



 **Watson  
& Associates**  
ECONOMISTS LTD.

# 2021 Development Charges Update Study

Municipality of Middlesex Centre

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Consolidated Copy

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(as amended December 2, 2021)

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# 1. Introduction

## 1.1 Background

The Municipality of Middlesex Centre (Municipality) imposes development charges (D.C.s) to recover the increase in the needs for service arising from development. The basis for the calculation of the Municipality’s current residential and non-residential D.C.s is documented in the Municipality’s “2019 Development Charges Background Study” dated May 17, 2019, as amended. This D.C. Background Study provides the supporting documentation for the Municipality’s D.C. By-law 2019-073. The current D.C.s by municipal service and development type are summarized in Table 1-1. This table reflects the indexed charges that are currently in force as of January 1, 2021.

Table 1-1  
Municipality of Middlesex Centre  
Current (Indexed) Schedule of D.C.s

Service	Residential (per Dwelling Unit)				Non-residential (per Square Metre of Gross Floor Area)		
	Single & Semi Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	Other Non-residential	Agricultural Use	Industrial
<b>Municipal Wide Services</b>							
Roads	\$ 3,708	\$ 2,374	\$ 1,497	\$ 2,435	\$ 18.17	\$ 2.05	\$ 7.27
Public Works	\$ 1,802	\$ 1,154	\$ 727	\$ 1,183	\$ 8.82	\$ -	\$ 3.53
Fire Protection	\$ 1,614	\$ 1,033	\$ 652	\$ 1,060	\$ 7.98	\$ 1.84	\$ 3.19
Parks & Recreation	\$ 3,041	\$ 1,948	\$ 1,227	\$ 1,996	\$ 4.48	\$ -	\$ 1.79
Library Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administration Studies	\$ 402	\$ 257	\$ 162	\$ 263	\$ 1.99	\$ -	\$ 0.80
<b>Total Municipal Wide Services</b>	<b>\$ 10,567</b>	<b>\$ 6,766</b>	<b>\$ 4,265</b>	<b>\$ 6,937</b>	<b>\$ 41.44</b>	<b>\$ 3.89</b>	<b>\$ 16.58</b>
<b>Area Specific Services</b>							
Wastewater Services	\$ 10,975	\$ 7,027	\$ 4,429	\$ 7,204	\$ 24.60	\$ -	\$ 9.84
Water Services	\$ 1,482	\$ 949	\$ 598	\$ 973	\$ 3.33	\$ -	\$ 1.33
<b>Total - Water and Sewer Service Area (incl. Delaware)</b>	<b>\$ 23,024</b>	<b>\$ 14,742</b>	<b>\$ 9,292</b>	<b>\$ 15,114</b>	<b>\$ 69.37</b>	<b>\$ 3.89</b>	<b>\$ 27.75</b>
<b>Total - Unserviced</b>	<b>\$ 10,567</b>	<b>\$ 6,766</b>	<b>\$ 4,265</b>	<b>\$ 6,937</b>	<b>\$ 41.44</b>	<b>\$ 3.89</b>	<b>\$ 16.58</b>
<b>Total - Partially Serviced (Water Only)</b>	<b>\$ 21,542</b>	<b>\$ 13,793</b>	<b>\$ 8,694</b>	<b>\$ 14,141</b>	<b>\$ 66.04</b>	<b>\$ 3.89</b>	<b>\$ 26.42</b>

## 1.2 Existing Policies (Rules)

The following subsections set out the rules governing the calculation, payment, and collection of the D.C. as provided in By-law 2019-073, in accordance with the *Development Charges Act, 1997*, as amended (D.C.A.).



### **1.2.1 Payment in any Particular Case**

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

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

### **1.2.2 Determination of the Amount of the Charge**

The calculation for residential development is generated on a per capita basis and imposed based on four housing types (i.e., single and semi-detached, two bedrooms and larger apartments, bachelor and one-bedroom apartments, and other multiples). The eligible D.C. cost calculations are based on the net anticipated population increase. The total eligible D.C. cost is divided by the “gross” (new resident) population to determine the per capita amount. The cost per capita is then multiplied by the average occupancy of the new units to calculate the charges by type of residential dwelling unit.

The non-residential D.C. has been calculated and imposed on a per square metre (sq.m.) of gross floor area (G.F.A.) basis by development type (i.e., industrial, agricultural, and all other non-residential).

### **1.2.3 Application to Redevelopment of Land (Demolition and Conversion)**

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



- the number of dwelling units demolished/converted multiplied by the applicable residential D.C. in place at the time the D.C. is payable;
- the G.F.A. of the building demolished/converted multiplied by the current non-residential D.C. in place at the time the D.C. is payable; and/or
- if the building demolished is a farm building, the G.F.A. of any farm building demolished, and, on a one time basis, on any other lands owned by the current owner in the Municipality multiplied by the current non-residential D.C. in place at the time the D.C. is payable.

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

Redevelopment credits will not be granted to demolitions or conversions of previously D.C. exempt developments.

### **1.2.4 Exemptions (full or partial)**

#### **Statutory exemptions**

- Industrial building additions of up to and including 50% of the existing G.F.A. (defined in O. Reg. 82/98, s.1) of the building; for industrial building additions which exceed 50% of the existing G.F.A., only the portion of the addition in excess of 50% is subject to D.C.s (s. 4 (3));
- Buildings or structures owned by and used for the purposes of any Municipality, local board or Board of Education (s. 3); and
- Residential development that results in only the enlargement of an existing dwelling unit, or that results only in the creation of up to two additional dwelling units (based on prescribed limits set out in s. 2 of O. Reg. 82/98).

#### **Non-statutory exemptions**

- The erection of temporary buildings or structures.



### **1.2.5 Indexing**

The by-law provides for indexing of the D.C. annually on January 1<sup>st</sup> of each year, in accordance with provisions under the D.C.A.

### **1.2.6 By-law Duration**

The by-law will expire at 12:01 AM on July 17, 2024 unless it is repealed by Council at an earlier date.

### **1.2.7 Date Charge Payable**

Development charges imposed under the by-law are calculated, payable, and collected upon issuance of a building permit with respect to each dwelling unit, building or structure.

## **1.3 Changes to the D.C.A.: More Homes, More Choice Act and the COVID-19 Economic Recovery Act**

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

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



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

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

#### List of D.C. Eligible Services

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

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





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

### 10% Statutory Deduction

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

### Classes of D.C. Services

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

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

### Statutory Exemptions

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



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

### Transition

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

## **1.4 Other Legislative Changes**

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

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

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

## **1.5 Purpose of this Document**

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This background study has been prepared pursuant to the requirements of the D.C.A. to amend the Municipality's D.C. by-law. The proposed amendments relate to the removal of the 10% deduction for soft services and provide updates to the underlying D.C. eligible capital cost estimates. In addition, other proposed amendments relate to the timing and collection of D.C.s and statutory exemptions, as a result of recent changes to the D.C.A. (as summarized in Section 1.3 and 1.4 herein).



This D.C. background study and draft amending by-law will be provided to the public to provide interested parties with sufficient background information on the legislation, recommendations, and an outline of the basis for these recommendations.

The following Chapters of this Study include:

- Chapter 2 – Anticipated Development
- Chapter 3 – Revisions to the Anticipated Capital Needs
- Chapter 4 – Revised D.C. Calculation and Schedule of Charges
- Chapter 5 – D.C. Policy Recommendations and D.C. By-law Rules
- Chapter 6 – Asset Management Plan and Long-Term Capital and Operating Costs
- Chapter 7 – Process for Adoption of the Amending Development Charges By-law
- Appendix A – Draft Amending D.C. By-law

It should be noted that this Study is provided as an update to the Municipality's 2019 D.C. Background Study, and as such the calculations are denominated in 2019 dollars (the Municipality's D.C. Background Study cost base). The amended D.C. rates will be subsequently indexed to 2021 rates for implementation.

The notice of the Public Meeting will be advertised in accordance with the requirements of the D.C.A., i.e. 20 clear-days prior to the public meeting. This background study document will be released for public review and posted on the Municipality's website in accordance with provisions of the D.C.A. on October 15, 2021. The statutory public meeting will be held on November 10, 2021. A presentation will be made to the public regarding the recommendations of this study, and Council will receive oral and written comments on the matter.

It is anticipated that Council will consider for adoption the proposed amending by-law after the 60-day period from the release of the D.C. Background Study has been satisfied. The intended date for passage of the D.C. by-law is December 15, 2021.

## **1.6 Summary of Proposed Amendments**

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Other than the changes identified within this report, all other D.C. calculations and policies (i.e. rules) contained in By-law 2019-073 remain unchanged by this process.

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The analysis provided herein will address the proposed amendments to the Municipality's D.C. by-law arising from the recent amendments to the D.C.A., as outlined in Sections 1.3 and 1.4 above. In particular, Chapters 3 and 4 address changes to the D.C. eligible costs and calculation of the charges resulting from the removal of the 10% statutory deduction for 'soft' services, as well as the change in classification of Administration service to the class of service for Growth-Related Studies. Changes to the capital costs underlying the charge have been made for all services, with the exception of Library Services. These changes are discussed in detail in Chapter 3 of this report.

Chapter 5 presents the changes to the D.C. by-law collection policies and statutory exemptions to reflect legislative changes.



## 2. Anticipated Development

It is a requirement of Section 5 (1) of the D.C.A. that “the anticipated amount, type and location of development, for which development charges can be imposed, must be estimated”. The growth forecast contained in Chapter 3 of the 2019 D.C. Background Study (with supplemental tables in Appendix A) provides for the anticipated development for which the Municipality will be required to provide services over a ten-year period (mid-2019 to mid-2029), a 17-year time horizon (mid-2019 to mid-2036), and to buildout.

The growth forecast contained in the 2019 D.C. Background Study is summarized in Table 2-1. For the purposes of this update study, the growth forecast as contained within the 2019 D.C. Background Study remains unchanged.

Table 2-1  
Municipality of Middlesex Centre  
2019 D.C. Background Study – Growth Forecast Summary

Time Horizon	Residential		Non-Residential	
	Net Population	Residential Units	Employment <sup>1</sup>	Gross Floor Area (sq.ft.)
Mid-2019	17,781	6,327	3,810	
Mid-2029	21,300	7,767	4,411	
Mid-2036	23,634	8,687	4,915	
Buildout	25,163	9,316	6,780	
Incremental Growth				
10-year (2019-2029)	3,519	1,440	601	46,368
17-year (2019-2036)	5,853	2,360	1,105	84,505
Buildout	7,382	2,989	2,970	243,240



## 3. Revisions to the Anticipated Capital Needs

The 2019 D.C. Background Study justified the maximum amount that could be charged for residential and non-residential development. The study and by-law identified anticipated capital needs for recovery through D.C.s for the following services:

- Roads;
- Public Works;
- Fire Protection;
- Parks and Recreation;
- Library;
- Administration (Studies);
- Wastewater; and
- Water.

The following sections summarize the amendments made to the D.C. eligible capital costs. In accordance with the amendments to the D.C.A., the 10% statutory deduction has been removed from the calculation of the D.C. eligible capital costs for Parks and Recreation Services, Library Services, and specific studies under Administration. The changes to the D.C. eligible capital costs for Roads Services, Public Works Services, Fire Protection Services, Parks and Recreation Services, Wastewater Services, Water Services, and Administration Studies comprising the D.C. amendment are also summarized.

Other than the revisions included in this report, all other capital needs and the determination of D.C. recoverable costs contained in the Municipality's 2019 D.C. Background Study remain unchanged.

### 3.1 Roads Services

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The Municipality's 2019 D.C. Background Study identified roads needs for the forecast period totaling approximately \$17.6 million in gross capital costs, including \$4.2 in unfunded D.C. recoverable costs previously incurred. The capital needs for Roads Services in this update study have been augmented to include the costs for additional road upgrades identified in the 2020 Road Needs Study and a Master Servicing Plan, in addition to updates to the gross costs and timing estimates of several road projects

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previously included. A summary of the changes that impact the D.C. eligible costs is provided below:

- Updated project description and gross capital cost estimate for the George St. and King St. project;
- Updated gross capital cost estimate for the Westbrook Dr (Stephen Moore to Kilworth Park Dr) project;
- Removed the gross capital costs related to the Jefferies Rd (Glendon to South Extent) - Upgrade from T&C to Paved project;
- Updated gross capital cost estimate for the planned Road Needs Studies and increased the Benefit to Existing deduction for these studies;
- Added gross capital costs related to the Municipality's share of the the Ilderton Road (East of Hyde Park Road) upgrade project;
- Added gross capital cost of the Master Servicing Plan (roads and Stormwater share); and
- Added several growth-related road surface conversion projects identified in the 2020 Road Needs Study.

The changes outlined above increase the gross capital costs for Roads Services to \$20.44 million. Recognizing the benefit to existing development through the resurfacing and replacement of existing infrastructure at the time of addressing growth needs, \$9.68 million has been deducted from the gross capital costs. As a result, approximately \$10.76 million in growth-related needs have been included in the calculation of the D.C.

Consistent with the 2019 D.C. background Study, the allocation of net growth-related costs for Roads between residential and non-residential development is 84% residential and 16% non-residential, based on forecast incremental population and employment growth over the 17-year forecast period.

The detailed capital needs listing and calculation of D.C.-eligible costs is shown are Table 3-1 below.



**Table 3-1  
Infrastructure Costs Covered in the D.C. Calculation – Roads Services**

Prj .No	Increased Service Needs Attributable to Anticipated Development  2019-2036	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 84%	Non-Residential Share 16%
1	<b>Ilderton</b> George St. and King St. - New Turning Circles	2023	534,400	-		534,400	480,960		53,440	44,890	8,550
2	<b>Kilworth-Komoka</b> Oxbow Dr. W Rural (Amiens to 2000m east)	2023	191,800	-		191,800	115,080		76,720	64,445	12,275
3	Oxbow Dr. W Urban (Komoka Rd to 375m west)	2023	448,300	-		448,300	268,980		179,320	150,629	28,691
4	Oxbow Dr. E Rural (Union to Coldstream)	2020-2022	2,959,000	-		2,959,000	2,367,200		591,800	497,112	94,688
5	Westbrook Dr (Stephen Moore to Kilworth Park Dr)	2024	1,603,300	-		1,603,300	961,980		641,320	538,709	102,611
6	Coldstream Rd (Oxbow Dr to Glendon Dr)	2027	2,000,000	-		2,000,000	1,200,000		800,000	672,000	128,000
7	Glendon Drive (2 to 4 lanes, sidewalks, EA)	2025	4,993,824	-		4,993,824	2,996,294		1,997,530	1,677,925	319,605
8	Road Needs Studies & Updates (9)	2020-2036	836,500	-		836,500	632,685		203,815	171,204	32,610
				-		-	-		-	-	-
9	Ilderton Road (East of Hyde Park Road) - Upgrade (Municipality's Share)	2023	604,100	-		604,100	-		604,100	507,444	96,656
10	Master Servicing Plan (Roads & Storm Share)	2021/22	185,900	-		185,900	-		185,900	156,156	29,744
11	<b>Road Surface Conversion (from Surface Treated to Asphalt)</b> Amiens Rd (Glendon Dr to Oxbow Drive)		773,000	-		773,000	270,550		502,450	422,058	80,392
12	Pulham Rd (Old River Rd to Vanneck Rd)		214,000	-		214,000	74,900		139,100	116,844	22,256
13	Prospect Hill Rd (Thorndale Rd to Eight Mile Rd)		335,000	-		335,000	117,250		217,750	182,910	34,840
14	Oxbow Dr (Naim Rd to Vanneck Rd)		550,000	-		550,000	192,500		357,500	300,300	57,200
	Recovery of Unfunded Capital		4,208,720	-		4,208,720	-		4,208,720	3,535,325	673,395
	<b>Total</b>		<b>20,437,844</b>	<b>-</b>	<b>-</b>	<b>20,437,844</b>	<b>9,678,380</b>	<b>-</b>	<b>10,759,464</b>	<b>9,037,950</b>	<b>1,721,514</b>





## 3.2 Public Works Services

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The Municipality's 2019 D.C. Background Study identified \$7.4 million in gross capital costs to meet the increase in need for service for Public Works, including the recovery of previously unfunded growth-related capital costs. Through this update study, the following changes have been made:

- Updates to gross capital cost estimates for vehicles and equipment included in the 2019 D.C. Background Study;
- Updated gross capital cost estimate for the new Storage Shed (Denfield); and
- Added several additional vehicles and equipment required due to growth, as identified through the Municipality's long-term capital plan.

The changes outlined above increase the gross capital costs for Public Works to \$7.71 million. A deduction of approximately \$3.04 million for the benefit to existing development has been applied. The resulting net growth-related capital costs for inclusion in the D.C. calculation total approximately \$4.67 million.

Consistent with the 2019 D.C. Background Study, the allocation of net growth-related costs for Public Works between residential and non-residential development is 84% residential and 16% non-residential, based on forecast incremental population and employment growth over the 17-year period.

The detailed capital needs listing and calculation of D.C.-eligible costs is shown in Table 3-2 below.



**Table 3-2  
Infrastructure Costs Covered in the D.C. Calculation – Public Works Services**

Prj .No	Increased Service Needs Attributable to Anticipated Development  2019-2036	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 84%	Non-Residential Share 16%
1	Operations Centre Debt Payments	2019-2032	3,646,350	-		3,646,350	2,986,900		659,451	553,938	105,512
			-	-		-	-		-	-	-
2	New Tandem Axle Truck	2024	371,800	-		371,800	-		371,800	312,312	59,488
3	New Sidewalk Plow Machine	2025	209,100	-		209,100	-		209,100	175,644	33,456
4	New 1 Ton Truck	2022	130,100	-		130,100	-		130,100	109,284	20,816
5	New 1/2 Ton Truck	2021	46,500	-		46,500	-		46,500	39,060	7,440
6	Additional Vehicles		2,593,100	-		2,593,100	-		2,593,100	2,178,204	414,896
7	Storage Shed (Denfield)	2021	185,900	-		185,900	-		185,900	156,156	29,744
			-	-		-	-		-	-	-
8	New Zero Turn Mower	2022	27,900	-		27,900	2,790		25,110	21,092	4,018
9	New Roll Off Water & Anti Icing Tank	2022	55,800	-		55,800	41,850		13,950	11,718	2,232
10	New Roll Off Hydro Seeder	2022	97,600	-		97,600	9,760		87,840	73,786	14,054
11	New Forklift	2022	41,800	-		41,800	-		41,800	35,112	6,688
			-	-		-	-		-	-	-
	Recovery of Unfunded Capital		301,931	-		301,931	-		301,931	253,622	48,309
			-	-		-	-		-	-	-
	<b>Total</b>		<b>7,707,881</b>	<b>-</b>	<b>-</b>	<b>7,707,881</b>	<b>3,041,300</b>	<b>-</b>	<b>4,666,582</b>	<b>3,919,929</b>	<b>746,653</b>



### 3.3 Fire Protection Services

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The Municipality's 2019 D.C. Background Study identified \$2.7 million in gross capital costs to meet the increase in need for service for Fire services. Through this update study, the following changes have been made:

- Removed the gross capital cost estimate related to the acquisition of Additional Air Bags;
- Increased the Post Period Benefit deduction for the Additional facility Space (2 additional vehicle bays); and
- Updated the gross capital cost estimate for the Aerial truck.

The changes outlined above increase the gross capital costs for Fire Services to \$2.94 million. Deductions of approximately \$578,000 and \$25,000 have been made to reflect post-period benefit and benefit to the existing community, respectively. In total, approximately \$2.33 million in growth-related needs have been included in the calculation of the D.C.

Consistent with the 2019 D.C. Background Study, the allocation of net growth-related costs for Fire Services between residential and non-residential development is 85% residential and 15% non-residential, based on forecast incremental population and employment growth. The detailed capital needs listing and calculation of D.C.-eligible costs are shown in Table 3-3.



Table 3-3  
Infrastructure Costs Covered in the D.C. Calculation – Fire Protection Services

Prj .No	Increased Service Needs Attributable to Anticipated Development  2019-2029	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 85%	Non-Residential Share 15%
1	Fire Vehicle (1/2 ton)	2020	63,102	-		63,102	-		63,102	53,637	9,465
2	Aerial - Non-Platform (100')	2025	1,129,300	-		1,129,300	-		1,129,300	959,905	169,395
3	Fire Master Plan	2020	50,000	-		50,000	25,000		25,000	21,250	3,750
4	Additional Facility Space (2 additional vehicle bays)	2026	830,000	577,960		252,040	-		252,040	214,234	37,806
5	Coldstream Firehall (Post Period Benefit)		197,506	-		197,506	-		197,506	167,880	29,626
	Recovery of Unfunded Capital		666,184	-		666,184	-		666,184	566,256	99,928
			-	-		-	-		-	-	-
			-	-		-	-		-	-	-
			-	-		-	-		-	-	-
			-	-		-	-		-	-	-
			-	-		-	-		-	-	-
			-	-		-	-		-	-	-
			-	-		-	-		-	-	-
			-	-		-	-		-	-	-
	<b>Total</b>		<b>2,936,092</b>	<b>577,960</b>	<b>-</b>	<b>2,358,132</b>	<b>25,000</b>	<b>-</b>	<b>2,333,132</b>	<b>1,983,162</b>	<b>349,970</b>



## 3.4 Parks and Recreation Services

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The Municipality's 2019 D.C. Background Study identified \$11.9 million in gross capital costs to meet the increase in need for service for Parks and Recreation services.

Through this update study, the following changes have been made:

- Revised the project description of Tridon Park Development to clarify that this item is reflective of Phase 1 of the park's development; and
- Added gross capital cost estimates for several additional park developments and new equipment identified since the 2019 D.C. Background Study.

The statutory 10% deduction that is no longer required for Parks and Recreation services under the amended D.C.A was removed. Including changes to the capital projects identified above, the total gross capital costs are \$13.03 million. After deducting \$497,600 for post period benefit, \$6.75 million in recognition for the benefits to existing development, and \$465,900 for grants and other contributions attributable to new development, \$5.31 million has been included in the calculation of the charge.

The D.C. recoverable costs are allocated 95% to residential development and 5% to non-residential development based on the recognition that residential users are the primary users of Parks and Recreation Services. The detailed capital needs listing and calculation of D.C.-eligible costs are shown in Table 3-4.



**Table 3-4  
Infrastructure Costs Covered in the D.C. Calculation – Parks and Recreation Services**

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	<b>2019-2029</b>									95%	5%
1	Wellness Centre Debt Payments		4,850,255	-		4,850,255	2,667,640		2,182,615	2,073,484	109,131
	<b>Future Trail Development</b>										
2	Little Farm/Clear Skies Trail	2019	215,000	-		215,000	-		215,000	204,250	10,750
3	Edgewater Trail		112,007	-		112,007	-		112,007	106,407	5,600
4	Sifton Secondary Trail		172,679	-		172,679	-		172,679	164,045	8,634
5	Additional Trails		28,646	-		28,646	-		28,646	27,213	1,432
				-			-				
	<b>Future Park Development</b>										
6	Tridon Park Development (Phase 1)	2020	375,000	-		375,000	-		375,000	356,250	18,750
7	Illderton Recreation Facility (soft costs)		2,293,016	-		2,293,016	1,747,399	363,744	181,872	172,779	9,094
8	Civic Square - Design		250,000	38,278		211,722	176,853		34,869	33,126	1,743
9	Civic Square - Construction		3,000,000	459,334		2,540,666	2,122,235		418,430	397,509	20,922
				-			-				
10	Parks & Recreation Master Plan	2020	75,000	-		75,000	37,500		37,500	35,625	1,875
				-			-				
11	Zero Turn Mower	2021	22,300	-		22,300	-		22,300	21,185	1,115
12	Timberwalk Park	2023	241,700	-		241,700	-	102,200	139,500	132,525	6,975
13	New Park (5.83 Acres)	2024	232,400	-		232,400	-		232,400	220,780	11,620
14	Brantam Development	2023	148,700	-		148,700	-		148,700	141,265	7,435
15	Clear Skies Park	2023	232,400	-		232,400	-		232,400	220,780	11,620
16	2 x 14 tonne pick up trucks	2023	120,800	-		120,800	-		120,800	114,760	6,040
17	2 x 18' Trailers	2023	55,800	-		55,800	-		55,800	53,010	2,790
18	2 x Zero Turn Mowers	2023	55,800	-		55,800	-		55,800	53,010	2,790
				-			-				
	Recovery of Unfunded Amounts		550,517	-		550,517	-		550,517	522,991	27,526
				-			-				
	<b>Total</b>		<b>13,032,020</b>	<b>497,612</b>	<b>-</b>	<b>12,534,408</b>	<b>6,751,628</b>	<b>465,944</b>	<b>5,316,835</b>	<b>5,050,993</b>	<b>265,842</b>



## 3.5 Library Services

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The Municipality's 2019 D.C. Background Study identified \$19,257 in gross capital costs to meet the increase in need for service for Library services over the 10-year forecast period. The statutory 10% deduction removed \$2,140 in growth-related capital costs from the D.C. recoverable costs. The elimination of this statutory deduction increases the D.C. recoverable cost for the forecast period to \$21,397.

However, \$21,397 has been deducted from the calculation of the charge in recognition of the funds collected from prior development charges and available in the D.C. reserve fund. Resultantly, consistently with the 2019 D.C. Background Study, no growth-related costs have been included in the calculation of the charge for the 10-year forecast period.

The revised capital needs listing and calculation of D.C.-eligible costs are shown in Table 3-5.



**Table 3-5  
Infrastructure Costs Covered in the D.C. Calculation – Library Services**

Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non- Residential Share
2019-2029								95%	5%	
Ilderton Recreation Facility - Library (soft costs)		106,984	-		106,984	85,587		21,397	20,327	1,070
			-		-	-		-	-	-
			-		-	-		-	-	-
Reserve Fund Adjustment			-		-	-		(21,397)	(20,327)	(1,070)
			-		-	-		-	-	-
			-		-	-		-	-	-
			-		-	-		-	-	-
			-		-	-		-	-	-
			-		-	-		-	-	-
			-		-	-		-	-	-
			-		-	-		-	-	-
			-		-	-		-	-	-
			-		-	-		-	-	-
<b>Total</b>		<b>106,984</b>	<b>-</b>	<b>-</b>	<b>106,984</b>	<b>85,587</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>





### **3.6 Administration (Growth-Related Studies Class of Service)**

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The Municipality's 2019 D.C. Background Study included growth-related studies under the Administration Studies service. Changes to Administration Studies are provided to conform with changes in the D.C. eligible services under the D.C.A. and the ability to include a separate class of services for growth-related studies (as summarized in Section 1.3).

The Municipality's 2019 D.C. Background Study identified \$957,000 in gross capital costs pertaining to growth-related studies, including previously incurred unfunded D.C. recoverable capital costs. Through this update study, the following changes have been made:

- Revised the gross capital cost of the 2019 D.C. Background Study;
- Revised the gross capital cost estimate and estimated timing of the 2024 D.C. Background Study;
- Added the gross capital cost estimate for the 2028/29 D.C. Background Study;
- Added the gross capital cost of undertaking this D.C. by-law amendment process;
- Revised the gross capital cost of the 2020 Asset Management Plan; and
- Added the gross capital cost of the 2020 Strategic Plan.

Including changes to the capital projects identified above, the total gross capital costs of Growth-Related Studies total \$1.14 million. A deduction of approximately \$387,000 for benefit to existing development has been applied. A further deduction of \$34,400 has been made to reflect the general benefits of these studies to other non-D.C. eligible services. The resultant net growth-related capital costs included in the calculation of the charge total approximately \$713,000.

The net costs for the growth-related studies have been allocated to the eligible services in the following manner, based on the proportionate share of the D.C.-eligible costs within each service area:

- Roads – 18.71%
- Public Works – 8.12%
- Fire Protection – 4.06%



- Parks and Recreation – 9.25%
- Library – 0.04%
- Wastewater – 51.73%
- Water – 8.10%

Consistent with the 2019 D.C. Background Study, these costs have been allocated 85% residential and 15% non-residential based on the incremental growth in population to employment for the 10-year forecast period.

The revised capital needs listing and calculation of D.C.-eligible costs are shown in Table 3-6 below.



**Table 3-6  
Infrastructure Costs Covered in the D.C. Calculation – Growth-Related Studies (2019-2029)**

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions (to recognize benefit to non-D.C. services)	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	2019-2029									85%	15%
1	Development Charges Study	2019	51,511	-		51,511	-		51,511	43,784	7,727
2	Development Charges Study	2028/29	55,800	-		55,800	-		55,800	47,430	8,370
3	Development Charges Study	2023/24	55,800	-		55,800	-		55,800	47,430	8,370
4	Development Charges Update Study	2021	10,700	-		10,700	-		10,700	9,095	1,605
5	Official Plan	2019	150,000	-	7,500	142,500	75,000		67,500	57,375	10,125
6	Official Plan Update	2024	150,000	-	7,500	142,500	75,000		67,500	57,375	10,125
7	Zoning By-Law Review (2)	2020/2025	200,000	-	10,000	190,000	100,000		90,000	76,500	13,500
8	Asset Management Plan	2020	71,100	-	3,600	67,500	59,564		7,936	6,746	1,190
9	Asset Management Plan	2024	60,000	-	3,000	57,000	50,265		6,735	5,725	1,010
				-		-	-		-	-	-
10	Strategic Plan	2020	55,100	-	2,800	52,300	27,550		24,750	21,038	3,713
	Recovery of Unfunded Capital		275,167	-		275,167	-		275,167	233,892	41,275
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
	<b>Total</b>		<b>1,135,178</b>	<b>-</b>	<b>34,400</b>	<b>1,100,778</b>	<b>387,378</b>	<b>-</b>	<b>713,400</b>	<b>606,390</b>	<b>107,010</b>



## 3.7 Wastewater Services

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The Municipality's 2019 D.C. Background Study identified \$41.9 million in gross capital costs to meet the increase in need for service for Wastewater services, including the recovery of previously unfunded growth-related capital costs and estimated financing costs for D.C. recoverable capital costs. Through this update study, the following changes have been made:

- Updated gross capital cost estimate for the Komoka Pumping Station Upgrades;
- Updated gross capital cost estimate for the Kilworth Sanitary Sewers (trunk and gravity);
- Removed the gross capital cost estimate related to the Komoka PS Upgrades Design Studies;
- Added gross capital cost estimate for the demolition of the Old Kilworth WWTF;
- Updated the gross capital cost estimate for the WWTF Expansion - Phase 2;
- Added gross capital cost estimate for the Master Servicing Plan (Wastewater Share); and
- Updated estimate of financing costs for D.C. recoverable capital costs.

The changes outlined above increase the gross capital costs for Wastewater services to \$45.28 million. Approximately \$11.08 million has been deducted as post period benefit reflecting the oversized capacity relative to the growth forecast estimates for wastewater services. A further deduction of \$4.46 million for benefit to existing development has been provided. The net capital costs identified for inclusion in the calculation total approximately \$29.74 million.

Consistent with the 2019 D.C. Background Study, these costs have been allocated 92% residential and 8% non-residential, based on contributing equivalent-population flows underlying the capital needs.

The revised capital needs listing and calculation of D.C.-eligible costs are shown in Table 3-8 below.



**Table 3-8  
Infrastructure Costs Covered in the D.C. Calculation – Wastewater Services**

Prj.No	Increased Service Needs Attributable to Anticipated Development	Service Area	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
								Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	<b>2019-Urban Buildout</b>										92%	8%
1	Existing Komoka WWTF Costs-unfunded	Kilworth/Komoka	2019	131,250	-		131,250	100,120		31,130	28,639	2,490
2	Phase I WWTF Upgrades & Studies - Debt Repayment	Kilworth/Komoka	2019-2038	8,282,641	-		8,282,641	-		8,282,641	7,620,029	662,611
3	Phase II WWTF Upgrades	Delaware	2026	3,904,500	970,986		2,933,514	-		2,933,514	2,698,833	234,681
4	Komoka Pumping Station Upgrades	Kilworth/Komoka	2021	557,200	-		557,200	318,941		238,259	219,198	19,061
5	Komoka Forcemain and Sanitary Sewers		2021	1,710,100	490,086		1,220,014	978,861		241,153	221,861	19,292
6	Kilworth Sanitary Sewers (trunk and gravity)	Kilworth/Komoka	2021	400,000	-		400,000	118,480		281,520	258,998	22,522
7	Kilworth Storm Sewers	Kilworth/Komoka	2022	378,400	-		378,400	-		378,400	348,128	30,272
8	Kilworth Pumping Station and Forcemain	Kilworth/Komoka	2019	1,887,846	-		1,887,846	396,448		1,491,398	1,372,086	119,312
9	Demolish Old Kilworth WWTF	Kilworth/Komoka	2021-22	994,500	-		994,500	208,845		785,655	722,803	62,852
10	Delaware PS & Forcemain	Delaware	2026	3,990,100	1,588,367		2,401,733	1,995,050		406,683	374,149	32,535
11	Misc. Wastewater Trunk Sewers	Delaware	2026	99,500	79,217		20,283	-		20,283	18,660	1,623
12	Drainage Study - unfunded	Delaware	2014	50,000	-		50,000	-		50,000	46,000	4,000
13	WWTF and Expansion - unfunded	Ilderton	2014	1,923,386	-		1,923,386	-		1,923,386	1,769,515	153,871
14	WWTF Expansion - Phase 1 (unfunded)	Ilderton	2019	100,000	-		100,000	-		100,000	92,000	8,000
15	WWTF Expansion - Phase 2	Ilderton		6,255,000	6,255,000		-	-		-	-	-
16	Ilderton West Pumping Station and Forcemain - Debt Repayment	Ilderton West	2015	1,044,895	-		1,044,895	342,725		702,169	645,996	56,174
17	WWC Pump Station Capacity and Condition Assessment - EA study	Ilderton	2020-2022	300,000	-		300,000	-		300,000	276,000	24,000
18	Glendon Drive Wastewater Main (Highway 402 E to W of Komoka Rd)			1,695,000	1,695,000		-	-		-	-	-
19	Arva WWTF EA	Arva	2019	300,000	-		300,000	-		300,000	276,000	24,000
					-		-	-		-	-	-
20	Master Servicing Plan (Wastewater's Share)		2021	116,200	-		116,200	-		116,200	106,904	9,296
					-		-	-		-	-	-
	Recovery of Unfunded Amounts			6,551,676	-		6,551,676	-		6,551,676	6,027,542	524,134
	Financing Costs			4,604,721	-		4,604,721	-		4,604,721	4,236,343	368,378
	<b>Total</b>			<b>45,276,913</b>	<b>11,078,655</b>	<b>-</b>	<b>34,198,258</b>	<b>4,459,471</b>	<b>-</b>	<b>29,738,787</b>	<b>27,359,684</b>	<b>2,379,103</b>



## 3.8 Water Services

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The Municipality's 2019 D.C. Background Study identified \$10.2 million in gross capital costs to meet the increase in need for service for Water services, including the recovery of previously unfunded growth-related capital costs and estimated financing costs for D.C. recoverable capital costs. Through this update study, the following changes have been made:

- Updated gross capital cost estimate for the On-Line B.P.S.;
- Updated gross capital cost estimate for the Delaware / Komoka Interchange projects;
- Added gross capital cost estimate for the Master Servicing Plan (Water Share);
- Added gross capital cost estimate for the Glendon Drive Water Main Extension;
- Added gross capital cost estimate for the Coldstream Rd. Realignment - New Water Main; and
- Updated estimate of financing costs for D.C. recoverable capital costs.

The changes outlined above increase the gross capital costs for Water services to \$11.12 million. Approximately \$3.55 million has been deducted as post period benefit reflecting the oversized capacity relative to the growth forecast estimates for water services. Deductions of \$2.81 million for benefit to existing development and \$0.1 million for anticipated grants and other contributions has been observed. The net capital costs identified for inclusion in the calculation total approximately \$4.66 million.

Consistent with the 2019 D.C. Background Study, these costs have been allocated 92% residential and 8% non-residential, based on contributing equivalent-population flows underlying the capital needs.

The revised capital needs listing and calculation of D.C.-eligible costs are shown in Table 3-9 below.



**Table 3-9  
Infrastructure Costs Covered in the D.C. Calculation – Water Services**

Prj.No	Increased Service Needs Attributable to Anticipated Development	Service Area	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
								Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	<b>2019-Urban Buildout</b>										92%	8%
1	Kilworth/Komoka Water Line - Debt Repayment (growth share)	Kilworth/Komoka and Delaware		1,700,612	328,497		1,372,115	-		1,372,115	1,262,346	109,769
2	On-Line B.P.S.	Delaware	2019	741,500	295,174		446,326	370,750		75,576	69,530	6,046
3	Delaware / Komoka Interchange : New watermain transmission Line install between Delaware & Komoka	Delaware	2019	1,751,700	697,311		1,054,389	875,850		178,539	164,256	14,283
4	Delaware / Komoka Interchange: Delaware standpipe (storage)	Delaware	2019	2,186,088	917,217		1,268,871	1,034,027	104,622	130,221	119,804	10,418
5	Delaware / Komoka Interchange: Pressure Zone Separation from Arva Reservoir and Delaware Re-chlorination station	Delaware	2019	456,100	181,563		274,537	228,050		46,487	42,768	3,719
6	Pumping Station Pump Upgrades - unfunded	Ilderton		146,819	-		146,819	-		146,819	135,073	11,746
7	Undertake Class EA or Development Study to determine servicing option	Arva	2020	300,000	-		300,000	300,000		-	-	-
8	Master Servicing Plan (Water's Share)		2021	116,200	-		116,200	-		116,200	106,904	9,296
9	Glendon Drive Water Main (Highway 402 E to W of Komoka Rd)			1,130,000	1,130,000		-	-		-	-	-
					-		-	-		-	-	-
10	Glendon Drive Water Main Extension - Twinning		2022	408,900	-		408,900	-		408,900	376,188	32,712
11	Coldstream Rd. Realignment - New Water Main		2022-23	187,700	-		187,700	-		187,700	172,684	15,016
					-		-	-		-	-	-
	Recovery of Unfunded Amounts			1,264,905	-		1,264,905	-		1,264,905	1,163,713	101,192
	Financing Costs			730,027	-		730,027	-		730,027	671,624	58,402
					-		-	-		-	-	-
	<b>Total</b>			<b>11,120,551</b>	<b>3,549,762</b>	<b>-</b>	<b>7,570,788</b>	<b>2,808,678</b>	<b>104,622</b>	<b>4,657,489</b>	<b>4,284,890</b>	<b>372,599</b>



## 3.9 Summary

Table 3-10 summarizes the total change in D.C. eligible costs for all services and classes of service in comparison to the 2019 D.C. Background Study. In aggregate, D.C. eligible capital costs of \$5.33 million have been added to the calculation of the charge.

Table 3-10  
Municipality of Middlesex Centre  
D.C.-eligible Cost Comparison

Service/Class	D.C.-eligible Costs		
	2019 D.C. Background Study	2021 Update Study	Change (\$)
<b>Municipal Wide Services:</b>			
Roads	\$ 9,076,613	\$ 10,759,464	\$ 1,682,851
Public Works	\$ 4,411,931	\$ 4,666,582	\$ 254,650
Fire Protection	\$ 2,333,132	\$ 2,333,132	\$ -
Parks and Recreation	\$ 3,933,273	\$ 5,316,835	\$ 1,383,562
Library	\$ -	\$ -	\$ -
Growth-related Studies	\$ 581,031	\$ 713,400	\$ 132,369
<b>Total Municipal Wide Services</b>	<b>\$ 20,335,980</b>	<b>\$ 23,789,413</b>	<b>\$ 3,453,432</b>
<b>Urban Services</b>			
Wastewater	\$ 28,647,187	\$ 29,738,787	\$ 1,091,601
Water	\$ 3,869,514	\$ 4,657,489	\$ 787,975
<b>Total Urban Services</b>	<b>\$ 32,516,701</b>	<b>\$ 34,396,276</b>	<b>\$ 1,879,575</b>
<b>Grand Total</b>	<b>\$ 52,852,682</b>	<b>\$ 58,185,689</b>	<b>\$ 5,333,008</b>





## 4. Revised D.C. Calculation and Schedule of Charges

Based on the proposed amendments to the D.C. eligible costs included in the 2019 D.C. Background Study detailed in Chapter 3 herein, Table 4-1 presents the revised D.C. calculation for urban area services to buildout, Table 4-2 presents municipal-wide services over the 17-year period (i.e., 2019-2036), and Table 4-3 presents the calculations for municipal-wide services over the 10-year (i.e., 2019-2029) planning horizon.

The D.C. calculation has been undertaken on an average cost basis, whereby the calculated charge seeks to recover the total costs from the anticipated development over the planning period. For the residential calculations, charges are calculated on a single detached unit equivalent basis and converted to four forms of housing types (single and semi-detached, apartments 2+ bedrooms, apartments bachelor and 1 bedroom, and all other multiples). The non-residential D.C. has been calculated by development type (industrial, agricultural, and all other non-residential) on a per sq.m. of G.F.A. basis.

Table 4-1  
Urban Area Services D.C. Calculation  
2019-Buildout

SERVICE	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per m <sup>2</sup>
1. Wastewater	\$ 27,359,684	\$ 2,379,103	\$ 10,781	\$ 24.17
2. Water	\$ 4,284,890	\$ 372,599	\$ 1,689	\$ 3.79
<b>Total D.C.-Eligible Capital Cost</b>	<b>\$ 31,644,574</b>	<b>\$ 2,751,702</b>	<b>\$ 12,470</b>	<b>\$ 27.96</b>
Buildout Gross Population/GFA Growth (sq.ft.)	8,037	98,407		
<b>Cost Per Capita/Non-Residential GFA (sq.ft.)</b>	<b>\$ 3,937.36</b>	<b>\$ 27.96</b>		
<b>By Residential Unit Type</b>	<b>P.P.U.</b>			
Single and Semi-Detached Dwelling	3.167	\$ 12,470		
Apartments - 2 Bedrooms +	2.028	\$ 7,985		
Apartments - Bachelor and 1 Bedroom	1.278	\$ 5,032		
Other Multiples	2.079	\$ 8,186		



Table 4-2  
Municipal-Wide Services D.C. Calculation  
2019-2036

SERVICE	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per m <sup>2</sup>
3. Roads	\$ 9,037,950	\$ 1,721,514	\$ 4,159	\$ 20.37
4. Public Works	\$ 3,919,929	\$ 746,653	\$ 1,804	\$ 8.84
<b>Total D.C.-Eligible Capital Cost</b>	<b>\$ 12,957,878</b>	<b>\$ 2,468,167</b>	<b>\$ 5,963</b>	<b>\$ 29.21</b>
17-Year Gross Population/GFA Growth (sq.m.)	6,882	84,505		
<b>Cost Per Capita/Non-Residential GFA (sq.ft.)</b>	<b>\$ 1,882.87</b>	<b>\$ 29.21</b>		
<b><u>By Residential Unit Type</u></b>	<b><u>P.P.U.</u></b>			
Single and Semi-Detached Dwelling	3.167	\$ 5,963		
Apartments - 2 Bedrooms +	2.028	\$ 3,818		
Apartments - Bachelor and 1 Bedroom	1.278	\$ 2,406		
Other Multiples	2.079	\$ 3,914		



Table 4-3  
Municipal-Wide Services D.C. Calculation  
2019-2029

SERVICE	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per m <sup>2</sup>
5. Fire Protection	\$ 1,983,162	\$ 349,970	\$ 1,527	\$ 7.55
6. Parks and Recreation	\$ 5,050,993	\$ 265,842	\$ 3,890	\$ 5.73
7. Library	\$ -	\$ -	\$ -	\$ -
8. Growth-related Studies			\$ 467	\$ 2.31
8.1 Roads	\$ 113,481	\$ 20,026		
8.2 Public Works	\$ 49,219	\$ 8,686		
8.3 Fire Protection	\$ 24,608	\$ 4,343		
8.4 Parks and Recreation	\$ 56,077	\$ 9,896		
8.5 Library	\$ 226	\$ 40		
8.6 Wastewater	\$ 313,657	\$ 55,351		
8.7 Water	\$ 49,123	\$ 8,669		
<b>Total D.C.-Eligible Capital Cost</b>	<b>\$ 7,640,547</b>	<b>\$ 722,823</b>	<b>\$ 5,884</b>	<b>\$ 15.59</b>
10-Year Gross Population/GFA Growth (sq.ft.)	4,112	46,368		
<b>Cost Per Capita/Non-Residential GFA (sq.ft.)</b>	<b>\$ 1,858.11</b>	<b>\$ 15.59</b>		
<b><u>By Residential Unit Type</u></b>	<b><u>P.P.U.</u></b>			
Single and Semi-Detached Dwelling	3.167	\$ 5,885		
Apartments - 2 Bedrooms +	2.028	\$ 3,768		
Apartments - Bachelor and 1 Bedroom	1.278	\$ 2,375		
Other Multiples	2.079	\$ 3,863		

Table 4-4 presents the revised calculated schedule of charges, denominated in 2019\$ consistent with the 2019 D.C. Background Study. Table 4-5 provides the amended schedule of charges adjusted to reflect indexing as of 2021.



Table 4-4  
Schedule of Calculated D.C.s (2019\$)

Service	RESIDENTIAL				NON-RESIDENTIAL (per m <sup>2</sup> of Gross Floor Area)		
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	Other Non-residential	Agricultural Use	Industrial
<b>Municipal Wide Services:</b>							
Roads	\$ 4,159	\$ 2,663	\$ 1,678	\$ 2,730	\$ 20.37	\$ 1.94	\$ 8.15
Public Works	\$ 1,804	\$ 1,155	\$ 728	\$ 1,184	\$ 8.84	\$ -	\$ 3.54
Fire Protection	\$ 1,527	\$ 978	\$ 616	\$ 1,002	\$ 7.55	\$ 1.74	\$ 3.02
Parks and Recreation	\$ 3,890	\$ 2,491	\$ 1,570	\$ 2,554	\$ 5.73	\$ -	\$ 2.29
Library	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Growth-related Studies	\$ 467	\$ 299	\$ 188	\$ 307	\$ 2.31	\$ -	\$ 0.92
<b>Total Municipal Wide Services</b>	<b>\$ 11,847</b>	<b>\$ 7,586</b>	<b>\$ 4,780</b>	<b>\$ 7,777</b>	<b>\$ 44.80</b>	<b>\$ 3.68</b>	<b>\$ 17.92</b>
<b>Urban Services</b>							
Wastewater	\$ 10,781	\$ 6,904	\$ 4,351	\$ 7,077	\$ 24.17	\$ -	\$ 9.67
Water	\$ 1,689	\$ 1,082	\$ 682	\$ 1,109	\$ 3.79	\$ -	\$ 1.52
<b>Total Urban Services</b>	<b>\$ 12,470</b>	<b>\$ 7,986</b>	<b>\$ 5,033</b>	<b>\$ 8,186</b>	<b>\$ 27.96</b>	<b>\$ -</b>	<b>\$ 11.18</b>
<b>GRAND TOTAL RURAL AREA</b>	<b>\$ 11,847</b>	<b>\$ 7,586</b>	<b>\$ 4,780</b>	<b>\$ 7,777</b>	<b>\$ 44.80</b>	<b>\$ 3.68</b>	<b>\$ 17.92</b>
<b>GRAND TOTAL URBAN AREA</b>	<b>\$ 24,317</b>	<b>\$ 15,572</b>	<b>\$ 9,813</b>	<b>\$ 15,963</b>	<b>\$ 72.76</b>	<b>\$ 3.68</b>	<b>\$ 29.10</b>



Table 4-5  
Schedule of Calculated D.C.s (Indexed to 2021\$)

Service	RESIDENTIAL				NON-RESIDENTIAL (per m <sup>2</sup> of Gross Floor Area)		
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	Other Non-residential	Agricultural Use	Industrial
<b>Municipal Wide Services:</b>							
Roads	\$ 4,395	\$ 2,814	\$ 1,774	\$ 2,885	\$ 21.53	\$ 2.05	\$ 8.61
Public Works	\$ 1,906	\$ 1,221	\$ 769	\$ 1,251	\$ 9.34	\$ -	\$ 3.74
Fire Protection	\$ 1,614	\$ 1,034	\$ 651	\$ 1,060	\$ 7.98	\$ 1.84	\$ 3.19
Parks and Recreation	\$ 4,111	\$ 2,632	\$ 1,659	\$ 2,699	\$ 6.06	\$ -	\$ 2.42
Library	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Growth-related Studies	\$ 493	\$ 316	\$ 199	\$ 324	\$ 2.44	\$ -	\$ 0.98
<b>Total Municipal Wide Services</b>	<b>\$ 12,519</b>	<b>\$ 8,017</b>	<b>\$ 5,052</b>	<b>\$ 8,219</b>	<b>\$ 47.35</b>	<b>\$ 3.89</b>	<b>\$ 18.94</b>
<b>Urban Services</b>							
Wastewater	\$ 11,393	\$ 7,296	\$ 4,597	\$ 7,479	\$ 25.54	\$ -	\$ 10.22
Water	\$ 1,785	\$ 1,143	\$ 720	\$ 1,172	\$ 4.01	\$ -	\$ 1.60
<b>Total Urban Services</b>	<b>\$ 13,178</b>	<b>\$ 8,439</b>	<b>\$ 5,317</b>	<b>\$ 8,651</b>	<b>\$ 29.55</b>	<b>\$ -</b>	<b>\$ 11.82</b>
<b>GRAND TOTAL RURAL AREA</b>	<b>\$ 12,519</b>	<b>\$ 8,017</b>	<b>\$ 5,052</b>	<b>\$ 8,219</b>	<b>\$ 47.35</b>	<b>\$ 3.89</b>	<b>\$ 18.94</b>
<b>GRAND TOTAL URBAN AREA</b>	<b>\$ 25,697</b>	<b>\$ 16,456</b>	<b>\$ 10,369</b>	<b>\$ 16,870</b>	<b>\$ 76.90</b>	<b>\$ 3.89</b>	<b>\$ 30.76</b>



A comparison of the amended charges (indexed to 2021\$) with the Municipality's current D.C.s are provided in Table 4-6. In total within the urban area, D.C.s for a single detached dwelling unit would increase by \$2,673 per unit (+11.6%). The non-residential charge per sq.m. of G.F.A. would increase by \$3.01 (+10.8%) for Industrial development, and by \$7.53 (+10.9%) for Other Non-residential development. The D.C.s applicable to Agricultural uses would remain unchanged from current levels.

Table 4-6  
Comparison of Current and Calculated D.C.s (Indexed to 2021\$)

Service	Residential		Non-Residential (per m <sup>2</sup> of Gross Floor Area)						
	Single and Semi-Detached Dwelling		Other Non-Residential		Agricultural Use		Industrial		
	Current	Calculated	Current	Calculated	Current	Calculated	Current	Calculated	
<b>Municipal Wide Services:</b>									
Roads	\$ 3,708	\$ 4,395	\$ 18.17	\$ 21.53	\$ 2.05	\$ 2.05	\$ 7.27	\$ 8.61	
Public Works	\$ 1,802	\$ 1,906	\$ 8.82	\$ 9.34	\$ -	\$ -	\$ 3.53	\$ 3.74	
Fire Protection	\$ 1,614	\$ 1,614	\$ 7.98	\$ 7.98	\$ 1.84	\$ 1.84	\$ 3.19	\$ 3.19	
Parks and Recreation	\$ 3,041	\$ 4,111	\$ 4.48	\$ 6.06	\$ -	\$ -	\$ 1.79	\$ 2.42	
Library	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Growth-related Studies	\$ 402	\$ 493	\$ 1.99	\$ 2.44	\$ -	\$ -	\$ 0.80	\$ 0.98	
<b>Total Municipal Wide Services</b>	<b>\$ 10,567</b>	<b>\$ 12,519</b>	<b>\$ 41.44</b>	<b>\$ 47.35</b>	<b>\$ 3.89</b>	<b>\$ 3.89</b>	<b>\$ 16.58</b>	<b>\$ 18.94</b>	
<b>Area Specific Services:</b>									
Wastewater	\$ 10,975	\$ 11,393	\$ 24.60	\$ 25.54	\$ -	\$ -	\$ 9.84	\$ 10.22	
Water	\$ 1,482	\$ 1,785	\$ 3.33	\$ 4.01	\$ -	\$ -	\$ 1.33	\$ 1.60	
<b>Total Area Specific Services</b>	<b>\$ 12,457</b>	<b>\$ 13,178</b>	<b>\$ 27.93</b>	<b>\$ 29.55</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11.17</b>	<b>\$ 11.82</b>	
<b>Grand Total - Urban Area</b>	<b>\$ 23,024</b>	<b>\$ 25,697</b>	<b>\$ 69.37</b>	<b>\$ 76.90</b>	<b>\$ 3.89</b>	<b>\$ 3.89</b>	<b>\$ 27.75</b>	<b>\$ 30.76</b>	



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

The Municipality's current D.C. by-law provides for the uniform Municipal-wide and area-specific recovery of growth-related costs. D.C.s are imposed for all services through one by-law. The intent of the amendment does not alter the Municipality's policy for the imposition of Municipal-wide and area-specific D.C.s.

Other than those policy revisions identified in Sections 5.1 and 5.2, all other rules and polices contained within By-law 2019-73 remain unchanged.

### 5.1 D.C. Calculation and Collection Policies

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The recent amendments to the D.C.A. provide for mandatory installments payments of D.C.s for rental housing, non-profit housing, and institutional development as follows:

- Rental housing and institutional developments will pay D.C.s in six equal annual installments, with the first payment commencing at the date of occupancy. Non-profit housing developments will pay D.C.s in 21 equal annual installments. Interest may be charged on the installments, and any unpaid amounts may be added to the property and collected as taxes.

Furthermore, the D.C.s for development proceeding through the site plan or zoning by-law amendment planning approvals processes will be calculated on the date the planning application is made and will be payable at building permit issuance (or as required by S.26.1 of the D.C.A.).

- The D.C. amount for all developments occurring within two years of a Site Plan or Zoning By-law Amendment planning approval (for applications submitted on or after January 1, 2020) shall be determined based on the D.C. charge in effect on the date of Site Plan or Zoning By-law Amendment planning application. If the development is not proceeding via these planning approvals, or if the building permit is issued after the two-year period of application approval, then the amount is determined at building permit issuance.

The D.C.A. also provides that municipalities may charge interest on the installment payments, and charges calculated where the planning application is received in specific

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circumstances outlined above. The interest charged on installment payments and charges calculated when the planning application is made will be governed by the Municipality’s Council approved Development Charges Interest Policy.

## 5.2 Statutory Exemptions

The amendments to the D.C.A. provide for the following additional statutory exemptions to the payment of D.C.s.

Residential intensification exemptions have been expanded to allow for the creation of additional dwelling units within ancillary structures to existing residential dwellings without the payment of D.C.s. Section 2 (3) (b) of the D.C.A. provides that D.C.s are not payable for residential development that results only in the creation of up to two additional dwelling units in prescribed classes of existing residential buildings or prescribed structures ancillary to existing residential buildings, subject to the prescribed restrictions set out in section 2 (1) of O. Reg. 82/98 (see Table 5-1).

Table 5-1  
Prescribed Classes of Existing Residential Buildings, Prescribed Additional Dwelling Units, and Restrictions

Item	Name of Class of Existing Residential Building	Description of Class of Existing Residential Buildings	Maximum Number of Additional Dwelling Units	Restrictions
1	Existing single detached dwellings	Existing residential buildings, each of which contains a single dwelling unit, that are not attached to other buildings.	Two	The total gross floor area of the additional dwelling unit or units must be less than or equal to the gross floor area of the dwelling unit already in the building.
2	Existing semi-detached dwellings or row dwellings	Existing residential buildings, each of which contains a single dwelling unit, that have one or two vertical walls, but no other parts, attached to other buildings.	One	The gross floor area of the additional dwelling unit must be less than or equal to the gross floor area of the dwelling unit already in the building.
3	Existing rental residential buildings	Existing residential rental buildings, each of which contains four or more dwelling units.	Greater of one and 1% of the existing units in the building	None
4	Other existing residential buildings	An existing residential building not in another class of residential building described in this table	One	The gross floor area of the additional dwelling unit must be less than or equal to the gross floor area of the smallest dwelling unit already in the building.

The creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to dwellings are now also exempt from the payment of D.C.s, subject to the prescribed restrictions set out in section 2 (3) of O. Reg. 82/98 (see Table 5-2).





To provide additional clarity in interpreting the application of the exemption for a second dwelling that would be ancillary to a proposed new detached dwelling, semi-detached dwelling, or row dwelling, the proposed new principal dwelling and one ancillary dwelling unit must be located on a parcel of land on which no other detached dwelling, semi-detached dwelling, or row dwelling would be located.

**Table 5-2**  
**Prescribed Classes of Proposed New Residential Buildings, and Restrictions**

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

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

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

The Municipality's D.C. By-law will be updated through this process to include this statutory exemption which came into force on December 8, 2020.



## 5.3 Local Service Policy

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Some of the need for services generated by additional development consists of local services related to a plan of subdivision. As such, they will be required as a condition of subdivision agreements or consent conditions. A revised copy of the Municipality's Local Service Policy is included in this report as Appendix B.



## 6. Asset Management Plan and Long-Term Capital and Operating Costs

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

**The A.M.P. shall,**

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

The A.M.P. analysis included in the 2019 D.C. Background Study, which found that the capital plan was deemed to be financially sustainable, has been updated to account for the capital cost revisions described herein.

The updated A.M.P. analysis contained in Table 6-1 identifies:

- \$3.64 million in total annualized expenditures; and
- Incremental operating revenues of \$9.18 million and existing operating revenues of \$42.28 million, totaling \$51.46 million by the end of the period.

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



Table 6-1  
Municipality of Middlesex Centre  
Asset Management – Future Expenditures and Associated Revenues (2019\$)

	<b>Buildout (Total)</b>
<b>Expenditures (Annualized)</b>	
Annual Debt Payment on Non-Growth Related Capital <sup>1</sup>	1,315,753
Annual Debt Payment on Post Period Capital <sup>2</sup>	1,128,539
Annual Lifecycle - Municipal-wide Services	610,192
Annual Lifecycle - Area Specific Services	156,569
<b>Incremental Operating Costs (for D.C. Services)</b>	\$431,285
<b>Total Expenditures</b>	<b>\$3,642,338</b>
<b>Revenue (Annualized)</b>	
Total Existing Revenue <sup>3</sup>	\$42,284,247
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)	\$9,180,398
<b>Total Revenues</b>	<b>\$51,464,645</b>

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

<sup>2</sup> Interim Debt Financing for Post Period Benefit

<sup>3</sup> As per Sch. 10 of FIR

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.

Table 6-2 summarizes the changes to the incremental annual operating costs associated with the D.C. eligible costs at full emplacement.



Table 6-2  
Municipality of Middlesex Centre  
Operating and Capital Expenditure Impacts for Future Capital Expenditures (2019\$)

SERVICE	ANNUAL LIFECYCLE EXPENDITURES	ANNUAL OPERATING EXPENDITURES	TOTAL ANNUAL EXPENDITURES
Roads	186,940	53,066	240,006
Public Works	258,162	187,590	445,752
Fire Protection	73,402	31,329	104,731
Parks and Recreation	91,688	36,404	128,092
Library	-	-	-
Administration - Studies	-	-	-
Wastewater	144,274	114,418	258,692
Water	12,295	8,477	20,772
<b>Total</b>	<b>766,761</b>	<b>431,285</b>	<b>1,198,046</b>



## 7. Process for Adoption of the Amending Development Charges By-law

If approved, the changes provided herein will form part of the 2019 D.C. Background Study, as amended. Appendix A to this D.C. Update Study includes the draft Amending D.C. By-law being presented for Council's consideration. The D.C. Update Study and draft Amending D.C. By-law will be presented to the public at a public meeting of Council to solicit public input on the proposed D.C. by-law.

It is anticipated that Council will consider for adoption the proposed amending by-law at a subsequent meeting of Council on December 15, 2021, witnessing the 60-day period between the release of the D.C. Background Study and the passage of the D.C. By-law. It is proposed that the Amending D.C. By-law will come into effect on the date of passage.

If Council is satisfied with the proposed changes to the D.C. Background Study and D.C. By-Law, it is recommended that Council:

“Approve the Development Charges Update Study dated October 15, 2021, subject to further annual review during the capital budget process;”

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

“Approve the Amending Development Charge By-law as set out herein.”



# Appendix A

## Draft Amending D.C. By-law



**Municipality of Middlesex Centre  
By-Law 2021-\_\_**

**Being a by-law to amend development charges by-law 2019-073**

**WHEREAS** Section 19 of the *Development Charges Act, 1997 S.O. 1997, c.27*, as amended (“the Act”) provides for amendments to be made to development charges by-laws;

**AND WHEREAS** the Council of the Corporation of the Municipality of Middlesex Centre (hereinafter called “the Council”) has determined that certain amendments should be made to the Development Charge By-law of the Corporation of the Municipality of Middlesex Centre, being By-law 2019-073;

**AND WHEREAS**, in accordance with the Act, a development charges background study has been completed in respect of the proposed amendment;

**AND WHEREAS** the Council of the Corporation of the Municipality of Middlesex Centre has given notice and held a public meeting in accordance with the Act; and

**NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE MUNICIPALITY OF MIDDLESEX CENTRE ENACTS AS FOLLOWS:**

**1. By-law 2019-073 is hereby amended as follows:**

a. The following definitions are added to Section 1.1 of the By-law:

“institutional”, for the purposes of section 9(3), means development of a building or structure intended for use:

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





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

“non-profit housing development”, for the purposes of section 9(4), means development of a building or structure intended for use as residential premises by:

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

“rental housing”, for the purposes of section 9(3), means development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises;

b. Subsection 3(2) is deleted and replaced with the following:

3(2) This by-law shall not apply to land that is owned by and used for the purpose of:



- (a) a board of education;
  - (b) any municipality or local board thereof;
  - (c) a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education; and
  - (d) the erection of temporary buildings or structures.
- d. Subsections 3(3), 3(4), and 3(5) are deleted and replaced with the following:
- 3(3) This by-law shall not apply to that category of exempt development described in subsection 2(3) of the Act and Section 2 of O.Reg. 82/98, namely:
- (a) the enlargement to an existing residential dwelling unit;
  - (b) the creation of a maximum of two additional dwelling units in an existing single detached dwelling or structure ancillary to such dwelling. The total gross floor area of the additional dwelling unit or units must be less than or equal to the gross floor area of the dwelling unit already in the existing residential building/dwelling;
  - (c) the creation of additional dwelling units equal to the greater of one or 1% of the existing dwelling units in an existing residential rental building containing four or more dwelling units or within a structure ancillary to such residential building;
  - (d) the creation of one additional dwelling unit in any other existing residential building/dwelling or within a structure ancillary to such residential building/dwelling. The gross floor area of the additional dwelling unit must be less than or equal to the gross floor area of the smallest dwelling unit already in the existing residential building/dwelling; or



- (e) the creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to dwellings, subject to the following restrictions:

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

- 3(4) In addition to the restrictions outlined in Subsection 3(3), for the purposes of the exemption for an additional residential unit in a building ancillary to a proposed new Single Detached, Semi-Detached or Row Townhouse Dwelling, the proposed new Single Detached, Semi-Detached or Row Townhouse Dwelling must be located on a parcel of land on which no other Single Detached, Semi-Detached or Row Townhouse dwelling is or would be located.



- e. The following subsections are added to Section 9:
- 9(3) Notwithstanding Subsection 9(1), 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 as provided in the Municipality's Council approved Development Charge Interest Policy, payable on the anniversary date each year thereafter.
  - 9(4) Notwithstanding Subsection 9(1), 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 as provided in the Municipality's Council approved Development Charge Interest Policy, payable on the anniversary date each year thereafter.
  - 9(5) Where the development of land results from the approval of a Site Plan or Zoning Bylaw Amendment made on or after January 1, 2020, and the approval of the application occurred within 2 years of building permit issuance, the Development Charges under Subsections 9(1), 9(3), and 9(4) shall be calculated based on the rates set out in Schedule "B" on the date the planning application was made, including interest as provided in the Municipality's Council approved Development Charge Interest Policy. Where both planning applications apply Development Charges under Subsections 9(1), 9(3), and 9(4) shall be calculated based on the rates, including interest as provided in the Municipality's Council approved Development Charge Interest Policy, set out in Schedule "B" on the date of the later planning application.
  - 9(6) Despite Subsections 9(1), 9(3), 9(4), and 9(5), Council from time to time, and at any time, may enter into agreements providing for all or any part of a development charge to be paid before or after it would otherwise be payable, in accordance with section 27 of the Act.



f. Schedules “A” and “B” are deleted and replaced with the attached.

2. **This By-law shall come into effect on the date of passage.**

Read a first, second, third time and passed in open Council this December 15, 2021.

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Mayor

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Clerk



## **SCHEDULE “A”**

### **To By-law 2019-073**

#### **Designated Municipal Services Under This By-law**

##### **Municipal-Wide Services**

- Roads
- Public Works
- Fire Protection
- Parks and Recreation
- Library

##### **Area-Specific Services**

- Water
- Wastewater

##### **Classes of Service**

- Growth-Relates Studies
  - Roads
  - Public Works
  - Fire Protection
  - Parks and Recreation
  - Library
  - Water
  - Wastewater



**SCHEDULE “B”  
To BY-LAW 2019-073  
SCHEDULE OF DEVELOPMENT CHARGES**

Service	RESIDENTIAL				NON-RESIDENTIAL (per m <sup>2</sup> of Gross Floor Area)		
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	Other Non-residential	Agricultural Use	Industrial
<b>Municipal Wide Services:</b>							
Roads	\$ 4,159	\$ 2,663	\$ 1,678	\$ 2,730	\$ 20.37	\$ 1.94	\$ 8.15
Public Works	\$ 1,804	\$ 1,155	\$ 728	\$ 1,184	\$ 8.84	\$ -	\$ 3.54
Fire Protection	\$ 1,527	\$ 978	\$ 616	\$ 1,002	\$ 7.55	\$ 1.74	\$ 3.02
Parks and Recreation	\$ 3,890	\$ 2,491	\$ 1,570	\$ 2,554	\$ 5.73	\$ -	\$ 2.29
Library	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Growth-related Studies	\$ 467	\$ 299	\$ 188	\$ 307	\$ 2.31	\$ -	\$ 0.92
<b>Total Municipal Wide Services</b>	<b>\$ 11,847</b>	<b>\$ 7,586</b>	<b>\$ 4,780</b>	<b>\$ 7,777</b>	<b>\$ 44.80</b>	<b>\$ 3.68</b>	<b>\$ 17.92</b>
<b>Urban Services</b>							
Wastewater	\$ 10,781	\$ 6,904	\$ 4,351	\$ 7,077	\$ 24.17	\$ -	\$ 9.67
Water	\$ 1,689	\$ 1,082	\$ 682	\$ 1,109	\$ 3.79	\$ -	\$ 1.52
<b>Total Urban Services</b>	<b>\$ 12,470</b>	<b>\$ 7,986</b>	<b>\$ 5,033</b>	<b>\$ 8,186</b>	<b>\$ 27.96</b>	<b>\$ -</b>	<b>\$ 11.18</b>
<b>GRAND TOTAL RURAL AREA</b>	<b>\$ 11,847</b>	<b>\$ 7,586</b>	<b>\$ 4,780</b>	<b>\$ 7,777</b>	<b>\$ 44.80</b>	<b>\$ 3.68</b>	<b>\$ 17.92</b>
<b>GRAND TOTAL URBAN AREA</b>	<b>\$ 24,317</b>	<b>\$ 15,572</b>	<b>\$ 9,813</b>	<b>\$ 15,963</b>	<b>\$ 72.76</b>	<b>\$ 3.68</b>	<b>\$ 29.10</b>



# Appendix B

## Local Service Policy





## **Purpose:**

The purpose of the proposed Local Service Policy is to provide guidance to the Municipality and developers in identifying developer responsibility for the installation of local municipal services as identified under section 59 of the Development Charges Act, 1997, as amended (D.C.A.) and section 51 of the Planning Act.

The D.C.A. provides the following legislative direction with respect to "local services":

- "s. 59 (1) A municipality shall not, by way of a condition or agreement under section 51 or 53 of the Planning Act, impose directly or indirectly a charge related to a development or a requirement to construct a service related to development except as allowed in subsection (2).
- (2) A condition or agreement referred to in subsection (1) may provide for,
- (a) 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;
  - (b) local services to be installed or paid for by the owner as a condition of approval under section 53 of the Planning Act."

Further, the D.C.A. prohibits development charges being used as a funding source for local services as follows:

- "s. 2 (5) A development charge by-law may not impose development charges with respect to local services described in clauses 59(2) (a) and (b)."

Specifically, the local servicing guidelines are to:

- identify direct developer responsibilities in the provision of municipal services for new residential development;
- identify those types of services where significant additional costs may be incurred by the developer to accommodate the servicing of lands not owned by the developer;
- provide the basis of establishing eligibility for cost sharing if required and the method of calculation of "oversizing" costs;



- develop appropriate methods of cost recovery for additional costs related to "oversizing."

### **Services to be Included in Local Service Policy:**

#### Roads, Sidewalks, Multi-Use Pathways, Bike Lanes, Street Lighting, Traffic Calming

Roads, sidewalks, bike lanes, multi-use pathways, traffic calming, and street lighting are generally developer responsibility with little or no oversizing applications within the Municipality. There are no planned major roadways through developments within the Municipality which would require a roadway of greater size or capacity than the municipal standard for local roads.

All road linkages or connections extending from the development area to existing municipal roads are the responsibility of the developer and are to be constructed to full municipal standards including all services where appropriate.

Upgrades, improvements, or alterations to any existing external road that are required to provide access from the external road to the area of a development are the responsibility of the developer.

Sidewalks are required in accordance with municipal standards. Sidewalk linkages/connections to tie into existing pathway systems, parks or adjacent arterial or collector roads are developer responsibilities.

Street lighting is required in accordance with municipal standards. Street lighting along linkages/connections to existing roads are the developer's responsibilities.

Traffic calming measures may be required in accordance with municipal standards. Traffic calming measures internal to the development area and any external measures that may be required as a result of the proposed development are the developer's responsibilities.

Bike lanes and multi-use pathways may be required in accordance with municipal standards. Bike lanes and multi-use pathway measures internal to the development area and any external linkages and connections that may be required are the developer's responsibilities.



## Sanitary Sewers

The sizing and servicing limits of all local sanitary sewers are to be identified by the developer's professional engineer. All external service areas are to be identified and the impact on the sizing and depth of local services determined as part of the normal engineering design and approvals, at the developer's cost.

Should more detailed area master servicing plans be required to address the servicing of new growth areas, such studies shall be undertaken either directly by the municipality or under the direction of the municipality and may be eligible for funding from development charges in accordance with requirements of the Act.

All local sanitary sewers up to and including 250 mm diameter are to be the developer's responsibility. Local sanitary sewers greater than 250 mm diameter may be eligible for cost sharing funded from development charges in accordance with these guidelines provided that:

- oversizing is required to service designated future development areas external to the development; and
- the subject internal sewer has been identified as a trunk sewer in a council approved master servicing plan.

Generally, there will be no compensation for the deepening of sanitary sewers to accommodate external areas. Consideration for additional compensation funded from development charges may be given where the depth of eligible sewers needs to be increased more than 2.0 m in order to accommodate external areas or where the additional depth will have a significant impact on construction methods (i.e. dewatering).

## Sanitary Pumping Stations

Sanitary pumping stations are to be reviewed on a case by case basis. Generally, sanitary pumping stations and connecting works servicing a single development or part of a single development with no area wide benefit will be deemed a local service and will be the developer's responsibility.

Pumping stations identified as having an area wide benefit must be identified in a council approved master servicing study with eligible costs being funded from development charges.



## Watermains

The servicing limits and sizing of local watermains are to be identified by the developer's professional engineer.

All local watermains up to and including 250 mm diameter are the developer's responsibility. Watermains over 250 mm diameter which have been oversized to provide fire protection within a development are deemed a local service and are the developer's responsibility.

Local watermains greater than 250 mm diameter may be eligible for cost sharing funded from development charges in accordance with these guidelines provided that:

- oversizing is required to service designated future development areas external to the development; and
- the subject internal watermain has been identified as a trunk main in a council-approved master servicing plan.

## Storm Sewers

The sizing and servicing limits of all local storm sewers are to be identified by the developer's professional engineer. External service areas are to be identified and the impact on the sizing and depth of local storm sewers determined as part of the normal engineering design and approvals.

Should more detailed area master servicing plans be required to address the servicing of new growth areas, such studies shall be undertaken either directly by the municipality or under the direction of the municipality and will be eligible for funding from development charges in accordance with requirements of the Act.

All storm sewers up to and including 1200 mm diameter are the developer's responsibility. Storm sewers greater than 1200 mm diameter may be eligible for cost sharing funded from development charges in accordance with these guidelines provided that:

- oversizing is required to service designated future development areas external to the development; and



- the subject sewer has been identified as a trunk sewer in a council approved master servicing plan.

Generally, there will be no compensation for the deepening of storm sewers to accommodate external areas. Consideration for additional compensation may be given where the depth of eligible sewers needs to be increased more than 2.0 m in order to accommodate external areas or where the additional depth will have a significant impact on construction methods (i.e. dewatering).

### Stormwater Management

Stormwater management is generally considered on an area by area basis. Therefore, stormwater management is excluded from development charges unless specific circumstances have been identified and allowed for within the development charges calculations.

### Definitions for Relevant Terms

Local services:	Roadworks, sidewalks, bike lanes, multi-use pathways streetlighting, landscaping, traffic calming, storm sewers, sanitary sewers, watermains and appurtenances necessary to provide services within a plan of subdivision and which are generally of local benefit as outlined above. May also include linkages or connections to existing municipal infrastructure.
external service area:	The servicing limits for a proposed work beyond the subject development. External areas could be comprised of either new growth areas or areas of existing development or a combination of the two.
oversizing:	The difference between the maximum size identified within these guidelines for a local service (storm sewer, sanitary sewer or watermain) and the size of service required to service areas external to the subject development.
trunk services:	Significant sanitary sewers, storm sewers or watermains which service more than one development area (existing or



future) and which are larger than the maximum sizes identified within these guidelines or are identified within a Master Servicing Study as a trunk service. Trunk services would typically be eligible for funding from development charges in accordance with the Act.

### Oversizing Cost Recovery

Oversizing costs to be reimbursed through development charges are to be based on the net increase in cost for materials and installation of the sewer or watermain in accordance with Municipal benchmark costs. Generally, there will be no compensation for the deepening of sewers or watermains to accommodate external areas. Oversizing costs do not include costs of restoration, preliminary studies, planning costs, engineering costs, or federal or provincial taxes.

Oversizing costs to be reimbursed through development charges may include the net increase in cost related to oversizing of manholes and appurtenances (e.g., valves). There will be no compensation for any net increase in cost related to additional depth of private drain connections (lot services).

Note: The above policy guidelines represent the general principles by which staff will be guided in considering development applications. However, each application will be considered on its own merits having regard to, among other factors, the nature, type and location of the development, any existing and proposed development in the surrounding area, these policy guidelines, and subsection 59(2) of the Development Charges Act, 1997, as amended.

### Recreational Trails

- a. Recreational trails (Multi-use trails) that do not form part of the municipality's active transportation network, and their associated infrastructure (landscaping, bridges, trail surface, etc.), is included in area municipal parkland D.C.'s.

### Parkland

- a. Parkland Development for Community Parks, District Parks, Neighbourhood Parks and Village Squares: direct developer responsibility to provide at base condition,



either as specified in the Municipality's Infrastructure Design Standards or as specified below:

- Clearing and grubbing. Tree removals as per the subdivision's tree preservation and removals plan.
- Topsoil Stripping, screening, and stockpiling.
- Rough grading (pre-grading) to allow for positive drainage of the Park, with minimum slopes of 2%. If necessary, this may include some minor drainage tile work and grading as per the overall subdivision grading design complete with any required swales or catch basins. Runoff from the development property shall not drain into the park unless approved by the Directors of Public Works & Engineering and Community Services.
- Spreading of topsoil to 300mm depth (import topsoil if existing on-site is insufficient to reach required depth).
- Seeding of site with Municipality-approved seed mix. Maintenance of seed until acceptance by Municipality.
- Parks shall be free of any contaminated soil or subsoil.
- Parks shall not be mined for fill. Maximum depth of topsoil allowed is 600mm.
- Parks shall be conveyed free and clear of all encumbrances.
- 100% of 1.5m chain link perimeter fencing to the Municipal standards to separate the development lands from the Municipal lands or lands to be dedicated to the Municipality, unless the perimeter fencing is on land that will be dedicated to the Municipality to fulfil the requirement of parkland dedication under the Planning Act, in which case the cost shall be shared 50/50. Upgraded fencing may be permitted with approval of the Directors of Public Works & Engineering and Community Services, however any net increase in costs is direct developer responsibility.
- When Park parcels cannot be developed in a timely manner, they shall be graded to ensure positive drainage and seeded to minimize erosion and dust. These shall be maintained by the developer until construction commences thereon.
- The Park block shall not be used for topsoil storage or other construction material, equipment storage, or sales pavilions.
- Required heritage features within the Park as set out within the Planning approval conditions.



b. Program facilities, amenities, and furniture within parkland: are included in D.C.'s.

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

a. The cost of developing all landscape buffer blocks, landscape features, cul-de-sac islands, berms, grade transition areas, walkway connections to adjacent arterial roads, open space and other remnant pieces of land conveyed to the municipality shall be a direct developer responsibility as a local service. Such costs include but are not limited to:

- pre-grading, sodding or seeding, supply and installation of amended topsoil, (to the Municipality's required depth), landscape features, perimeter fencing and amenities and all planting.
- Perimeter fencing to the Municipal standard located on the public property side of the property line adjacent land uses (such as but limited to arterial roads) as directed by the Municipality.

Natural Heritage System (N.H.S.)

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

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

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





### Infrastructure Assets Constructed by Developers

- e. All infrastructure assets constructed by Developers must be designed in accordance with the Municipality's Infrastructure Design Standards as revised.
- f. All infrastructure assets shall be conveyed in accordance with the Municipality's Infrastructure Design Standards as revised

Any Parks and Open Space infrastructure assets approved to be built by the developer on behalf of the Municipality shall be in accordance with the Municipality's requirements.