



**Public Meeting Agenda - Development Charges By-law  
Township of North Dundas**

**This is a Public Meeting of Council pursuant to Section 12 of the Development Charges Act, 1997, as amended, to present and obtain public input on the municipality's proposed Development Charges (D.C.) By-law and underlying background study.**

**December 14, 2021, 6:00 p.m.  
636 St. Lawrence St. Winchester, ON**

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Public Meetings are open to the public and residents are encouraged to attend. However during the COVID-19 Pandemic, individuals who wish to attend in-person must provide proof of double vaccination along with photo ID. Alternatively, the public can watch a live stream of the meeting on the Township's [YouTube Channel](#); however, the Township cannot guarantee the quality of the YouTube recording.

If you wish to speak at the Public Meeting but are not attending in person, you must pre-register in advance of the meeting to participate via Zoom. [Click here](#) to register.

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	<b>Pages</b>
<b>1. Call Meeting to Order by Resolution</b>	
<b>2. Confirmation of Record and Notice</b>	
<b>3. Presentation by Sean-Michael Stephen from Watson &amp; Associates Economists Ltd.</b>	<b>1</b>
<b>4. Open Discussion</b>	
<b>5. Concluding Remarks - Chairperson Fraser</b>	
<b>6. Adjournment</b>	



 **Watson  
& Associates**  
ECONOMISTS LTD.

# Township of North Dundas Development Charges Background Study

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Public Meeting Presentation

December 14, 2021



# Development Charges

## Purpose

- To recover the capital costs associated with residential and non-residential growth within a municipality
- The capital costs are in addition to what costs would normally be constructed as part of a subdivision (i.e. internal roads, sewers, watermains, roads, sidewalks, streetlights, etc.)
- Municipalities are empowered to impose Development Charges (D.C.s) via the Development Charges Act, 1997 (D.C.A.)

# Public Meeting Purpose



- This meeting is a mandatory requirement under the *D.C.A.*
- Prior to Council's consideration of a by-law, a background study must be prepared and available to the public a minimum of 2 weeks prior to a public meeting and provided on the municipality's website 60 days prior to by-law passage
- This public meeting is to provide a review of the D.C. proposal and to receive public input on the proposed policies and charges related to the proposed D.C. by-law

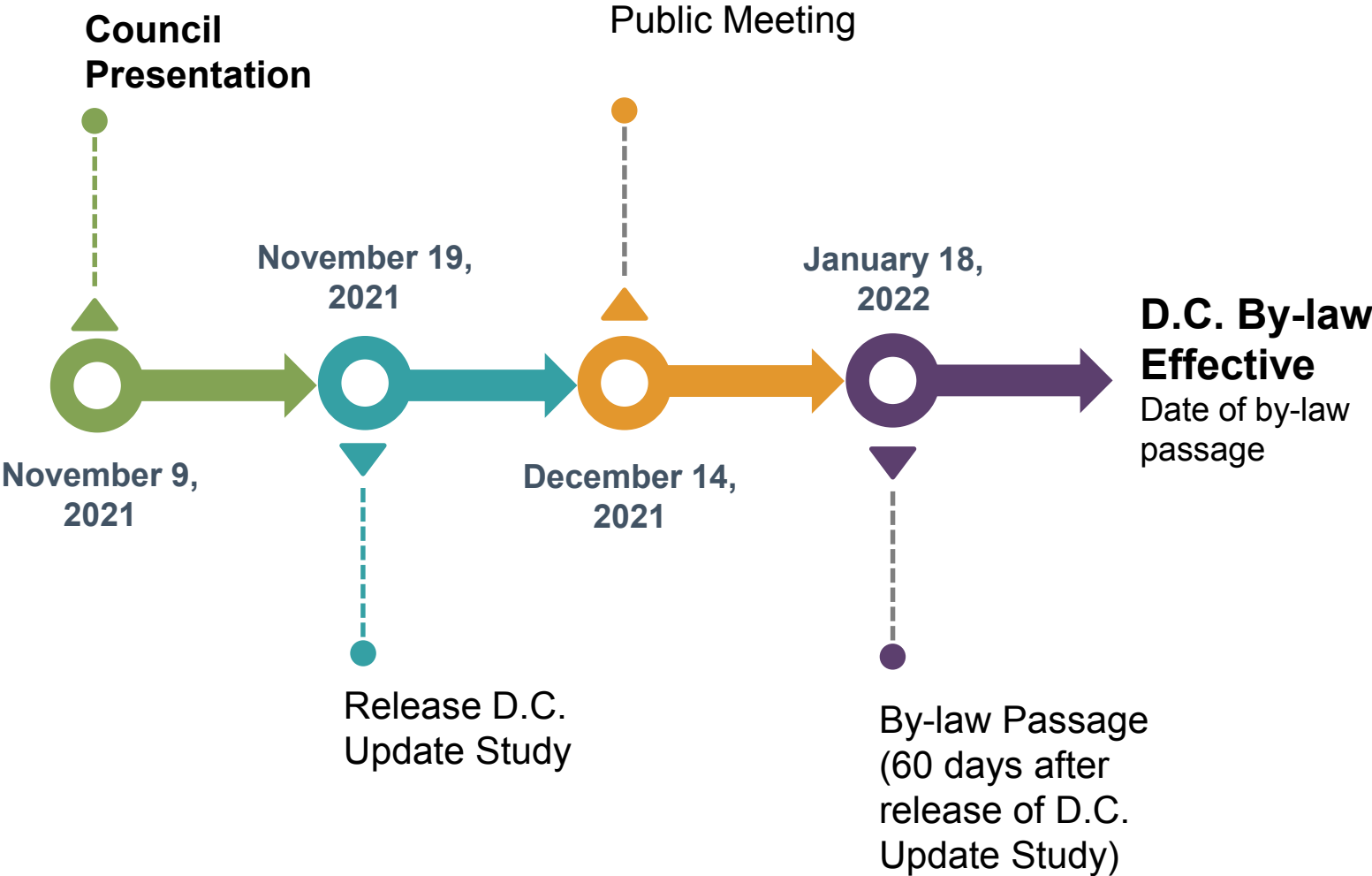


# *Development Charges Act*

## Methodology (Simplified Steps)

- Identify amount, type and location of growth
- Identify servicing needs to accommodate growth
  - Ensure increase in need for service does not exceed the average level of service over the prior 10-year period
- Identify capital costs to provide services to meet the needs
- Deduct:
  - Uncommitted Excess Capacity
  - Grants, subsidies and other contributions
  - Benefit to existing development
- Net costs allocated between residential and non-residential benefit
- Net costs divided by growth to provide the D.C. charge

# Study Process



Current By-law expires on January 25, 2022

# Anticipated Amount, Type and Location of Growth

## Residential and Non-Residential Growth Forecast



- Prepared based on 2016 census data, County Official Plan, and units in the development approvals process

Time Horizon	Residential		Non-Residential	
	Net Population <sup>1</sup>	Residential Units	Employment <sup>1</sup>	Sq.ft. of GFA
Early 2022	11,859	4,807	2,761	
Mid 2036	13,236	5,545	2,907	
Incremental Change				
15-year	1,377	738	146	181,300

1. Excludes NFPOW and WAH



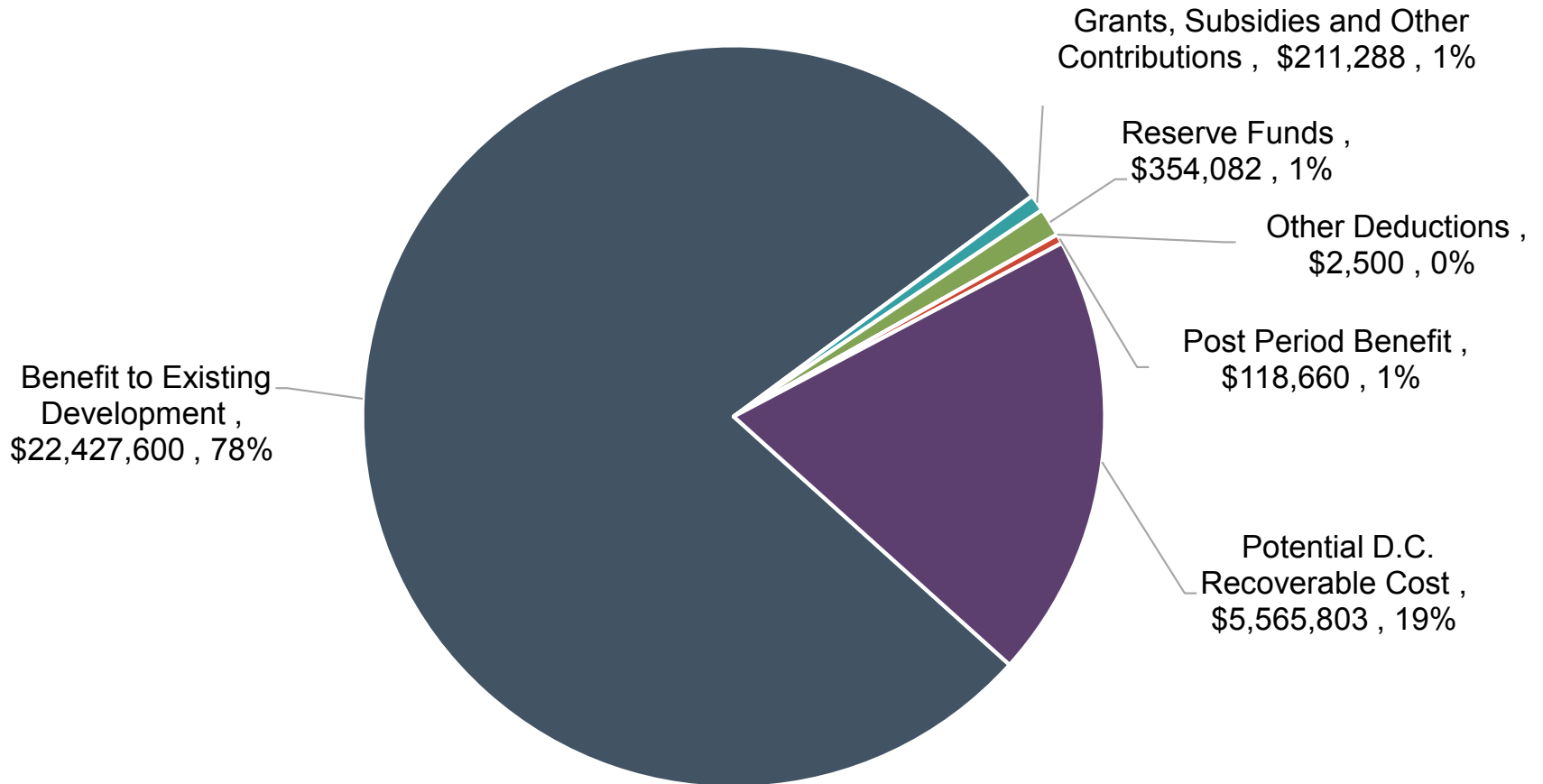
# Increase in Need for Service

- Township-wide
  - Fire Protection Services;
  - Services Related to a Highway (incl. Transportation and Public Works);
  - Parks and Recreation Services; and
  - Waste Diversion Services.
- Growth-Related Studies related to the above services included as a separate class of service



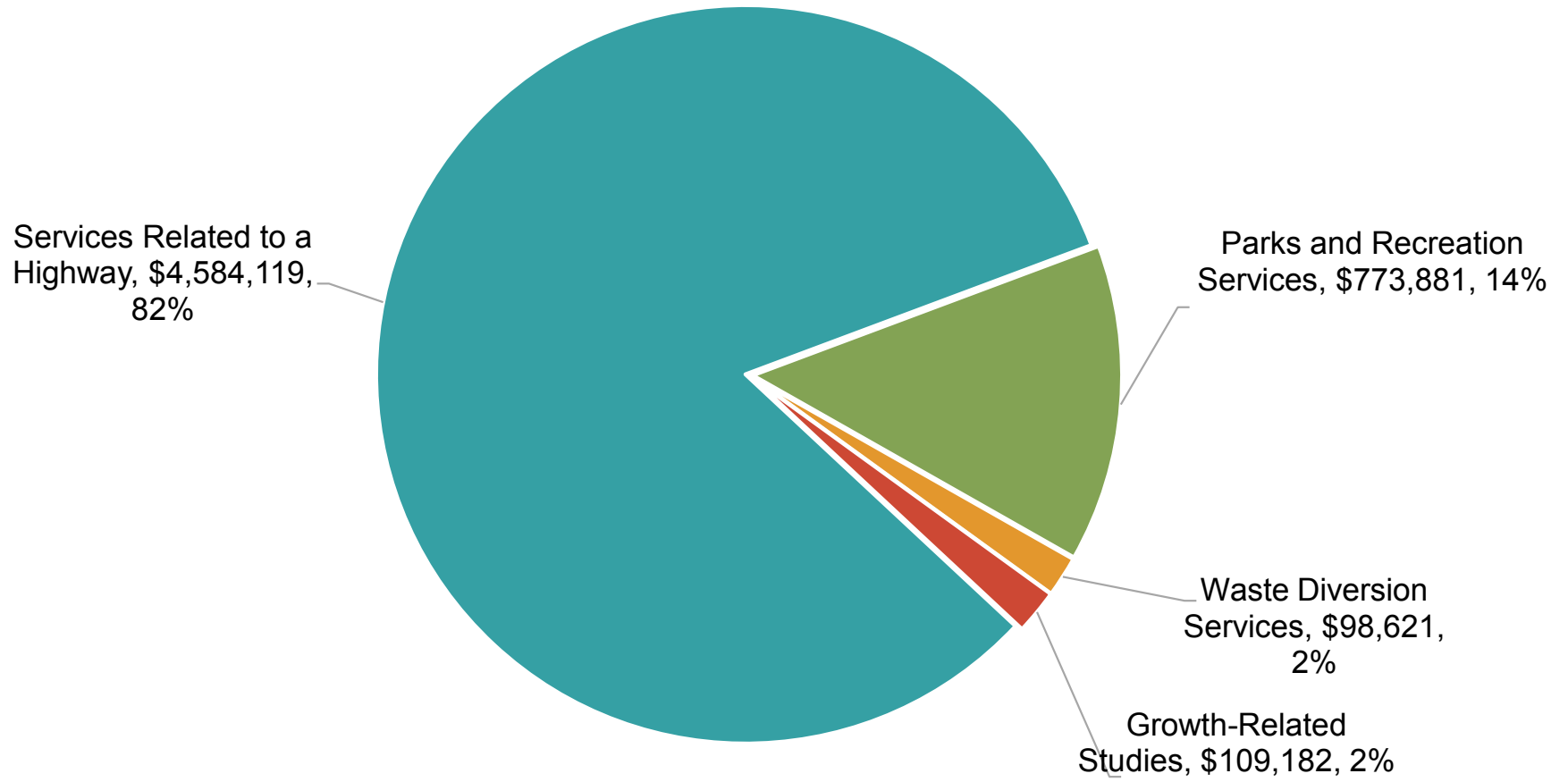
# Anticipated Capital Needs

## Gross Capital Costs (\$28.8 million)



# D.C. Recoverable Costs

\$5.6 million



# Proposed Schedule of D.C.s



Service/Class of Service	RESIDENTIAL						NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/ Special Dwelling Units	Senior-Oriented Dwelling Units	(per sq.ft. of Gross Floor Area)
<b>Municipal Wide Services/Class of Service:</b>							
Fire Protection Services	-	-	-	-	-	-	-
Services Related to a Highway	6,043	5,228	3,865	2,565	2,475	3,266	2.53
Parks and Recreation Services	1,133	981	725	481	464	613	-
Waste Diversion Services	130	112	83	55	53	70	0.05
Growth-Related Studies	144	125	92	61	58	79	0.06
<b>Total Municipal Wide Services/Class of Services</b>	<b>7,450</b>	<b>6,446</b>	<b>4,765</b>	<b>3,162</b>	<b>3,050</b>	<b>4,028</b>	<b>2.64</b>
<b>Area-Specific Services/Class of Service:</b>							
Pumping Station*	748	647	479	318	306	405	-

Service/Class of Service	NON-RESIDENTIAL (per sq.ft. of Gross Floor Area)				
	0 to 2,500 sq.ft	2,501 to 5,000 sq.ft	5,001 to 30,000 sq.ft	30,001 sq.ft to 55,000 sq.ft.	55,001 sq.ft +
<b>Municipal Wide Services/Class of Service:</b>					
Fire Protection Services	-	-	-	-	-
Services Related to a Highway	2.53	1.26	0.95	0.63	0.32
Parks and Recreation Services	-	-	-	-	-
Waste Diversion Services	0.05	0.03	0.02	0.01	0.01
Growth-Related Studies	0.06	0.03	0.02	0.02	0.01
<b>Total Municipal Wide Services/Class of Services</b>	<b>2.64</b>	<b>1.32</b>	<b>0.99</b>	<b>0.66</b>	<b>0.33</b>

# D.C. Comparison

## Current vs. Calculated (2021\$)



### Residential (Single Detached) Comparison

Service/Class of Service	Current	Calculated	Change (\$)	Change (%)
<b>Municipal Wide Services/Classes:</b>				
Fire Protection Services	1,071	-	(1,071)	-100%
Services Related to a Highway (Incl. Transportation and PW)	3,193	6,043	2,849	89%
Parks and Recreation Services	1,360	1,133	(226)	-17%
Waste Diversion Services	-	130	130	N/A
Growth-Related Studies	37	144	107	290%
<b>Total Municipal Wide Services/Classes</b>	<b>5,661</b>	<b>7,450</b>	<b>1,789</b>	<b>32%</b>

### Non-Residential (per sq.ft.) Comparison

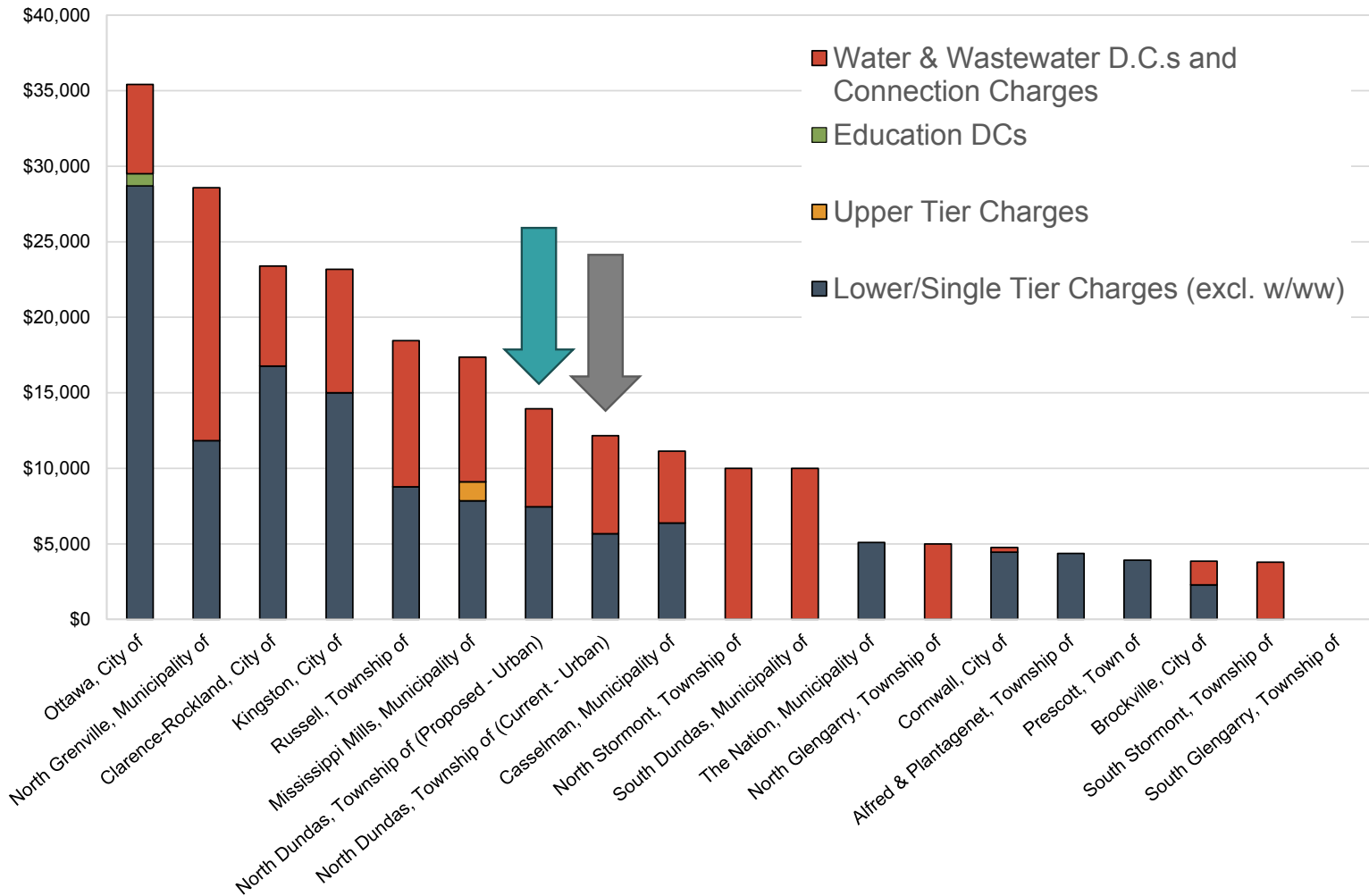
Service/Class of Service	Current	Calculated	Change (\$)	Change (%)
<b>Municipal Wide Services/Classes:</b>				
Fire Protection Services	0.15	-	(0.15)	-100%
Services Related to a Highway (Incl. Transportation and PW)	0.34	2.53	2.18	632%
Parks and Recreation Services	-	-	-	N/A
Waste Diversion Services	-	0.05	0.05	N/A
Growth-Related Studies	0.00	0.06	0.06	1388%
<b>Total Municipal Wide Services/Classes</b>	<b>0.49</b>	<b>2.64</b>	<b>2.15</b>	<b>433%</b>

# Municipal Comparison

## Per Single Detached Residential Dwelling Unit



**Residential Development Charges (per Single Detached Dwelling)**

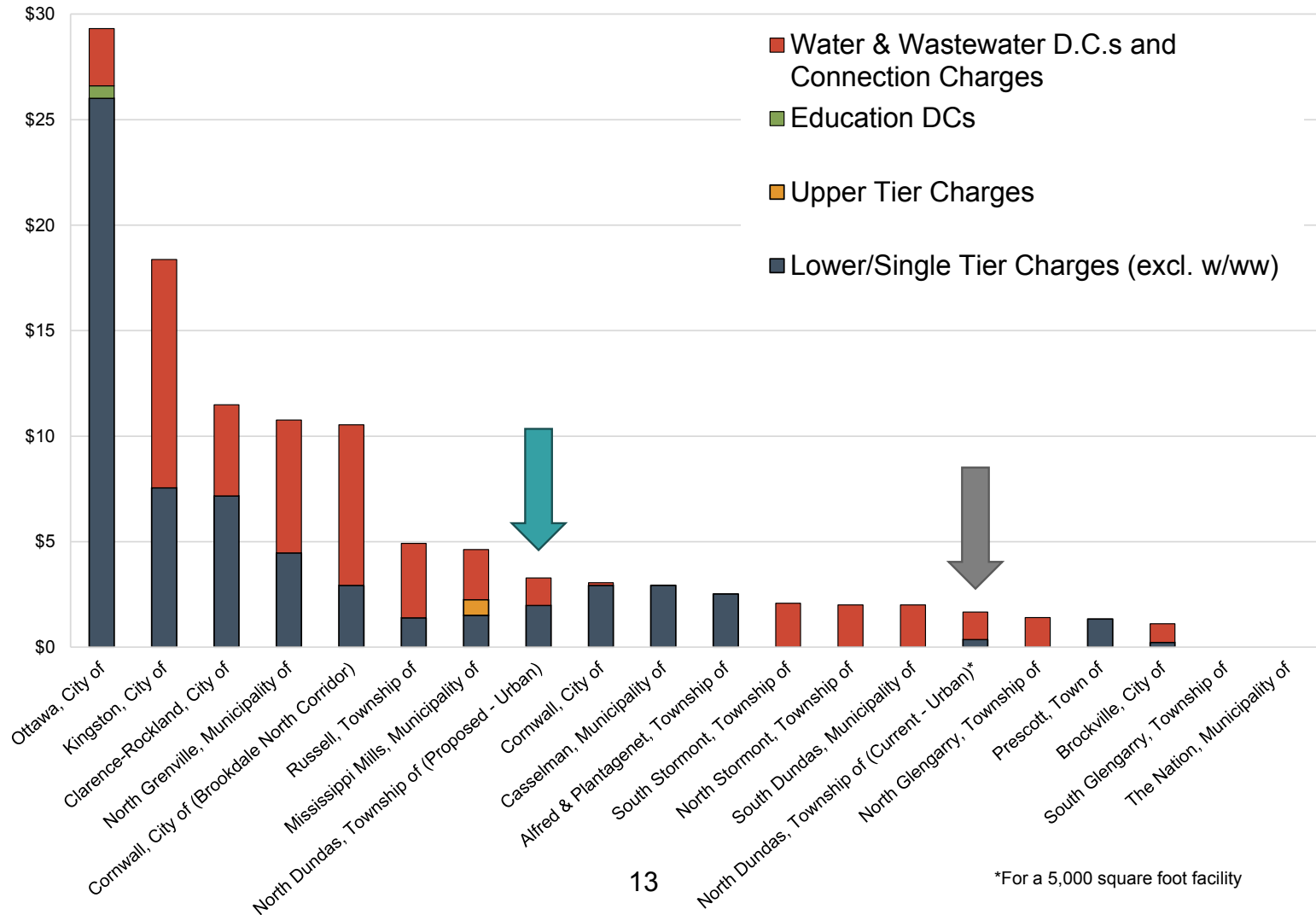




# Municipal Comparison

## \$ per Square Foot of Commercial Gross Floor Area

Commercial Development Charges (per sq.ft. of GFA)



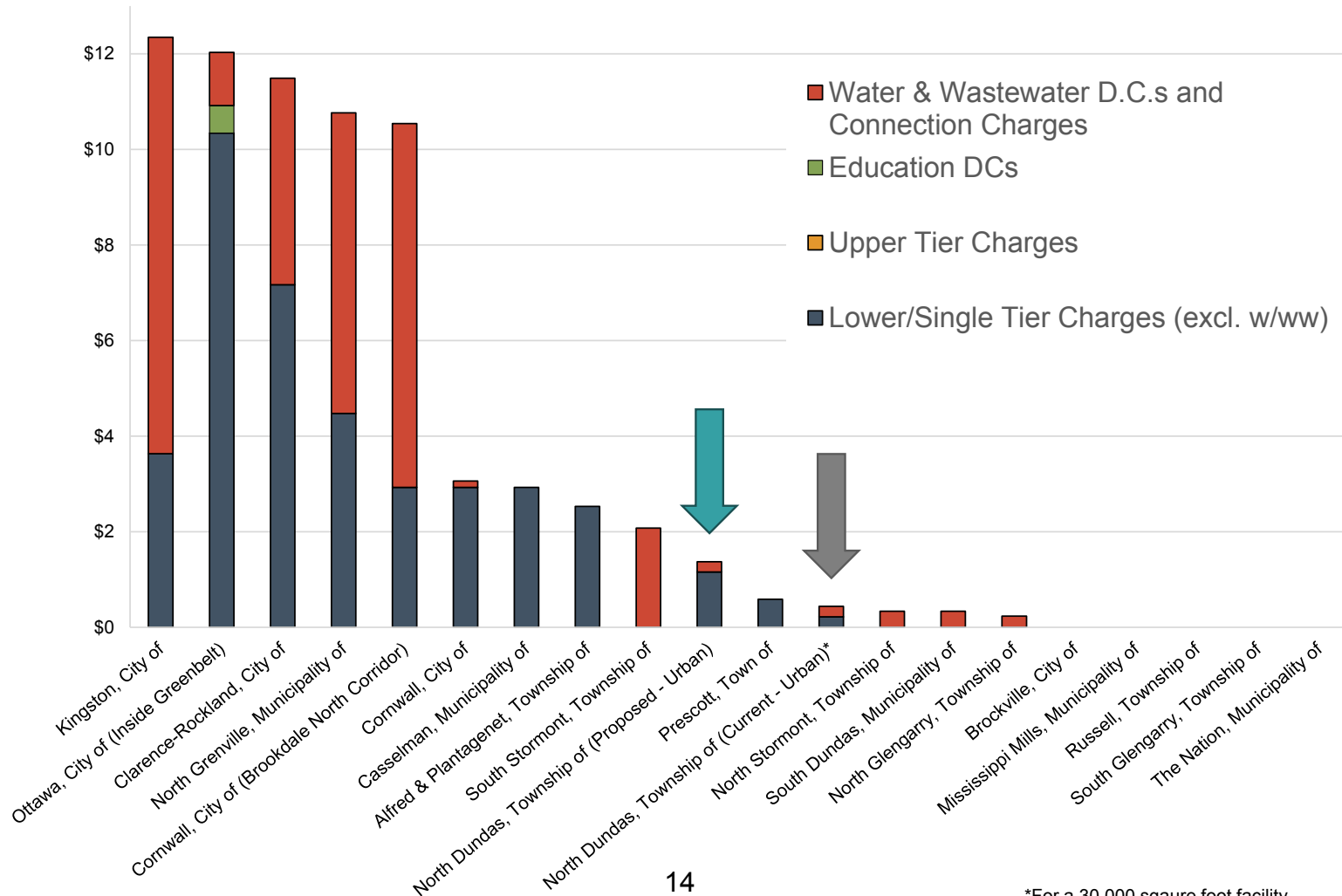
\*For a 5,000 square foot facility

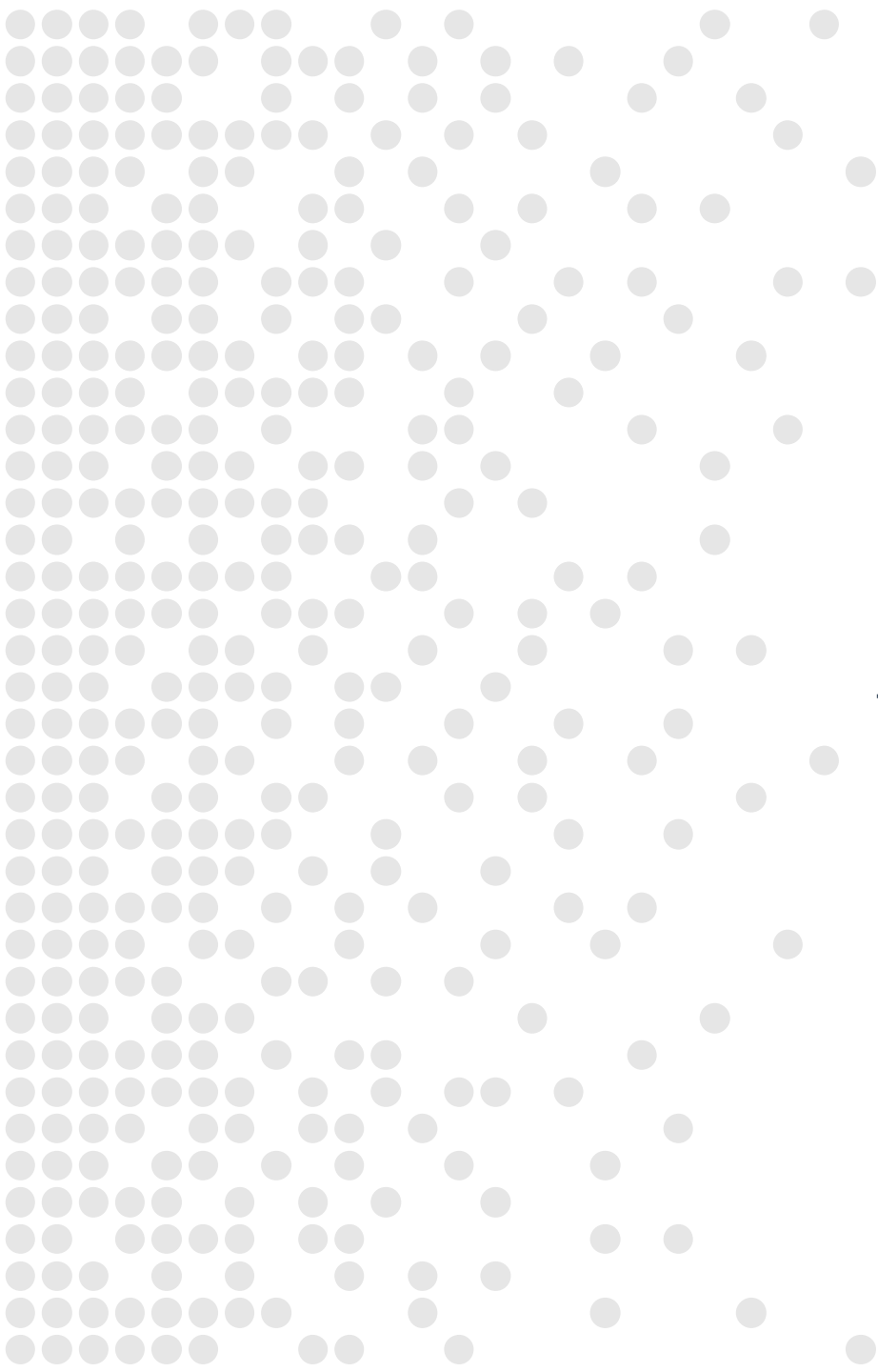


# Municipal Comparison

## \$ per Square Foot of Industrial Gross Floor Area

Industrial Development Charges (per sq.ft. of GFA)





## Development Charges

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D.C. By-law Policies





# D.C. By-Law Policies

## Timing of Collection

- The Township's D.C. by-law will continue to provide for calculation and collection of the charges at the time of building permit issuance.
- D.C.s for developments proceeding through Site Plan or Zoning By-law Amendment will be determined based on the charges in effect on the day of the application
- Rental housing and institutional developments would pay D.C.s in 6 equal annual payments, commencing from the date of occupancy
- Non-profit housing would pay D.C.s in 21 equal annual payments, commencing from the date of occupancy
- D.C. for developments proceeding through Site Plan or Zoning By-law Amendment will be determined based on the charges in effect on the day the application is made
  - Charges to be frozen for a maximum period of 2 years after planning application approval



# D.C. By-Law Policies

## Interest Charges

- The D.C.A. allows municipalities to charge interest on installment charges, and on charges determined at Site Plan or Zoning Bylaw Amendment application
- Proposed policy is to charge interest at a rate equal to the annual indexing rate identified in Section 16 of the By-law (i.e. the Statistics Canada index applied to D.C.s)



# D.C. By-Law Policies

## Statutory D.C. Exemptions

- Existing industrial building expansions (may expand by 50% with no D.C.)
- Residential intensification (within existing residential buildings or structures ancillary to existing residential buildings):
  - May add up to two apartments for a single detached home as long as size of home does not double
  - Add one additional unit in medium & high-density buildings
- The creation of a second dwelling unit in prescribed classes of new residential buildings, including structures ancillary to dwellings
- Upper/Lower Tier Governments and School Boards
- Development of lands intended for use by a university that received operating funds from the Government



## D.C. Policies

### Non-Statutory D.C. Exemptions

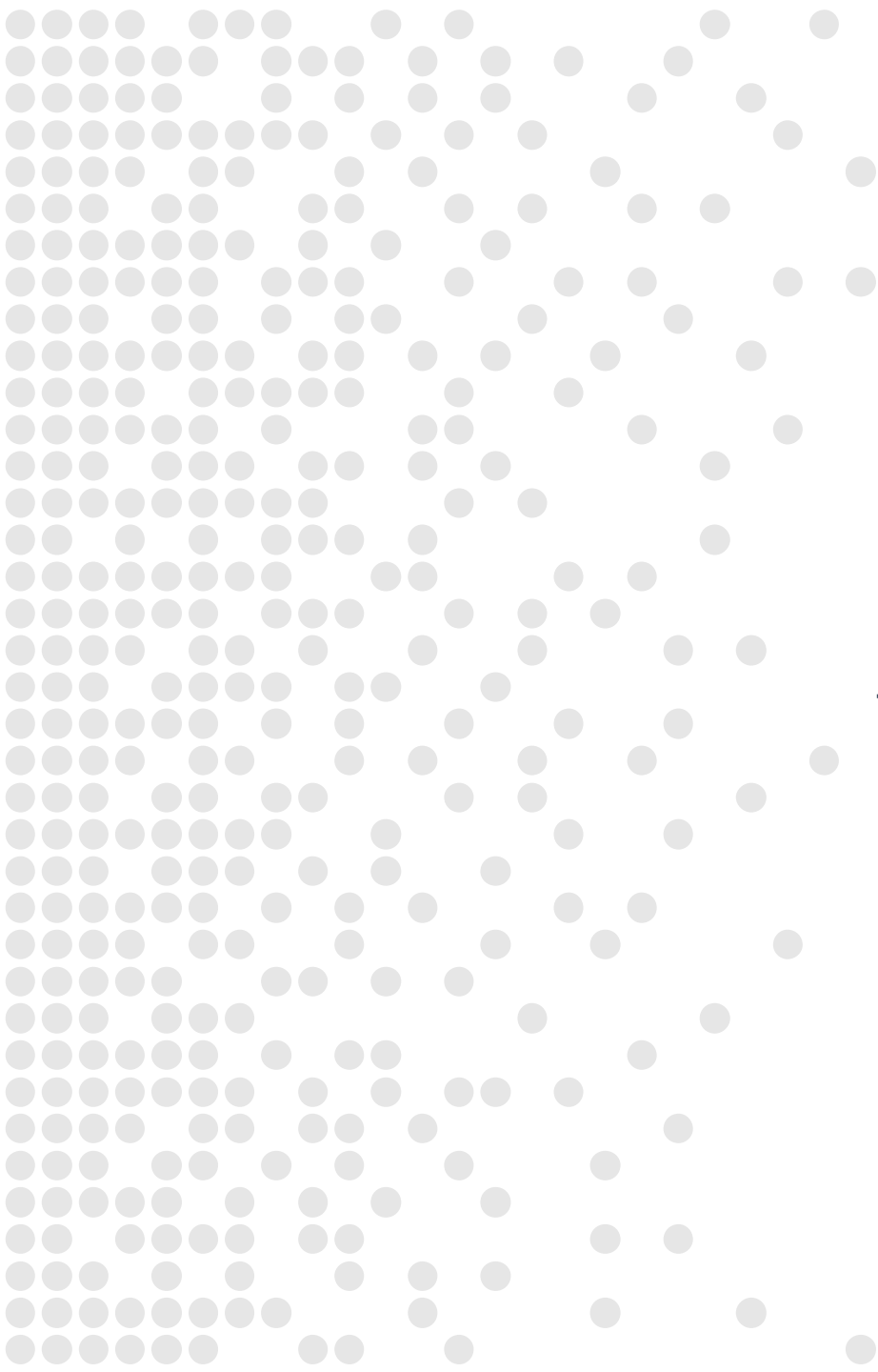
- Non-residential farm building used for bona fide agricultural purposes;
- College of applied arts and technology established pursuant to the *Ministry of Colleges and Universities Act*
- Place of worship, cemetery, and burial ground
- Hospital governed by the *Public Hospitals Act*
- Accessory uses
- 50% exemption for not-for-profit providing subsidized housing (does not apply to special care / special needs dwelling)
- Nursing homes licensed as a long-term care home under the *Long-Term Care Homes Act*



# D.C. By-Law Policies

## Redevelopment Credits and Indexing

- Redevelopment credits on conversions or demolitions of existing buildings or structures are generally granted to recognize what is being replaced on site
- Proposed redevelopment credit policy:
  - Redevelopment credits granted for demolitions or conversion;
  - Credits be provided where redevelopment occurs within 60 months (5 years) of demolition; and
  - In no case shall the credit be greater than the D.C.s that would otherwise be payable
- The current by-law provides for mandatory annual indexing of the D.C.s.
  - Policy proposed to be maintained with mandatory indexing on January 1 of each year



## Technical Appendix

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### Anticipated Capital Needs

# Next Steps



- Council to receive feedback from public on the proposed D.C. By-law
- Preparation addendums to the D.C. Background based on public meeting and stakeholder feedback (if applicable)
- Approval of D.C. Background Study and by-law passage – January 18, 2022