generating the majority



of the D.C. revenues. Others, such as realtors, are directly impacted by D.C. policy. They are, therefore, potentially interested in all aspects of the charge, particularly the quantum by unit type, projects to be funded by the D.C. and the timing thereof, and Municipal policy with respect to development agreements, D.C. credits and front-ending requirements.

2. The second public grouping embraces the public at large and includes taxpayer coalition groups and others interested in public policy.
3. The third grouping is the industrial/commercial/institutional development sector, consisting of land developers and major owners or organizations with significant construction plans, such as hotels, entertainment complexes, shopping centres, offices, industrial buildings and institutions. Also involved are organizations such as Industry Associations, the Chamber of Commerce, the Board of Trade and the Economic Development Agencies, who are all potentially interested in Municipal D.C. policy. Their primary concern is frequently with the quantum of the charge, gross floor area exclusions such as basements, mechanical or indoor parking areas, or exemptions and phase-in or capping provisions in order to moderate the impact.

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 Municipality 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 Municipality 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 section 13 of the D.C.A., when a D.C. by-law is passed, the Municipality 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;
- subsection 10 (4) lists the persons/organizations who must be given notice; and
- subsection 10 (5) lists the eight items which the notice must cover.

8.3.3 By-law Pamphlet

In addition to the "notice" information, the Municipality 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 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 L.P.A.T., the pamphlet must be readied within 60 days after the by-law comes into force. Later dates apply to appealed by-laws.

The Municipality 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 L.P.A.T. Hearing in response to an appeal. Any person or organization may appeal a D.C. by-law to the L.P.A.T. by filing a notice of appeal with the Municipality 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 Municipality 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 Municipality 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 Municipality Council to the L.P.A.T.



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

8.3.7 Front-Ending Agreements

The Municipality and one or more landowners may enter into a front-ending agreement which provides for the costs of a project which will benefit an area in the Municipality to which the D.C. by-law applies. Such an agreement can provide for the costs to be borne by one or more parties to the agreement who are, in turn, reimbursed in future by persons who develop land defined in the agreement.

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

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 section 51 or section 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 subsection 59 (4) of the D.C.A. requires that the municipal approval authority for a draft plan of subdivision under subsection 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 Municipality 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 Municipality of West Grey 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	Other		Total Households
Historical	<i>Mid 2006</i>	12,490	12,193	198	11,995	4,270	130	245	75	4,720	2.583
	<i>Mid 2011</i>	12,580	12,286	266	12,020	4,391	136	217	126	4,870	2.523
	<i>Mid 2016</i>	12,820	12,518	278	12,240	4,535	155	250	135	5,075	2.467
Forecast	<i>Early 2020</i>	13,200	12,893	287	12,606	4,706	156	257	135	5,254	2.454
	<i>Early 2030</i>	13,740	13,411	298	13,113	4,964	217	270	135	5,586	2.401
	<i>Mid 2031</i>	13,850	13,526	300	13,226	5,003	227	272	135	5,637	2.400
Incremental	Mid 2006 - Mid 2011	90	93	68	25	121	6	-28	51	150	
	Mid 2011 - Mid 2016	240	232	12	220	144	19	33	9	205	
	Mid 2016 - Early 2020	380	375	9	366	171	1	7	0	179	
	Early 2020 - Early 2030	540	518	11	507	258	61	13	0	332	
	Early 2020 - Mid 2031	650	633	13	620	297	71	15	0	383	

Derived from Grey County Growth Management Strategy – Forecast and Land Supply Review and Update, May 17, 2018. forecast for the Municipality of West Grey by Watson & Associates Economists Ltd., 2019

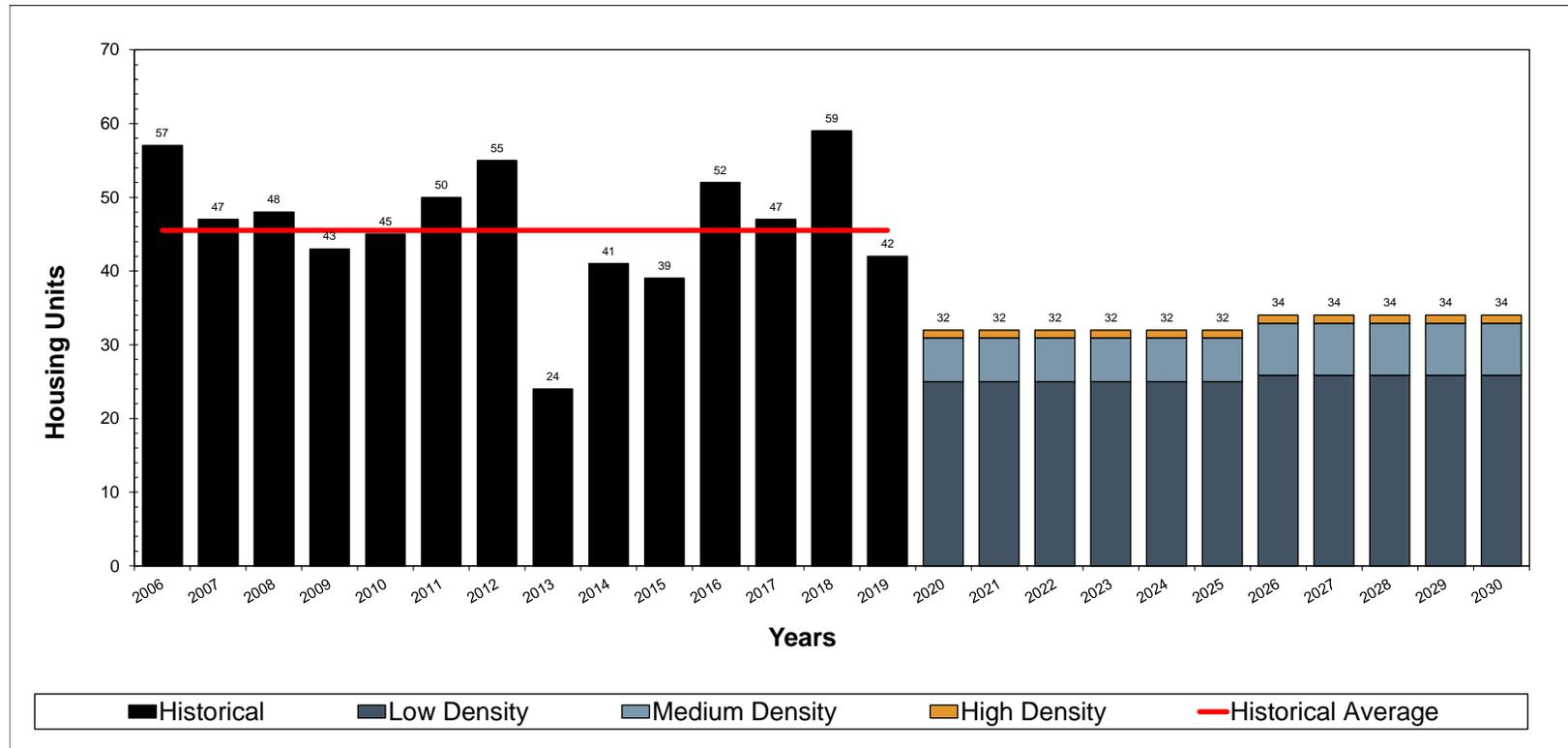
¹ Census undercount estimated at approximately 2.4%. Note: Population including the undercount has been rounded.

² Includes townhouses and apartments in duplexes.

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



Figure A-1
Municipality of West Grey
Annual Housing Forecast¹



Source: Historical housing activity derived from Statistics Canada building permit data for the Municipality of West Grey, 2007-2019. 2019 reflects an estimated full year based on Jan-Aug actuals.
1 Growth forecast represents calendar year.



Schedule 2
Municipality of West Grey
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
Municipality of West Grey	2020 - 2030	258	61	13	332	787	-280	507	11	518
	2020 - 2031	297	71	15	383	907	-287	620	13	633

Derived from Grey County Growth Management Strategy – Forecast and Land Supply Review and Update, May 17, 2018. forecast for the Municipality of West Grey by Watson & Associates Economists Ltd., 2019

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
Municipality of West Grey
Current Year Growth Forecast
Mid 2016 to Early 2020

		Population
Mid 2016 Population		12,518
Occupants of New Housing Units, Mid 2016 to Early 2020	<i>Units (2)</i>	179
	<i>multiplied by P.P.U. (3)</i>	2.632
	<i>gross population increase</i>	471
Occupants of New Equivalent Institutional Units, Mid 2016 to Early 2020	<i>Units</i>	8
	<i>multiplied by P.P.U. (3)</i>	1.100
	<i>gross population increase</i>	9
Decline in Housing Unit Occupancy, Mid 2016 to Early 2020	<i>Units (4)</i>	5,075
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.021
	<i>total decline in population</i>	-105
Population Estimate to Early 2020		12,893
<i>Net Population Increase, Mid 2016 to Early 2020</i>		375

- (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>	2.675	96%	2.555
<i>Multiples (6)</i>	1.862	1%	0.010
<i>Apartments (7)</i>	1.688	4%	0.066
Total		100%	2.632

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 Municipality of West Grey 10-Year Growth Forecast Early 2020 to Early 2030

		Population
Early 2020 Population		12,893
Occupants of New Housing Units, Early 2020 to Early 2030	<i>Units (2)</i>	332
	<i>multiplied by P.P.U. (3)</i>	2,369
	<i>gross population increase</i>	787
Occupants of New Equivalent Institutional Units, Early 2020 to Early 2030	<i>Units</i>	10
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	11
Decline in Housing Unit Occupancy, Early 2020 to Early 2030	<i>Units (4)</i>	5,254
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.053
	<i>total decline in population</i>	-280
Population Estimate to Early 2030		13,411
<i>Net Population Increase, Early 2020 to Early 2030</i>		<i>518</i>

(1) Early 2020 Population based on:

2016 Population (12,518) + Mid 2016 to Early 2020 estimated housing units to beginning of forecast period (179 x 2.632 = 471) + (8 x 1.1 = 9) + (5,075 x -0.021 = -105) = 12,893

(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>	2.580	78%	2.006
<i>Multiples (6)</i>	1.652	18%	0.302
<i>Apartments (7)</i>	1.552	4%	0.062
<i>one bedroom or less</i>	1.160		
<i>two bedrooms or more</i>	1.739		
Total		100%	2.369

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) Early 2020 households based upon 2016 Census (5,075 units) + Mid 2016 to Early 2020 unit estimate (179 units) = 5,254 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
Municipality of West Grey
Long Term Growth Forecast
Early 2020 to Mid-2041**

		Population
Early 2020 Population		12,893
Occupants of New Housing Units, Early 2020 to Mid 2031	<i>Units (2)</i>	383
	<i>multiplied by P.P.U. (3)</i>	2.367
	<i>gross population increase</i>	907
Occupants of New Equivalent Institutional Units, Early 2020 to Mid 2031	<i>Units</i>	12
	<i>multiplied by P.P.U. (3)</i>	1.100
	<i>gross population increase</i>	13
Decline in Housing Unit Occupancy, Early 2020 to Mid 2031	<i>Units (4)</i>	5,254
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.055
	<i>total decline in population</i>	-287
Population Estimate to Mid 2031		13,526
<i>Net Population Increase, Early 2020 to Mid 2031</i>		633

(1) Early 2020 Population based on:

2016 Population (12,518) + Mid 2016 to Early 2020 estimated housing units to beginning of forecast period (179 x 2.632 = 471) + (8 x 1.1 = 9) + (5,075 x -0.021 = -105) = 12,893

(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>	2.580	78%	2.000
<i>Multiples (6)</i>	1.652	19%	0.307
<i>Apartments (7)</i>	1.552	4%	0.060
<i>one bedroom or less</i>	1.160		
<i>two bedrooms or more</i>	1.739		
Total		100%	2.367

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) Early 2020 households based upon 2016 Census (5,075 units) + Mid 2016 to Early 2020 unit estimate (179 units) = 5,254 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
Municipality of West Grey
Summary of Vacant Land Supply Housing Potential
Within Urban Areas³

Stage of Development	Density Type			
	Singles & Semi-Detached	Multiples ¹	Apartments ²	Total
Draft Plans Approved	178	64	0	242
<i>% Breakdown</i>	<i>74%</i>	<i>26%</i>	<i>0%</i>	<i>100%</i>
Application Under Review	104	14	0	118
<i>% Breakdown</i>	<i>88%</i>	<i>12%</i>	<i>0%</i>	<i>100%</i>
Total	282	78	0	360
<i>% Breakdown</i>	<i>78%</i>	<i>22%</i>	<i>0%</i>	<i>100%</i>

Source: Municipality of West Grey as of February 2020.

¹ Includes townhomes and apartments in duplexes.

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

³ Includes Durham and Neustadt settlement areas.



Schedule 7
Municipality of West Grey
Historical Residential Building Permits
Years 2007 to 2019

Year	Residential Building Permits			
	Singles & Semi Detached	Multiples ¹	Apartments ²	Total
2007	41	0	6	47
2008	48	0	0	48
2009	43	0	0	43
2010	44	0	1	45
2011	46	0	4	50
Average (2007 - 2011)	44	0	2	47
% Breakdown	95.3%	0.0%	4.7%	100.0%
2012	51	4	0	55
2013	20	4	0	24
2014	37	4	0	41
2015	39	0	0	39
2016	51	1	0	52
Sub-total	198	13	0	211
Average (2012 - 2016)	40	3	0	42
% Breakdown	93.8%	6.2%	0.0%	100.0%
2017	46	0	1	47
2018	56	0	3	59
2019	36	0	6	42
Sub-total	138	0	10	148
% Breakdown	93.2%	0.0%	6.8%	100.0%
2007 - 2019				
Total	558	13	21	592
Average	43	1	2	39
% Breakdown	94.3%	2.2%	3.5%	100.0%

Source: 2007-2016 Statistics Canada Publication, 64-001XIB. 2017-2019 based upon municipal data supplied by Building Department, September 13, 2019. 2019 reflects an estimated full year based on YTD actuals.

¹ Includes townhouses and apartments in duplexes.

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



Schedule 8a
Municipality of West Grey
Person Per Unit by Age and Type of Dwelling
(2016 Census)

Age of Dwelling	Singles and Semi-Detached						15 Year Average
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total	
1-5	-	-	1.769	3.000	-	2.675	
6-10	-	-	-	2.933	-	2.683	
11-15	-	-	-	2.471	-	2.381	2.580
16-20	-	-	-	2.769	-	2.615	
20-25	-	-	-	2.746	-	2.726	
25-35	-	-	2.250	2.458	-	2.492	
35+	-	1.625	1.848	2.541	3.500	2.437	
Total	-	1.542	1.869	2.583	3.603	2.494	



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

Age of Dwelling	Multiples ¹					Total	15 Year Average
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR		
1-5	-	-	1.846	2.000	-	1.862	
6-10	-	-	1.538	2.000	-	1.662	
11-15	-	-	1.615	1.538	-	1.432	1.652
16-20	-	-	1.267	2.250	-	2.040	
20-25	-	-	1.923	2.429	-	2.125	
25-35	-	-	1.710	2.111	-	1.827	
35+	-	1.263	1.627	2.545	-	1.894	
Total	0.769	1.288	1.628	2.271	-	1.834	

Age of Dwelling	Apartments ²					Total	15 Year Average
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR		
1-5	-	-	1.692	-	-	1.688	
6-10	-	1.091	1.571	-	-	1.520	
11-15	-	-	1.429	-	-	1.448	1.552
16-20	-	-	-	-	-	2.125	
20-25	-	1.158	1.657	-	-	1.448	
25-35	-	1.197	1.623	2.471	-	1.503	
35+	1.071	1.126	1.750	2.580	-	1.511	
Total	0.938	1.141	1.714	2.439	-	1.517	

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

¹ Includes townhouses and apartments in duplexes.

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

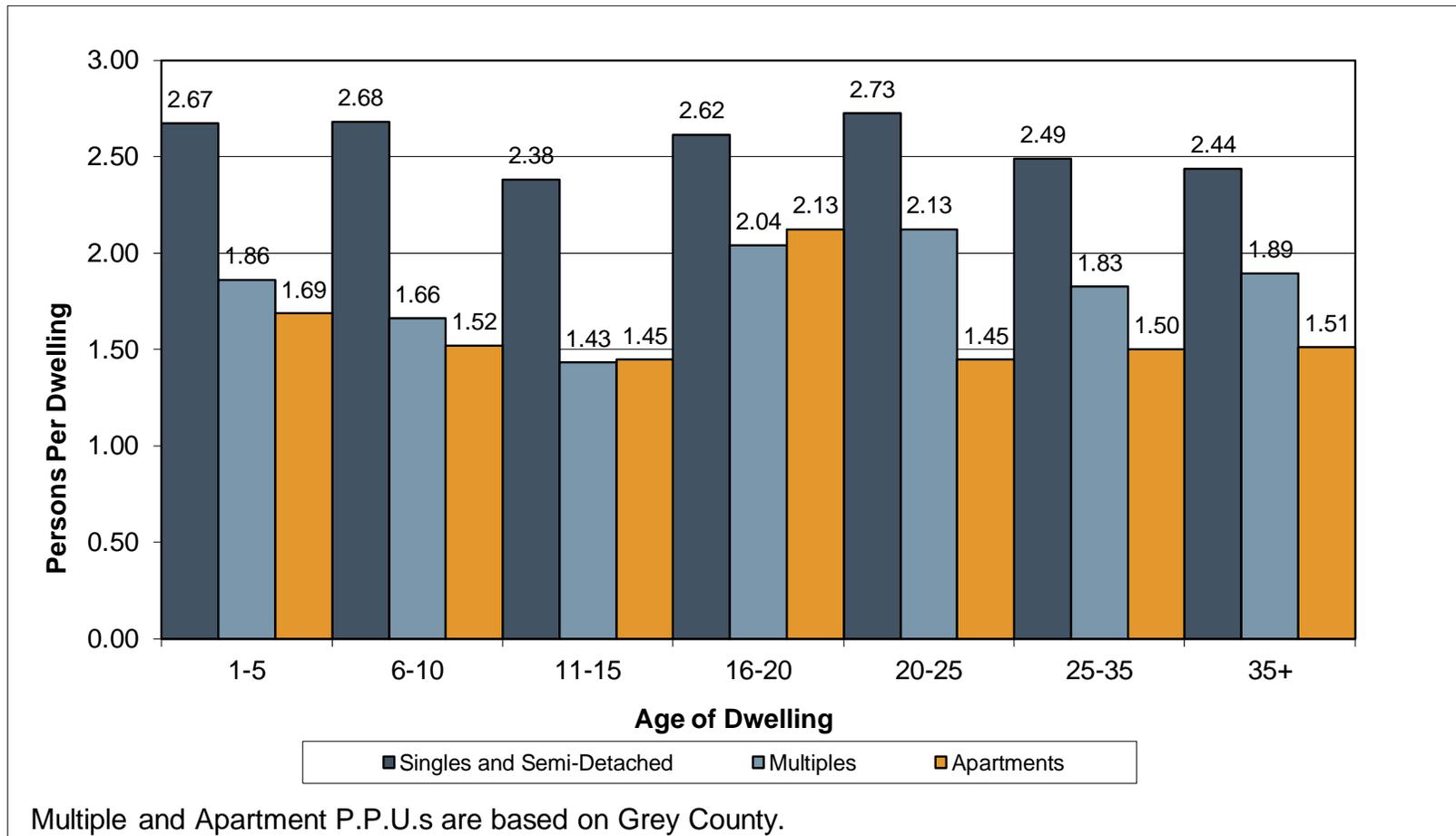
³ Adjusted based on 2001-2016 historical trends.

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

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



Schedule 9
Municipality of West Grey
Person Per Unit Structural Type and Age of Dwelling
(2016 Census)





Schedule 10a Municipality of West Grey Employment Forecast, 2020 to 2041

Period	Population	Activity Rate								Employment								Total Employment (Including N.F.P.O.W.)
		Primary	Work at Home	Industrial	Commercial/Population Related	Institutional	Total	N.F.P.O.W. ¹	Total Including NFPOW	Primary	Work at Home	Industrial	Commercial/Population Related	Institutional	Total	N.F.P.O.W. ¹		
Mid 2006	12,193	0.009	0.095	0.075	0.066	0.032	0.278	0.039	0.316	115	1,155	915	810	390	3,385	472	3,857	2,230
Mid 2011	12,286	0.019	0.065	0.050	0.048	0.037	0.219	0.039	0.258	230	795	620	595	450	2,690	476	3,166	1,895
Mid 2016	12,518	0.010	0.073	0.055	0.056	0.030	0.224	0.039	0.263	120	920	690	700	375	2,805	485	3,290	1,885
Early 2020	12,893	0.009	0.073	0.055	0.056	0.030	0.223	0.039	0.262	120	948	709	720	382	2,879	500	3,379	1,931
Early 2030	13,411	0.009	0.072	0.055	0.057	0.029	0.222	0.039	0.260	120	972	736	762	392	2,982	520	3,502	2,010
Mid 2031	13,526	0.009	0.072	0.055	0.057	0.029	0.222	0.039	0.260	120	974	742	769	392	2,997	524	3,521	2,023
Incremental Change																		
Mid 2006 - Mid 2011	93	0.009	-0.030	-0.025	-0.018	0.005	-0.059	0.000	-0.059	115	-360	-295	-215	60	-695	4	-691	-335
Mid 2011 - Mid 2016	232	-0.0091	0.0088	0.0047	0.0075	-0.0067	0.0051	0.0000	0.0051	-110	125	70	105	-75	115	9	124	-10
Mid 2016 - Early 2020	375	-0.0003	0.0000	-0.0001	-0.0001	-0.0004	-0.0008	0.0000	-0.0008	0	28	19	20	7	74	15	89	46
Early 2020 - Early 2030	518	-0.0004	-0.0010	-0.0001	0.0010	-0.0004	-0.0017	0.0000	-0.0017	0	24	27	42	10	103	20	123	79
Early 2020 - Mid 2031	633	-0.0004	-0.0015	-0.0001	0.0010	-0.0006	-0.0017	0.0000	-0.0017	0	26	33	49	10	118	24	142	92
Annual Average																		
Mid 2006 - Mid 2011	19	0.00186	-0.00600	-0.00492	-0.00360	0.00093	-0.01173	0.00000	-0.01173	23	-72	-59	-43	12	-139	1	-138	-67
Mid 2011 - Mid 2016	46	-0.0018	0.0018	0.0009	0.0015	-0.0013	0.0010	0.0000	0.0010	-22	25	14	21	-15	23	2	25	-2
Mid 2016 - Early 2020	107	-0.0001	0.0000	0.0000	0.0000	-0.0001	-0.0002	0.0000	-0.0002	0	8	5	6	2	21	4	25	13
Early 2020 - Early 2030	52	-0.00004	-0.00010	-0.00001	0.00010	-0.00004	-0.00017	0.00000	-0.00017	0	2	3	4	1	10	2	12	8
Early 2020 - Mid 2031	42	-0.00003	-0.00010	-0.00001	0.00007	-0.00004	-0.00011	0.00000	-0.00011	0	2	2	3	1	8	2	9	6

Derived from Grey County Growth Management Strategy – Forecast and Land Supply Review and Update, May 17, 2018, forecast for the Municipality of West Grey by Watson & Associates Economists Ltd., 2019

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 10b
Municipality of West Grey
Employment and Gross Floor Area (G.F.A.) Forecast, 2020 to 2041

Period	Population	Employment					Gross Floor Area in Square Feet (Estimated) ¹				
		Primary	Industrial	Commercial/ Population Related	Institutional	Total	Industrial	Commercial/ Population Related	Institutional	Total	
Mid 2006	12,193	115	915	810	390	2,230					
Mid 2011	12,286	230	620	595	450	1,895					
Mid 2016	12,518	120	690	700	375	1,885					
Early 2020	12,893	120	709	720	382	1,931					
Early 2030	13,411	120	736	762	392	2,010					
Mid 2031	13,526	120	742	769	392	2,023					
Incremental Change											
Mid 2006 - Mid 2011	93	115	-295	-215	60	-335					
Mid 2011 - Mid 2016	232	-110	70	105	-75	-10					
Mid 2016 - Early 2020	375	0	19	20	7	46	28,500	11,000	4,900	44,400	
Early 2020 - Early 2030	518	0	27	42	10	79	40,500	23,100	7,000	70,600	
Early 2020 - Mid 2031	633	0	33	49	10	92	49,500	27,000	7,000	83,500	
Annual Average											
Mid 2006 - Mid 2011	19	23	-59	-43	12	-67					
Mid 2011 - Mid 2016	46	-22	14	21	-15	-2					
Mid 2016 - Early 2020	107	0	5	6	2	13	8,143	3,143	1,400	12,686	
Early 2020 - Early 2030	52	0	3	4	1	8	4,050	2,310	700	7,060	
Early 2020 - Mid 2031	42	0	2	3	1	6	3,300	1,800	467	5,567	

Derived from Grey County Growth Management Strategy – Forecast and Land Supply Review and Update, May 17, 2018. forecast for the Municipality of West Grey by Watson & Associates Economists Ltd., 2019

¹ Square Foot Per Employee Assumptions

Industrial	1,500
Commercial/ Population Related	550
Institutional	700



Schedule 11
Municipality of West Grey
Employment to Population Ratio by Major Employment Sector, 2006 to 2016

NAICS		Year			Change		Comments
		2006	2011	2016	06-11	11-16	
Employment by industry							
Primary Industry Employment							
11	Agriculture, forestry, fishing and hunting	735	680	565	-55	-115	Categories which relate to local land-based resources
21	Mining and oil and gas extraction	0	0	0	0	0	
Sub-total		735	680	565	-55	-115	
Industrial and Other Employment							
22	Utilities	0	0	15	0	15	Categories which relate primarily to industrial land supply and demand
23	Construction	95	150	240	55	90	
31-33	Manufacturing	880	475	420	-405	-55	
41	Wholesale trade	75	25	65	-50	40	
48-49	Transportation and warehousing	35	40	90	5	50	
56	Administrative and support	30	20	25	-10	5	
Sub-total		1,115	710	855	-405	145	
Population Related Employment							
44-45	Retail trade	315	220	230	-95	10	Categories which relate primarily to population growth within the municipality
51	Information and cultural industries	60	65	55	5	-10	
52	Finance and insurance	40	70	85	30	15	
53	Real estate and rental and leasing	25	45	40	20	-5	
54	Professional, scientific and technical services	135	85	135	-50	50	
55	Management of companies and enterprises	0	0	0	0	0	
56	Administrative and support	30	20	25	-10	5	
71	Arts, entertainment and recreation	95	15	20	-80	5	
72	Accommodation and food services	175	120	170	-55	50	
81	Other services (except public administration)	200	155	200	-45	45	
Sub-total		1,075	795	960	-280	165	
Institutional							
61	Educational services	70	140	125	70	-15	
62	Health care and social assistance	325	265	240	-60	-25	
91	Public administration	65	100	60	35	-40	
Sub-total		460	505	425	45	-80	
Total Employment		3,385	2,690	2,805	-695	115	
Population		12,193	12,286	12,518	93	232	
Employment to Population Ratio							
Industrial and Other Employment		0.09	0.06	0.07	-0.03	0.01	
Population Related Employment		0.09	0.06	0.08	-0.02	0.01	
Institutional Employment		0.04	0.04	0.03	0.00	-0.01	
Primary Industry Employment		0.06	0.06	0.05	0.00	-0.01	
Total		0.28	0.22	0.22	-0.06	0.01	

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

Level of Service



Appendix B: Level of Service

SUMMARY OF SERVICE STANDARDS AS PER DEVELOPMENT CHARGES ACT, 1997, AS AMENDED							
Service Category	Sub-Component	10 Year Average Service Standard					Maximum Ceiling LOS
		Cost (per capita)	Quantity (per capita)		Quality (per capita)		
Services Related to a Highway	Roads	\$54,609.10	0.0579	km of roadways	943,162	per lane km	34,567,560
	Depots and Domes	\$570.20	3.7445	sq.ft. of building area	152	per sq.ft.	360,937
	PW Facilities & Rolling Stock	\$986.66	0.0055	No. of vehicles and equipment	179,393	per vehicle	624,556
Police Services	Police Facilities	\$67.44	0.2834	sq.ft. of building area	238	per sq.ft.	42,690
	Police Vehicles	\$25.21	0.0006	No. of vehicles	42,017	per vehicle	15,958
	Police Small Equipment and Gear	\$17.61	0.0018	No. of equipment and gear	9,783	per item	11,147
Fire Services	Fire Facilities	\$438.52	1.3493	sq.ft. of building area	325	per sq.ft.	277,583
	Fire Vehicles and Equipment	\$366.47	0.0169	No. of vehicles & equipment	21,685	per vehicle	231,976
Parks and Recreation	Parkland Development	\$169.46	0.0024	Acres of Parkland	70,608	per acre	87,780
	Parkland Amenities	\$263.11	0.0028	No. of parkland amenities and Equipment	93,968	per amenity	136,291
	Indoor Recreation Facilities	\$2,286.70	9.7309	sq.ft. of building area	235	per sq.ft.	1,184,511
Library	Library Facilities	\$162.79	0.5866	sq.ft. of building area	278	per sq.ft.	84,325
	Library Collection Materials	\$87.27	2.6869	No. of library collection items	32	per collection item	45,206



**Municipality of West Grey
Service Standard Calculation Sheet**

Service: Depots and Domes
Unit Measure: sq.ft. of building area

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Bentinck Shed	2,048	2,048	2,048	2,048	2,048	2,048	2,048	2,048	2,048	2,048	\$120	\$140
Bentinck Garage	6,518	6,518	6,518	6,518	6,518	6,518	6,518	6,518	6,518	6,518	\$160	\$184
Bentinck Sand Shed	4,914	4,914	4,914	4,914	4,914	4,914	4,914	4,914	4,914	4,914	\$120	\$140
Normanby Shed	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	\$120	\$140
Normanby Garage	6,536	6,536	6,536	6,536	6,536	6,536	6,536	6,536	6,536	6,536	\$160	\$184
Normanby Sand Shed	6,624	6,624	6,624	6,624	6,624	6,624	6,624	6,624	6,624	6,624	\$120	\$140
Glenelg Sand Shed / Storage	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	\$120	\$140
Glenelg Garage	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	\$120	\$140
Durham Shed	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	\$120	\$140
Total	46,790											

Population	12,276	12,286	12,353	12,430	12,433	12,476	12,518	12,629	12,726	12,854
Per Capita Standard	3.8115	3.8084	3.7877	3.7643	3.7634	3.7504	3.7378	3.7050	3.6767	3.6401

10 Year Average	2010-2019
Quantity Standard	3.7445
Quality Standard	\$152
Service Standard	\$570

D.C. Amount (before deductions)	2031
Forecast Population	633
\$ per Capita	\$570
Eligible Amount	\$360,937



**Municipality of West Grey
Service Standard Calculation Sheet**

Service: PW Facilities & Rolling Stock
Unit Measure: No. of vehicles and equipment

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Value (\$/Vehicle)
Pick Up Trucks	8	8	8	8	8	8	8	8	8	8	\$40,000
Single Axle Trucks	2	2	2	2	2	2	2	2	2	2	\$300,000
Tandem Axle Trucks	9	9	9	9	9	9	9	9	9	9	\$350,000
Backhoe/Loaders	3	3	3	3	3	3	3	3	3	3	\$200,000
Graders	9	9	9	7	7	7	7	7	7	7	\$420,000
Power Washers	4	4	4	4	4	4	4	4	4	4	\$25,000
Wood Chippers	1	1	1	1	1	1	1	1	1	1	\$40,000
Tractors (with Mower/Snowblower)	6	6	6	6	6	6	6	6	6	6	\$130,000
Trailers	3	3	3	3	3	3	3	3	3	3	\$47,000
Sidewalk Sweepers	2	2	2	2	2	2	2	2	2	2	\$26,000
Snowplow Equipment (blades, plows, other attachments, etc.)	18	18	18	18	18	18	18	18	18	18	\$150,000
Emergency Generators	5	5	5	5	5	5	5	5	5	5	\$130,000
Total	70	70	70	68							

Population	12,276	12,286	12,353	12,430	12,433	12,476	12,518	12,629	12,726	12,854
Per Capita Standard	0.0057	0.0057	0.0057	0.0055	0.0055	0.0055	0.0054	0.0054	0.0053	0.0053

10 Year Average	2010-2019
Quantity Standard	0.0055
Quality Standard	\$179,393
Service Standard	\$987

D.C. Amount (before deductions)	2031
Forecast Population	633
\$ per Capita	\$987
Eligible Amount	\$624,556



**Municipality of West Grey
Service Standard Calculation Sheet**

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

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
West Grey Police Station	3,141	3,141	3,141	3,141	3,141	3,141	3,141	3,141	3,141	3,141	\$200	\$238
Police space in Municipal Building	400	400	400	400	400	400	400	400	400	400	\$200	\$238
Total	3,541											

Population	12,276	12,286	12,353	12,430	12,433	12,476	12,518	12,629	12,726	12,854
Per Capita Standard	0.2884	0.2882	0.2867	0.2849	0.2848	0.2838	0.2829	0.2804	0.2782	0.2755

10 Year Average	2010-2019
Quantity Standard	0.2834
Quality Standard	\$238
Service Standard	\$67

D.C. Amount (before deductions)	2031
Forecast Population	633
\$ per Capita	\$67
Eligible Amount	\$42,690



**Municipality of West Grey
Service Standard Calculation Sheet**

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

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Value (\$/Item)
Pumpers	10	10	10	10	10	10	10	10	10	10	\$262,800
Tankers	4	4	4	4	4	4	4	4	4	4	\$87,600
Pick Up Trucks	1	1	1	1	1	1	1	1	1	1	\$40,000
Rescue Vans	4	4	4	4	4	4	4	4	4	4	\$47,000
Fire Fighting Equipment	96	96	96	96	96	96	96	96	96	96	\$6,300
SCBA	96	96	96	96	96	96	96	96	96	96	\$8,000
Total	211										

Population	12,276	12,286	12,353	12,430	12,433	12,476	12,518	12,629	12,726	12,854
Per Capita Standard	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.016

10 Year Average	2010-2019
Quantity Standard	0.0169
Quality Standard	\$21,685
Service Standard	\$366

D.C. Amount (before deductions)	2031
Forecast Population	633
\$ per Capita	\$366
Eligible Amount	\$231,976



**Municipality of West Grey
Service Standard Calculation Sheet**

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

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Value (\$/item)
Ice Resurfacer	2	2	2	2	2	2	2	2	2	2	\$108,000
Tractor	1	1	1	1	1	1	1	1	1	1	\$30,000
Mower (72 Inch Deck)	1	1	1	1	1	1	1	1	1	1	\$15,000
Playing Fields	6	6	6	6	6	6	6	6	6	6	\$47,000
Lighting of Fields	3	3	3	3	3	3	3	3	3	3	\$90,000
Bleachers and Fencing	1	1	1	1	1	1	1	1	1	1	\$500,000
Skateboard Park	1	1	1	1	1	1	1	1	1	1	\$100,000
Gazebo	3	3	3	3	3	3	3	3	3	3	\$35,000
Wading Pool	1	1	1	1	1	1	1	1	1	1	\$100,000
Tennis Court	2	2	2	2	2	2	2	2	2	2	\$75,000
Walking Trail Bridge	1	1	1	1	1	1	1	1	1	1	\$40,000
Playground Equipment	10	10	10	10	10	10	10	10	10	10	\$125,000
Picnic Shelter/Concession Booth	2	2	2	2	2	2	2	2	2	2	\$100,000
Basketball Court	-	-	-	-	1	1	1	1	1	1	\$50,000
Total	34	34	34	34	35	35	35	35	35	35	

Population	12,276	12,286	12,353	12,430	12,433	12,476	12,518	12,629	12,726	12,854
Per Capita Standard	0.0028	0.0028	0.0028	0.0027	0.0028	0.0028	0.0028	0.0028	0.0028	0.0027

10 Year Average	2010-2019
Quantity Standard	0.0028
Quality Standard	\$93,968
Service Standard	\$263

D.C. Amount (before deductions)	10 Year
Forecast Population	518
\$ per Capita	\$263
Eligible Amount	\$136,291



**Municipality of West Grey
Service Standard Calculation Sheet**

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

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Durham Arena/Community Centre	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	\$225	\$255
Normanby Arena/Community Centre	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	\$225	\$255
Neustadt Arena/Community Centre	32,015	32,015	32,015	32,015	32,015	32,015	32,015	32,015	32,015	32,015	\$150	\$173
Durham Town Hall	2,411	2,411	2,411	2,411	2,411	2,411	2,411	2,411	2,411	2,411	\$249	\$282
Normanby Centennial Hall	3,136	3,136	3,136	3,136	3,136	3,136	3,136	3,136	3,136	3,136	\$249	\$282
Lamlash Hall	1,736	1,736	1,736	1,736	1,736	1,736	1,736	1,736	1,736	1,736	\$249	\$282
Glenelg Hall	1,548	1,548	1,548	1,548	1,548	1,548	1,548	1,548	1,548	1,548	\$249	\$282
Dornoch Hall	2,000	2,000	2,000	2,000	-	-	-	-	-	-	\$249	\$282
Neustadt Community Hall	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	\$249	\$282
Comfort Stations	600	600	600	600	600	600	600	600	600	600	\$58	\$71
Storage Buildings	336	336	336	336	336	336	336	336	336	336	\$49	\$61
Total	122,782	122,782	122,782	122,782	120,782	120,782	120,782	120,782	120,782	120,782		

Population	12,276	12,286	12,353	12,430	12,433	12,476	12,518	12,629	12,726	12,854
Per Capita Standard	10.0018	9.9937	9.9394	9.8779	9.7146	9.6811	9.6487	9.5639	9.4910	9.3965

10 Year Average	2010-2019
Quantity Standard	9.7309
Quality Standard	\$235
Service Standard	\$2,287

D.C. Amount (before deductions)	10 Year
Forecast Population	518
\$ per Capita	\$2,287
Eligible Amount	\$1,184,511



**Municipality of West Grey
Service Standard Calculation Sheet**

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

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Normanby/Ayton	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	\$225	\$279
Neustadt	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	\$225	\$279
Durham - Old Location (Carnegie)	3,250	3,250	3,250	3,250	3,250	3,250	-	-	-	-	\$225	\$279
Durham - New Location	-	-	-	-	-	-	3,150	3,150	3,150	3,150	\$225	\$279
Leased Space - Elmwood	-	-	-	-	200	200	200	200	200	200	\$150	\$188
Total	7,250	7,250	7,250	7,250	7,450	7,450	7,350	7,350	7,350	7,350		

Population	12,276	12,286	12,353	12,430	12,433	12,476	12,518	12,629	12,726	12,854
Per Capita Standard	0.5906	0.5901	0.5869	0.5833	0.5992	0.5971	0.5872	0.5820	0.5776	0.5718

10 Year Average	2010-2019
Quantity Standard	0.5866
Quality Standard	\$278
Service Standard	\$163

D.C. Amount (before deductions)	10 Year
Forecast Population	518
\$ per Capita	\$163
Eligible Amount	\$84,325



**Municipality of West Grey
Service Standard Calculation Sheet**

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

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 Value (\$/item)
Books	36,791	36,646	31,686	30,678	29,405	24,219	27,890	25,246	25,620	24,653	\$35
Periodicals titles	34	55	50	55	55	50	42	35	37	30	\$40
DVDs/Book on CDs	1,840	1,840	2,562	2,031	2,146	2,213	2,258	2,241	2,120	2,160	\$20
Ebooks/Eresources (\$ amount)	-	-	2,000	2,500	2,400	2,400	2,400	2,800	3,000	3,000	\$1
Computers	18	18	17	17	14	12	12	10	10	10	\$1,200
iPad	-	-	-	-	-	-	2	2	2	2	\$600
Total	38,683	38,559	36,315	35,281	34,020	28,894	32,604	30,334	30,789	29,855	

Population	12,276	12,286	12,353	12,430	12,433	12,476	12,518	12,629	12,726	12,854
Per Capita Standard	3.15	3.14	2.94	2.84	2.74	2.32	2.60	2.40	2.42	2.32

10 Year Average	2010-2019
Quantity Standard	2.6869
Quality Standard	\$32
Service Standard	\$87

D.C. Amount (before deductions)	10 Year
Forecast Population	518
\$ per Capita	\$87
Eligible Amount	\$45,206



Appendix C

Long-Term Capital and Operating Cost Examination



Appendix C: Long-Term Capital and Operating Cost Examination

Municipality of West Grey Annual Capital and Operating Cost Impact

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 saving attributable to economies of scale or cost sharing where applicable and prorate the cost on a per unit basis (i.e. sq.ft. of building space, per vehicle, etc.). This was undertaken through a review of the Municipality's approved 2018 Financial Information Return (F.I.R.).

In addition to the operational impacts, over time the initial capital projects will require replacement. This replacement of capital is often referred to as life cycle cost. By definition, life cycle costs are all the costs which are incurred during the life of a physical asset, from the time its acquisition is first considered, to the time it is taken out of service for disposal or redeployment. The method selected for life cycle costing is the sinking fund method which provides that money will be contributed annually and invested, so that those funds will grow over time to equal the amount required for future replacement. The following factors were utilized to calculate the annual replacement cost of the capital projects (annual contribution = factor X capital asset cost) and are based on an annual growth rate of 2% (net of inflation) over the average useful life of the asset:

Asset	Lifecycle Cost Factors	
	Average Useful Life	Factor
Facilities	50	0.01182321
Services Related to a Highway	50	0.01182321
Parkland Development	40	0.01655575
Vehicles	15	0.05782547
Small Equipment and Gear	10	0.09132653
Library Materials	10	0.09132653

Table C-1 depicts the annual operating impact resulting from the proposed gross capital projects at the time they are all in place. It is important to note that, while Municipality



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
Municipality of West Grey
Operating and Capital Expenditure Impacts for Future Capital Expenditures

SERVICE	GROSS COST LESS BENEFIT TO EXISTING	ANNUAL LIFECYCLE EXPENDITURES	ANNUAL OPERATING EXPENDITURES	TOTAL ANNUAL EXPENDITURES
1. Services Related to a Highway				
1.1 Roads	2,657,345	154,627	150,133	304,760
1.2 PW Buildings & Rolling Stock	836,000	47,160	47,232	94,392
2. Fire Protection Services				
2.1 Fire facilities, vehicles & equipment	225,000	11,664	43,828	55,492
3. Police Services				
3.1 Police facilities, vehicles & equipment	1,111,032	69,108	163,520	232,628
4. Parks & Recreation Services				
4.1 Recreation facilities, vehicles and equipment	536,760	30,166	50,173	80,339
5. Library Services				
5.1 Library facilities, materials and vehicles	344,146	26,649	15,289	41,938
6. Administration				
6.1 Studies - Hard Services	47,839		-	-
6.2 Studies - Soft Services	110,398		-	-
Total	5,868,521	339,374	470,175	809,549



Appendix D

D.C. Reserve Fund Policy



Appendix D: D.C. Reserve Fund Policy

D.1 Legislative Requirements

The Development Charges Act, 1997 (D.C.A.) requires development charge collections (and associated interest) to be placed in separate reserve funds. Sections 33 through 36 of the Act provide the following regarding reserve fund establishment and use:

- A municipality shall establish a reserve fund for each service to which the D.C. by-law relates; subsection 7 (1), however, allows services to be grouped into categories of services for reserve fund (and credit) purposes, although only 100% eligible and 90% eligible services may be combined (minimum of two reserve funds).
- The municipality shall pay each development charge it collects into a reserve fund or funds to which the charge relates.
- The money in a reserve fund shall be spent only for the “capital costs” determined through the legislated calculation process (as per subsection 5 (1) 2-8).
- Money may be borrowed from the fund but must be paid back with interest (O. Reg. 82/98, subsection 11 (1) defines this as Bank of Canada rate either on the day the by-law comes into force or, if specified in the by-law, the first business day of each quarter).
- D.C. reserve funds may not be consolidated with other municipal reserve funds for investment purposes and may only be as an interim financing source for capital undertakings for which development charges may be spent (section 37).

Annually, the Treasurer of the municipality is required to provide Council with a financial statement related to the D.C. by-law(s) and reserve funds. This statement must be made available to the public and may be requested to be forwarded to the Minister of Municipal Affairs and Housing. The D.C.A. does not prescribe how the statement is to be made available to the public. We would recommend that a resolution of Council make the statement available on the municipality’s website or upon request.

Subsection 43 (2) and O. Reg. 82/98 prescribes the information that must be included in the Treasurer’s statement, as follows:

- opening balance;



- closing balance;
- description of each service and/or service category for which the reserve fund was established (including a list of services within a service category);
- transactions for the year (e.g. collections, draws) including each assets capital costs to be funded from the D.C. reserve fund and the manner for funding the capital costs not funded under the D.C. by-law (i.e. non-D.C. recoverable cost share and post-period D.C. recoverable cost share);
- for projects financed by development charges, the amount spent on the project from the D.C. reserve fund and the amount and source of any other monies spent on the project.
- amounts borrowed, purpose of the borrowing and interest accrued during previous year;
- amount and source of money used by the municipality to repay municipal obligations to the D.C. reserve fund;
- list of credits by service or service category (outstanding at beginning of the year, given in the year and outstanding at the end of the year by holder);
- for credits granted under section 14 of the previous D.C.A., a schedule identifying the value of credits recognized by the municipality, the service to which it applies and the source of funding used to finance the credit; and
- a statement as to compliance with subsection 59 (1) of the D.C.A., whereby the municipality shall not impose, directly or indirectly, a charge related to a development or a requirement to construct a service related to development, except as permitted by the D.C.A. or another Act.

Based upon the above, Figure 1, and Attachments 1 and 2, set out the format for which annual reporting to Council should be provided.

D.2 D.C. Reserve Fund Application

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).”

This provision clearly establishes that reserve funds collected for a specific service are only to be used for that service, or to be used as a source of interim financing of capital undertakings for which a development charge may be spent.



Figure D-1
Municipality of West Grey
Annual Treasurer's Statement of D.C. Reserve Funds

Description	Services to which the Development Charge Relates						Total
	Non-Discounted Services						
	Services Related to a Highway	Fire Protection Services	Police Services	Parks & Recreation Services	Library Services	Administration Studies	
Opening Balance, January 1, _____							0
Plus:							
Development Charge Collections							0
Accrued Interest							0
Repayment of Monies Borrowed from Fund and Associated Interest ¹							0
Sub-Total	0	0	0	0	0	0	0
Less:							
Amount Transferred to Capital (or Other) Funds ²							0
Amounts Refunded							0
Amounts Loaned to Other D.C. Service Category for Interim Financing							0
Credits ³							0
Sub-Total	0	0	0	0	0	0	0
Closing Balance, December 31, _____	0	0	0	0	0	0	0

¹ Source of funds used to repay the D.C. reserve fund

² See Attachment 1 for details

³ See Attachment 2 for details

The Municipality is compliant with s.s. 59.1 (1) of the *Development Charges Act*, whereby charges are not directly or indirectly imposed on development nor has a requirement to construct a service related to development been imposed, except as permitted by the *Development Charges Act* or another Act.



Attachment 1
Municipality of West Grey
Amount Transferred to Capital (or Other) Funds – Capital Fund Transactions

Capital Fund Transactions	Gross Capital Cost	D.C. Recoverable Cost Share					Non-D.C. Recoverable Cost Share				
		D.C. Forecast Period			Post D.C. Forecast Period		Other Reserve/Reserve Fund Draws	Tax Supported Operating Fund Contributions	Rate Supported Operating Fund Contributions	Debt Financing	Grants, Subsidies Other Contributions
		D.C. Reserve Fund Draw	D.C. Debt Financing	Grants, Subsidies Other Contributions	Post-Period Benefit/ Capacity Interim Financing	Grants, Subsidies Other Contributions					
Services Related to a Highway											
Capital Cost A											
Capital Cost B											
Capital Cost C											
Sub-Total - Services Related to Highways	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Police Services											
Capital Cost D											
Capital Cost E											
Capital Cost F											
Sub-Total - Police Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Services											
Capital Cost G											
Capital Cost H											
Capital Cost I											
Sub-Total - Fire Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



Attachment 2
Municipality of West Grey
Statement of Credit Holder Transactions

Credit Holder	Applicable D.C. Reserve Fund	Credit Balance Outstanding Beginning of Year _____	Additional Credits Granted During Year	Credits Used by Holder During Year	Credit Balance Outstanding End of Year _____
Credit Holder A					
Credit Holder B					
Credit Holder C					
Credit Holder D					
Credit Holder E					
Credit Holder F					



Appendix E

Local Service Policy



To be provided under separate cover



Appendix F

Asset Management Plan



Appendix F: Asset Management Plan

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

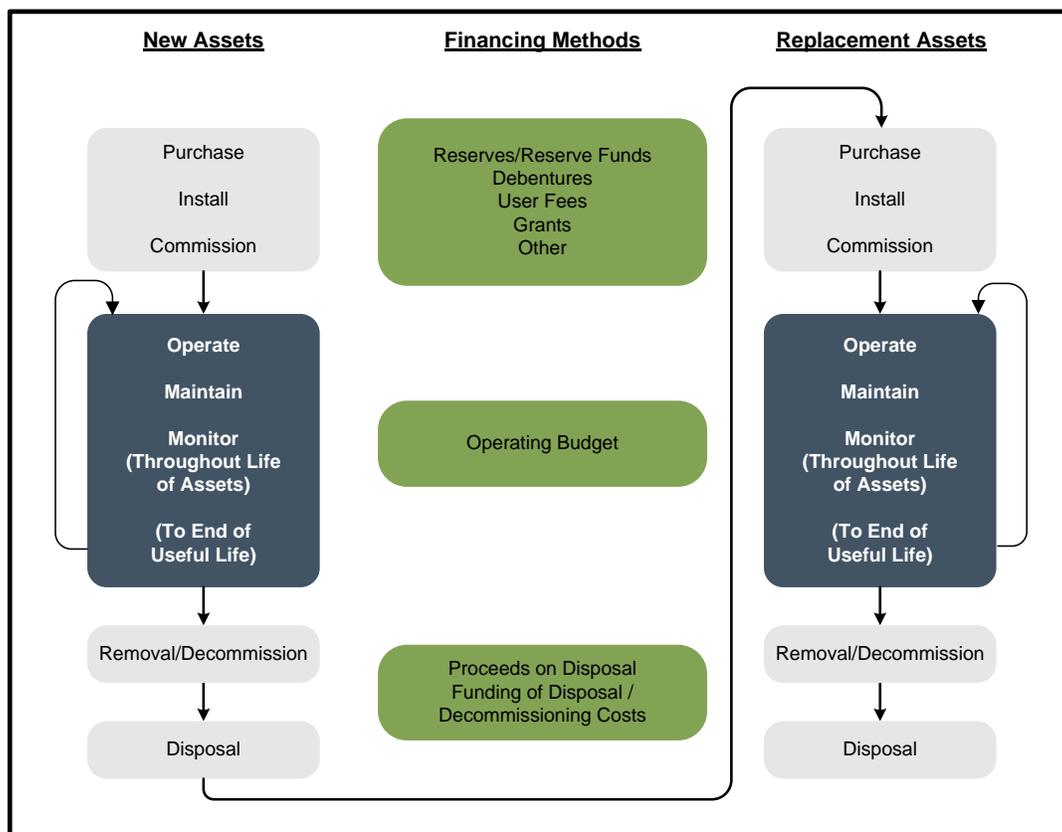
“The asset management plan shall,

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

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

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

It should be noted that with the recent passing of the Infrastructure for Jobs and Prosperity Act (I.J.P.A.) municipalities are now required to complete A.M.P.s, based on certain criteria, which are to be completed by 2021 for core municipal services and 2023 for all other services. The amendments to the D.C.A. do not require municipalities to complete these A.M.P.s (required under I.J.P.A.) for the D.C. background study, rather the D.C.A. requires that the D.C. background study include information to show the assets to be funded by the D.C. are sustainable over their full lifecycle.



In 2012, the Province developed Building Together: Guide for municipal asset management plans which outlines the key elements for an A.M.P., as follows:

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

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

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

Financing strategy: having a financial plan is critical for putting an A.M.P. into action. By having a strong financial plan, municipalities can also demonstrate that they have



made a concerted effort to integrate the A.M.P. with financial planning and municipal budgeting and are making full use of all available infrastructure financing tools.

Commensurate with the above, the Municipality prepared an A.M.P. in 2014 for its existing assets however, did not take into account future growth-related assets. As a result, the asset management requirement for the D.C. must be undertaken in the absence of this information.

In recognition to the schematic above, the following table (presented in 2020 \$) has been developed to provide the annualized expenditures and revenues associated with new growth. Note that the D.C.A. does not require an analysis of the non-D.C. capital needs or their associated operating costs so these are omitted from the table below. As well, as all capital costs included in the D.C.-eligible capital costs are not included in the Municipality's A.M.P., the present infrastructure gap and associated funding plan have not been considered at this time. Hence the following does not represent a fiscal impact assessment (including future tax/rate increases) but provides insight into the potential affordability of the new assets:

1. The non-D.C. recoverable portion of the projects which will require financing from municipal financial resources (i.e. taxation, rates, fees, etc.). This amount has been presented on an annual debt charge amount based on 20-year financing.
2. Lifecycle costs for the 2020 D.C. capital works have been presented based on a sinking fund basis. The assets have been considered over their estimated useful lives.
3. Incremental operating costs for the D.C. services (only) have been included.
4. The resultant total annualized expenditures are \$1.28 million.
5. Consideration was given to the potential new taxation and user fee revenues which will be generated as a result of new growth. These revenues will be available to finance the expenditures above. The new operating revenues are \$490,980. This amount, totalled with the existing operating revenues of \$16.78 million, provide annual revenues of \$17.27 million by the end of the period.
6. In consideration of the above, the capital plan is deemed to be financially sustainable.



Municipality of West Grey
Asset Management – Future Expenditures and Associated Revenues
2020\$

	2031 (Total)
Expenditures (Annualized)	
Annual Debt Payment on Non-Growth Related Capital ¹	434,197
Annual Debt Payment on Post Period Capital ²	249,133
Lifecycle:	
Sub-Total - Annual Lifecycle	\$377,208
Incremental Operating Costs (for D.C. Services)	\$470,175
Total Expenditures	\$1,281,580
Revenue (Annualized)	
Total Existing Revenue ³	\$16,776,478
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)	\$490,980
Total Revenues	\$17,267,458

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

² Interim Debt Financing for Post Period Benefit

³ As per Sch. 10 of FIR



Appendix G

Proposed D.C. By-law



The Corporation of the Municipality of West Grey

By-law Number _____

BEING A BY-LAW TO ESTABLISH DEVELOPMENT CHARGES

Whereas the *Development Charges Act, 1997 c. 27* (hereinafter called "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 need for services;

And Whereas a development charges background study has been completed in accordance with the Act;

And Whereas the Council of the Municipality of West Grey has given notice and held a public meeting on the 7th day of April, 2020 in accordance with the Act and the regulations thereto;

Now Therefore the Council of The Municipality of West Grey enacts as follows:

1.0 Definitions

1.1 In this by-law,

"**Act**" means the *Development Charges Act, S.O. 1997, c. 27*, as amended, or any successor thereto;

"**Accessory use**" means where used to describe a use, building, or structure, that the use, building or structure is naturally and normally incidental, subordinate in purpose of floor area or both, and exclusively devoted to a principal use, building or structure;

"**Agricultural use**" means the use of land and buildings for apiaries, fish farming, animal husbandry or the cultivation of trees, shrubs, flowers, grains, sod, fruits, vegetables and other crops or ornamental plants, but excludes marijuana;

"**Apartment unit**" means any residential dwelling unit within a building containing three or more dwelling units where access to each residential unit is obtained through a common entrance or entrances from the street level and the



residential units are connected by an interior corridor, and includes a stacked townhouse;

"Back-to-back townhouse" means a building containing more than two dwelling units separated vertically by a common wall, including a rear common wall, that do not have rear yards;

"Bedroom" means a habitable room larger than seven square metres, including a den, study, or other similar area, but does not include a living room, dining room or kitchen;

"Benefitting area" means an area defined by a map, plan or legal description in a front-ending agreement as an area that will receive a benefit from the construction of a service;

"Board of education" means a board defined in subsection 1(1) of the *Education Act*, R.S.O. 1990 c. E.2, as amended, or any successor thereto;

"Building Code Act" means the *Building Code Act*, R.S.O. 1992, c.23, as amended, or any successor thereto;

"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, lease, construct or improve facilities including,
 - (i) rolling stock with an estimated useful life of seven years or more,
 - (ii) furniture and equipment, other than computer equipment, and
 - (iii) materials acquired for circulation, reference or information purposes by a library board as defined in the *Public Libraries Act*, R.S.O. 1990, c.P.-44; and



- (e) to undertake studies in connection with any of the matters referred to in clauses (a) to (d);
- (f) to complete the development charge background study under section 10 of the Act; and
- (g) interest on money borrowed to pay for costs in (a) to (d)

required for the provision of services designated in this by-law within or outside the municipality.

"Commercial" means any non-residential development not defined under "institutional" or "industrial";

"Council" means the Council of The Corporation of the Municipality of West Grey;

"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 has the effect of increasing the size or usability thereof, and includes redevelopment;

"Development charge" means a charge imposed pursuant to this by-law;

"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;

"Duplex dwelling" means a building that is divided horizontally into two separate dwelling units, each of which has an independent entrance either directly from the outside or through a common vestibule;

"Existing industrial building" means a building or buildings existing on a site in the Municipality of West Grey on the day this by-law comes into effect or the first building or buildings constructed and occupied on a vacant site pursuant to site plan approval under section 41 of the *Planning Act*, R.S.O. 1990 c. P.13, as amended, (the "*Planning Act*") subsequent to this by-law coming into effect for which full development charges were paid, and is used for or in connection with



- (i) the production, compounding, processing, packaging, crating, bottling, packing or assembling of raw or semi-processed goods or materials in not less than seventy-five percent of the total gross floor area of the building or buildings on a site ("manufacturing") or warehousing related to the manufacturing use carried on in the building or buildings;
- (ii) research or development in connection with manufacturing in not less than seventy-five percent of the total gross floor area of the building or buildings on a site;
- (iii) retail sales by a manufacturer, if the retail sales are at the site where the manufacturing is carried out, such retail sales are restricted to goods manufactured at the site, and the building or part of a building where such retail sales are carried out does not constitute greater than twenty-five percent of the total gross floor area of the building or buildings on the site; or
- (iv) office or administrative purposes, if they are,
 - (1) carried out with respect to manufacturing or warehousing; and
 - (2) in or attached to the building or structure used for such manufacturing or warehousing;

"Farm Building" means a building or structure actually used as part of or in connection with a bona fide farming operation and includes barns, silos and other buildings or structures ancillary to a bona fide farming operation, but excluding a residential use and marijuana facilities;

"Fourplex dwelling" means mean a building which consists of two (2) attached duplex dwellings, or a building containing only two storeys exclusive of basement, divided vertically into four (4) dwelling units with either one or two complete walls in common with adjoining units and an independent entrance, either directly or through a common vestibule;



"Grade" means the average level of finished ground adjoining a building or structure at all exterior walls;

"Gross floor area" means the total floor 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 other dwelling units or other portion of a building;

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 any of the following:

- (i) A room or enclosed area within the building or structure above or below grade that is used exclusively for the accommodation of heating, cooling, ventilating, electrical, mechanical or telecommunications equipment that services the building;
- (ii) Loading facilities above or below grade;
- (iii) A part of the building or structure below grade that is used for the parking of motor vehicles or for storage or other accessory use;

"Industrial" means lands, buildings or structures used or designed or intended for use for manufacturing, processing, fabricating or assembly of raw goods, warehousing or bulk storage of goods, and includes office uses and the sale of commodities to the general public where such uses are accessory to an industrial use, but does not include the sale of commodities to the general public through a warehouse club;

"Institutional" means the 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.

"Interest rate" means the annual rate of interest calculated at the Town's 10-year borrowing rate plus 1%;

"Local board" has the same definition as defined in the Development Charges Act, S.O. 1997 c.27, as amended;

"Local services" means those services, facilities or things which are under the jurisdiction of the municipality 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, c. P.13, as amended or any successor thereto;

"Marijuana facilities" means a building used, designed or intended for growth, producing, testing, destroying, storing or distribution, excluding retail sales, of medical marijuana or cannabis authorized by a license issued by the federal Minister of Health pursuant to section 25 of the *Marihuana for Medical Purposes Regulations*, SOR/2013-119, under the *Controlled Drugs and Substances Act*, S.C. 1996, c.19;

"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;



"Multiple dwelling" means all dwellings other than single detached dwellings, semi-detached dwellings, and apartment dwellings but includes a back-to-back townhouse, duplex, triplex, and fourplex;

"Municipality" means The Corporation of the Municipality of West Grey;

"Non-Profit Housing" 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*.

"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 and includes all commercial, industrial and institutional uses;

"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;

"Regulation" means any regulation made pursuant to the Act;

"Rental Housing" means the development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises;

"Residential use" means lands, buildings or structures of any kind whatsoever used, designed or intended to be used as living accommodations for one or more individuals;

"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



no other parts, attached or another dwelling unit where the residential units are not connected by an interior corridor;

"Services" (or **"service"**) means those services set out in Schedule "B" to this by-law;

"Servicing agreement" means an agreement between a landowner and the municipality relative to the provision of municipal services to specified lands within the municipality;

"Single detached dwelling unit" means a residential building consisting of one dwelling unit and not attached to another structure and includes mobile homes;

"Special care facilities" means lands, buildings or structures used or designed or intended for uses for the purpose of providing supervision, nursing care or medical treatment, which do not comprise dwelling units, that are licensed, approved or supervised under any special or general statute, and excludes the special care/special dwelling portions of the building;

"Special care/special dwelling" means a residential portion of special care facilities containing rooms or suites of rooms designed or intended to be used for sleeping and living accommodation that have a common entrance from street level:

- (i) Where the occupants have the right to use in common, halls, stairs, yards, common rooms and accessory buildings;
- (ii) Which may or may not have exclusive sanitary and/or culinary facilities;
- (iii) That is designed to accommodate persons with specific needs, including, but not limited to, independent permanent living arrangements; and
- (iv) Where support services such as meal preparation, grocery shopping, laundry, housekeeping, nursing, respite care and attendant services may be provided at various levels.



“Stacked townhouse dwelling” means a building containing two or more dwelling units where each dwelling unit is separated horizontally and/or vertically from another dwelling unit by a common wall or floor.

"Triplex dwelling" means a building that is divided horizontally or vertically into three (3) separate dwelling units each of which has an independent entrance, either directly or through a common vestibule

2.0 Designation of Services

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

- (a) Services Related to a Highway
- (b) Fire Protection Services
- (c) Police Services
- (d) Parks & Recreation Services
- (e) Library Services
- (f) Administration – Hard Services
- (g) Administration – Soft Services

2.2 Components of the services designated in subsection 2.1 are described in *Schedule "A"*.

3.0 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 subsection 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 subsection 3.3, this by-law applies to all lands in the geographic area of the Municipality.

Exemptions

3.3 This by-law shall not apply to lands that are owned by and used for the purposes of:

- (a) any Municipality or a "local board" thereof;
- (b) a "Board of Education";
- (c) an enlargement of the gross floor area of an existing industrial building in accordance with section 4 of the Act;
- (d) Non-residential buildings that are accessory to an agricultural operation;
- (e) Temporary buildings where the owner has completed an agreement with the Municipality specifying the owner's obligation to remove the building;
- (f) Place of worship exempt from taxation under the *Assessment Act*; or
- (g) Public hospitals under the *Public Hospitals Act*.

Approvals for Development

- 3.4 (a) Development charges shall be imposed on all lands, buildings or structures that are developed for residential or non-residential uses if the development requires,
- (i) the passing of a zoning by-law or 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 9 of the Condominium Act, 1998, S.O. 1998, c.19; 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.

Rules with Respect to an Industrial Expansion Exemption:

3.5 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.

If the gross floor area of an existing industrial building is enlarged by greater than 50 percent, the amount of the development charge payable in respect of the enlargement is the amount of the development charge that would otherwise be payable, multiplied by the fraction determined as follows:

- (i) determine the amount by which the enlargement exceeds 50 percent of the gross floor area before the enlargement;
- (ii) divide the amount determined under subsection 3.5(b)(i) by the amount of the enlargement



- (iii) For the purposes of this subsection, the enlargement must not be attached to the existing industrial building by means only of a tunnel, bridge, passageway, canopy, shared below grade connection, such as a service tunnel, foundation, footing or parking facility.

For the purpose of section 3.7 herein, "existing industrial building" is used as defined in the Regulation made pursuant to the Act.

Amount of Charges

Residential

- 3.6 The development charges described in *Schedules "B" and "C"* to this by-law 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 Uses

- 3.7 The development charges described in *Schedules "B" and "C"* 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 gross floor area of the non-residential use.

Reduction of Development Charges Where Redevelopment

- 3.8 Despite any other provision 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 3.6 and 3.7 and of this by-law by the number, according to type, of dwelling units that have been or will be demolished or converted to another principal use; and

- (b) 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

- 3.9 Development charges imposed under this section are payable upon issuance of a building permit with respect to each dwelling unit, building or structure.
- 3.10 Notwithstanding Subsection 3.9, Development Charges for rental housing and institutional developments are due and payable in 6 installments commencing with the first installment payable on the date of occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.
- 3.11 Notwithstanding Subsection 3.9, Development Charges for non-profit housing developments are due and payable in 21 installments commencing with the first installment payable on the date of occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.
- 3.12 Where the development of land results from the approval of a Site Plan or Zoning Bylaw Amendment received on or after January 1, 2020, and the approval of the application occurred within 2 years of building permit issuance, the Development Charges under Subsections 3.9, 3.10 and 3.11 shall be calculated on the rates set out in Schedules "B" and "C" on the date of the planning application, including interest. Where both planning applications apply Development Charges under Subsections 3.9, 3.10 and 3.11 shall be calculated on the rates, including interest, set out in Schedules "B" and "C" on the date of the later planning application, including interest.
- 3.13 Council may enter into an agreement for payment of the development charges before or after the date of building permit issuance subject to Section 27 of the Act.



4.0 Payment by Services

4.1 Despite the payments required under subsection 3.6 and 3.7, Council may, by agreement, give a credit towards a development charge in exchange for work that relates to a service for which a development charge is imposed under this by-law.

5.0 Indexing

5.1 Development charges imposed pursuant to this by-law shall be adjusted annually, without amendment to this by-law, commencing on January 1, 2021 and each January 1 annually thereafter, in accordance with the Act. The amount of the adjustment shall be determined by the annual change in Statistics Canada's Non-residential Billing Construction Price Index.

6.0 Schedules

6.1 The following schedules to this by-law form an integral part thereof:

Schedule "A" Components of Services Designated in subsection 2.1

Schedule "B" Residential and Non-Residential Development Charges - Municipal-wide – Hard Services

Schedule "C" Residential and Non-Residential Development Charges - Municipal-wide – Soft Services

7.0 Date By-law in Force

7.1 This by-law shall come into force upon passage.

8.0 Date By-law Expires

8.1 This by-law will expire as of 5 years from the date of passage, unless it is repealed at an earlier date.



9.0 Severability

9.1 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.

10.0 Repeal

10.1 Upon the coming into force of this by-law, By-Law No.19-2015 of the Municipality of West Grey is hereby repealed.

By-law Read a First, Second and Third time, and Passed this 28 day of April, 2020.

The Corporation of the Municipality of West Grey

Mayor

Clerk



SCHEDULE "A"
SUMMARY OF DEVELOPMENT CHARGE SERVICES

Municipal-Wide Services

- (a) Services Related to a Highway
- (b) Fire Protection Services
- (c) Police Services
- (d) Parks & Recreation Services
- (e) Library Services
- (f) General Government – Hard Studies
- (g) General Government – Soft Studies



SCHEDULE "B"
SCHEDULE OF DEVELOPMENT CHARGES – HARD SERVICES

Service	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)
Municipal Wide Services:						
Services Related to a Highway	3,561	2,280	2,400	1,601	1,518	2.27
Fire Protection Services	549	352	370	247	234	0.35
Police Services	170	109	115	76	72	0.11
Adminstration Studies - Hard	120	77	81	54	51	0.08
Total Municipal Wide Services	4,400	2,818	2,966	1,978	1,875	2.81



SCHEDULE "C"
SCHEDULE OF DEVELOPMENT CHARGES – SOFT SERVICES

Service	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)
Municipal Wide Services:						
Parks & Recreation Services	1,193	764	804	536	509	0.28
Library Services	306	196	206	138	130	0.07
Adminstration Studies - Soft	277	177	187	125	118	0.18
Total Municipal Wide Services	1,776	1,137	1,197	799	757	0.53