

**Town of Pelham
Development Charge
Background Study

Consolidated Report**

**This report consolidates:
Development Charge Background Study
(May 17, 2018)
and
Addendum No. 1 to: Town of Pelham
Development Charge Background Study
(July 11, 2018)**

August 30, 2018



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 **Planning for growth**

Consolidated Report

This report consolidates the May 17, 2018 report and the July 11, 2018 addendum report. The following summarizes the reasons for completing the amendments to the May 17, 2018 Background Study.

July 11, 2018 Addendum 1 – Provides for the following changes:

1. An update to Services Related to a Highway project listing which includes:
 - a. The addition of two (2) debentures for prior D.C. projects; and
 - b. The addition of one (1) project.
2. The addition of a debenture for a prior D.C. project to the Water capital project listing;
3. An update to Outdoor Recreation Services project listing, which includes;
 - a. The removal of one (1) capital project; and
 - b. The addition of three (3) capital projects.
4. An update to Indoor Recreation Services service standard calculations, which includes;
 - a. The addition of two (2) portables to the service standards.
5. The addition of a Master Plan under the Administration studies capital project listing; and
6. A modification to the draft D.C. by-law commencement date and indexing date.

Changes to the Background Report

Based upon the above, the following revisions are made to the pages within the background study (new pages are incorporated throughout the report).

- a. Pages (iii) and (v) – Updated the references to the D.C. calculations as well as the summary of costs to be recovered over the life of the by-law and Table ES-1;
- b. Pages 5-15 to 5-17 – Updated the write-up and capital table to reflect the changes to the Administration (Studies) costs;

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- c. Pages 5-18 to 5-19 – Updated the write-up and capital table to reflect the changes to the Outdoor Recreation costs;
 - d. Page 5-20 – Updated the write-up to reflect the changes to the Indoor Recreation service standard ceiling;
 - e. Pages 5-24 and 5-27 – Updated the write-up and capital table to reflect the changes to the Services Related to a Highway costs;
 - f. Pages 5-32 to 5-33 – Updated the write-up and capital table to reflect the changes to the Water Services costs;
 - g. Pages 6-2 to 6-4 – Updated the D.C. calculation tables to reflect the updated capital costs;
 - h. Pages 7-4 to 7-5 – Updated indexing write-up and by-law enforcement date;
 - i. Page B-2 – Updated the service standard summary to reflect the changes to the Indoor Recreation service standard ceiling;
 - j. Page B-11 – Updated the Indoor Recreation service standard to include two (2) historical line items;
 - k. Page C-3 – Updated table C-1 (Operating and Capital Expenditure Impact table) to reflect the revised Services Related to a Highway – Roads, Outdoor Recreation, Water Services and Administration (Studies) impacts on operating and capital expenditures;
 - l. Appendix F – updated the Asset Management write-up and figures to reflect the changes to the lifecycle costs based on the capital revisions; and
 - m. Appendix G – updated the draft D.C. by-law to include all refinements set out in this addendum report.

Amended Pages
(Inserted throughout report)

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List of Acronyms and Abbreviations

Acronym	Full Description of Acronym
D.C.	Development Charges
D.C.A.	Development Charges Act
G.F.A.	Gross floor area
L.P.A.T.	Local Planning Appeal Tribunal
N.F.P.O.W.	No Fixed Place of Work
O.M.B.	Ontario Municipal Board
O.Reg.	Ontario Regulation
P.P.U.	Persons per unit
S.D.E.	Single detached equivalent
s.s.	Subsection
sq.ft.	Square footage

Executive Summary

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

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

- 6) Net costs divided by growth to provide the D.C. charge.
3. A number of changes to the D.C. process need to be addressed as a result of The Smart Growth for Our Communities Act, 2015 (Bill 73). These changes have been incorporated throughout the report and in the updated draft by-law, as necessary. These items include:
- a. Area-rating: Council must consider the use of area-specific charges.
 - b. Asset Management Plan for New Infrastructure: The D.C. background study must include an asset management plan that deals with all assets proposed to be funded, in whole or in part, by D.C.s. The asset management plan must show that the assets are financially sustainable over their full lifecycle.
 - c. 60-day Circulation Period: The D.C. background study must be released to the public at least 60-days prior to passage of the D.C. by-law.
 - d. Timing of Collection of Development Charges: The D.C.A. now requires D.C.s to be collected at the time of the first building permit.
4. The growth forecast (Chapter 3) on which the Town-wide D.C. is based, projects the following population, housing and non-residential floor area for the 10-year (2018-2027), 20-year (2018-2037), and urban build-out forecast periods.

Measure	10 Year 2018-2027	20 Year 2018-2037	Urban Build Out 2018-Urban Build Out
(Net) Population Increase	3,432	5,960	8,580
Residential Unit Increase	1,535	2,649	3,724
Non-Residential Gross Floor Area Increase (ft ²)	523,600	862,700	768,700

Source: Watson & Associates Economists Ltd. Forecast 2018

5. On August 6, 2014, the Town of Pelham passed By-law 3527(2014) under the D.C.A. The by-law imposes D.C.s on residential and non-residential uses. This by-law will expire on August 6, 2019. The Town is undertaking a D.C. public process and anticipates passing a new by-law in advance of the expiry date. The mandatory public meeting has been set for June 13, 2018 with adoption of the by-law set for July 16, 2018.

6. The Town's D.C.s currently in effect are \$14,071 for single detached dwelling units for full services. Non-residential charges are \$6.64 per square foot for full services. This report has undertaken a recalculation of the charge based on future identified needs (presented in Schedule ES-1 for residential and non-residential). Charges have been provided on a Town-wide basis for all services except water and wastewater which are provided on an urban-wide basis for the areas of Fenwick and Fonthill. The corresponding single-detached unit charge for full services is \$17,750. The corresponding non-residential charge for full services is \$8.97 per square foot of building area. These rates are submitted to Council for its consideration.
7. The D.C.A. requires a summary be provided of the gross capital costs and the net costs to be recovered over the life of the by-law. This calculation is provided by service and is presented in Table 6-4. A summary of these costs is provided below:

Total gross expenditures planned over the next five years	\$55,839,810
Less:	
Benefit to existing development	\$17,002,660
Post planning period benefit	\$ 2,066,067
Ineligible re: Level of Service	\$ -
Mandatory 10% deduction for certain services	\$ 402,063
Grants, subsidies and other contributions	\$ 2,345,000
Net Costs to be recovered from development charges	\$34,024,020

Hence, \$21.82 million (or an annual amount of 4.36 million) will need to be contributed from taxes and rates, or other sources. Of this amount, \$2.07 million will be included in subsequent D.C. study updates to reflect the portion of capital that benefits growth in the post period D.C. forecasts.

Based on the above table, the Town plans to spend \$55.84 million over the next five years, of which \$34.02 million (61%) is recoverable from D.C.s. Of this net amount, \$29.11 million is recoverable from residential development and \$4.91 million from non-residential development. It is noted also that any exemptions or reductions in the charges would reduce this recovery further.

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

The following services are calculated based on an urban build-out forecast:

- Wastewater Services; and

The following services are calculated based on a 20-year forecast (2018 – 2037):

- Services Related to a Highway; and
- Fire Protection Services.

All other services are calculated based on a 10-year forecast (2018 – 2027).

These include:

- Outdoor Recreation Services;
- Indoor Recreation Services;
- Library Services; and
- Administration.

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

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

**Table ES-1
Schedule of Development Charges**

Service	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	Special Care/Special Dwelling Units	(per ft ² of Gross Floor Area)
Municipal Wide Services:						
Services Related to a Highway	9,330	6,388	3,906	6,647	3,191	5.21
Fire Protection Services	349	239	146	249	119	0.19
Outdoor Recreation Services	1,697	1,162	710	1,209	580	0.23
Indoor Recreation Services	1,206	826	505	859	412	0.17
Library Services	563	385	236	401	193	0.08
Administration	678	464	284	483	232	0.39
Total Municipal Wide Services	13,823	9,464	5,787	9,848	4,727	6.27
Urban Services						
Wastewater Services	2,762	1,891	1,156	1,968	945	1.90
Water Services	1,165	798	488	830	398	0.80
Total Urban Services	3,927	2,689	1,644	2,798	1,343	2.70
GRAND TOTAL RURAL AREA	13,823	9,464	5,787	9,848	4,727	6.27
GRAND TOTAL URBAN AREA	17,750	12,153	7,431	12,646	6,070	8.97

1. Introduction

1.1 Purpose of this Document

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

The Town retained Watson & Associates Economists Ltd. (Watson), to undertake the D.C. study process throughout 2018. Watson worked with Town staff in preparing the D.C. analysis and policy recommendations.

This D.C. background study, containing the proposed D.C. by-law, will be distributed to members of the public in order to provide interested parties with sufficient background information on the legislation, the study's recommendations and an outline of the basis for these recommendations.

This report has been prepared, in the first instance, to meet the statutory requirements applicable to the Town's D.C. background study, as summarized in Chapter 4. It also addresses the requirement for "rules" (contained in Chapter 7) and the proposed by-law to be made available as part of the approval process (included as Appendix G).

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

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

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

1.2 Summary of the Process

The public meeting required under Section 12 of the D.C.A., has been scheduled for June 13, 2018. Its purpose is to present the study to the public and to solicit public input. The meeting is also being held to answer any questions regarding the study's purpose, methodology and the proposed modifications to the Town's D.C.s.

In accordance with the legislation, the background study and proposed D.C. by-law will be available for public review on May 17, 2018.

The process to be followed in finalizing the report and recommendations includes:

- consideration of responses received prior to, at, or immediately following the Public Meeting; and
- finalization of the report and Council consideration of the by-law subsequent to the public meeting.

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

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

1. Data collection, staff review, engineering work, D.C. calculations and policy work	October 2017 to April 2018
2. Background study and proposed by-law available to public	May 17, 2018
3. Public meeting advertisement placed in newspaper(s)	May 22, 2018
4. Public meeting of Council	June 13, 2018
5. Council considers adoption of background study and passage of by-law	July 16, 2018
6. Newspaper notice given of by-law passage	By 20 days after passage
7. Last day for by-law appeal	40 days after passage
8. Town makes pamphlet available (where by-law not appealed)	By 60 days after in force date

1.3 Changes to the D.C.A.: The Smart Growth for Our Communities Act, 2015 (Bill 73)

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

1.3.1 Area Rating

Bill 73 has introduced two new sections where Council must consider the use of area-specific charges:

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

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

1.3.2 Asset Management Plan for New Infrastructure

The new legislation now requires that a D.C. background study must include an Asset Management Plan (s.10 (2) c.2). The asset management plan must deal with all assets that are proposed to be funded, in whole or in part, by D.C.s. The current regulations provide very extensive and specific requirements for the asset management plan related to transit services; however, they are silent with respect to how the asset management plan is to be provided for all other services. As part of any asset management plan, the examination should be consistent with the municipality's existing assumptions, approaches and policies on asset management planning. This examination may include both qualitative and quantitative measures such as examining the annual future lifecycle contributions needs (discussed further in Appendix F of this report).

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

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

This D.C. study is being provided to the public on May 17, 2018 to ensure the new requirements for release of the study is met.

1.3.4 Timing of Collection of D.C.s

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

1.3.5 No Additional Levies

Bill 73 provided the "no additional levies" clause which provides that a municipality cannot request developers construct additional infrastructure that is not defined as a local service. These works must be clearly defined in the municipality's Local Service Policy. The Town's Local Service Policy has been updated as part of this study process and is provided in Appendix E.

1.3.5 Other Changes

It is also noted that a number of other changes were made through Bill 73 and O.Reg. 428/15 including changes to the way in which Transit D.C. service standards are calculated and the inclusion of Waste Diversion; however, these sections do not impact the Town's D.C.

2. Current Town of Pelham Policy

2.1 Schedule of Charges

On August 6, 2014, the Town of Pelham passed By-law 3527(2014) under the D.C.A. The by-law imposes D.C.s on residential and non-residential uses. This by-law will expire on August 6, 2019.

This by-law imposes D.C.s for residential and non-residential uses. The table below provides the rates currently in effect, as at January 1, 2018.

**Table 2-1
Town of Pelham
Current Development Charges**

Service	Residential				Non-Residential
	Single & Semi Detached	Multiples	Apartments with >= 2 Bedrooms	Apartments with < 2 Bedrooms	per ft ²
Services Related to a Highway	5,412	3,779	3,496	2,360	3.29
Fire Protection Services	402	280	260	175	0.24
Outdoor Recreation Services	2,780	1,942	1,796	1,213	0.44
Indoor Recreation Services	1,078	752	697	470	0.16
Library Services	778	543	504	339	0.12
Administration	647	451	418	282	0.43
Town-Wide Total	11,097	7,747	7,171	4,839	4.68
Wastewater Services	1,698	1,186	1,097	739	1.11
Water Services	1,276	891	823	557	0.85
Urban Area Total	2,974	2,077	1,920	1,296	1.96
Total Town-Wide + Urban	14,071	9,824	9,091	6,135	6.64

2.2 Services Covered

The following services are covered under By-law 3527(2014):

- Services Related to a Highway;
- Fire Protection Services;
- Outdoor Recreation Services;
- Indoor Recreation Services;
- Library Services;
- Administration (studies);
- Wastewater Services; and
- Water Services.

2.3 Timing of D.C. Calculation and Payment

D.C.s are payable at the time of building permit issuance and are collected by the Town of Pelham Building Department. Council may enter into agreements providing for payment of the D.C. before or after it would otherwise be payable.

2.4 Indexing

Rates shall be indexed annually on January 1st of each year by the percentage change recorded in the average annual Non-Residential Construction Price Index produced by Statistics Canada.

2.5 Redevelopment Allowance

In the case of the re-development involving the demolition and replacement of all or part of a building or structure:

- (1) a credit offsetting the development charges payable shall be allowed, provided that the land was improved by occupied structures (or structures capable of occupancy) within the five years prior to the issuance of the demolition permit, and the building permit has been issued for the development or redevelopment within five years from the date the demolition permit has been issued; and
- (2) the credit shall be calculated as follows;
 - for residential buildings, the credit shall be equivalent to the number of dwelling units demolished multiplied by the applicable residential development charge in place at the time the development charge is payable under this by-law.
 - for non-residential buildings, the credit shall be equivalent to the gross floor area demolished multiplied by the applicable non-residential development charge in place at the time the development charge is payable under this by-law.

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

2.6 Exemptions

The following exemptions are provided under By-law 3527(2014):

- a board of education;
- any municipality or local board thereof;
- a hospital as defined under the Public Hospitals Act;
- that portion of a place of worship that is exempt from taxation under the Assessment Act;
- a garden suite;
- a farm help house;
- a farm building;

- Institutions that are exempt from municipal taxation under the following legislation;
 - Social Housing Reform Act;
 - Long Term Care Act; or
 - Mental Health Act;
 - save and except those that are operated for profit; and
- land developed for purposes where the development is clearly exempt from taxation under Provincial or Federal Legislation.

3. Anticipated Development in the Town of Pelham

3.1 Requirement of the Act

Chapter 4 provides the methodology for calculating a development charge as per the Development Charges Act, 1997. Figure 4-1 presents this methodology graphically. It is noted in the first box of the schematic that in order to determine the development charge that may be imposed, it is a requirement of Section 5 (1) of the Development Charges Act that “the anticipated amount, type and location of development, for which development charges can be imposed, must be estimated.”

The growth forecast contained in this chapter (with supplemental tables in Appendix A) provides for the anticipated development for which the Town of Pelham will be required to provide services, over a 10-year (2018-2028), 20-year (2018-2038) and buildout period.

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

The D.C. growth forecast provided herein has been derived from the draft Niagara Region Municipal Comprehensive Review (MCR) Phase 3 Strategic Growth Option Summary Report, November 2016 prepared by Hemson Consulting Ltd. Discussions with Town of Pelham municipal staff were also held to address recent residential and non-residential development trends, and future land supply, which are anticipated to impact the long-term forecast for the Town. In compiling the growth forecast, the following specific information sources were consulted to assess residential and non-residential development potential for the Town; including:

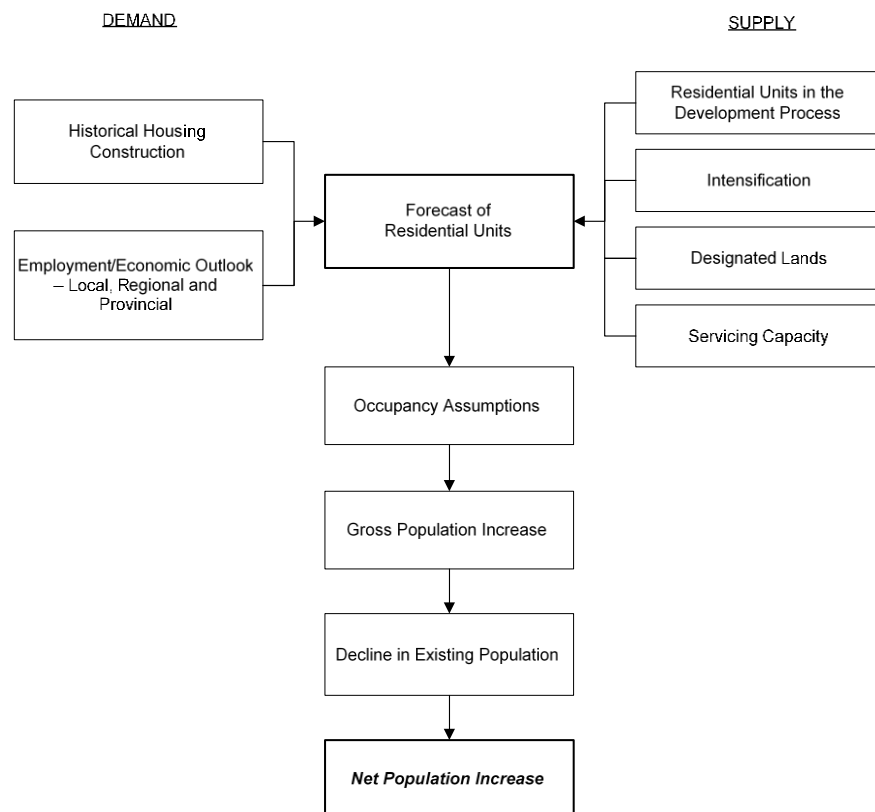
- Draft Niagara Region MCR, November 2016 prepared by Hemson Consulting Ltd.;
- Town of Pelham Official Plan, Adopted April 2, 2012 (in accordance with Section 17(22) of the Planning Act, R.S.O., p13) by By-Law 3259 (2012);
- Town of Pelham Development Charge Background Study, Office Consolidation November 4, 2013 (as amended March 5 and April 28, 2014) prepared by Watson & Associates Economists Ltd.;
- Niagara Employment Lands Strategy: Phase 2, Non-Gateway Communities (November, 2013) prepared by Dillon Consulting and Watson & Associates Economists Ltd.;

- 2006, 2011 and 2016 Census Data;
- A review of historical residential and non-residential development activity;
- Discussions with Town staff regarding anticipated development trends, active residential development in the planning approvals process, as well as future development yields on vacant designated lands in the Fonthill and Fenwick urban areas; and
- Discussions with Town staff regarding anticipated residential and non-residential development in the rural area.

3.3 Summary of Growth Forecast

A detailed analysis of the residential and non-residential growth forecasts are provided in Appendix A. The discussion provided herein summarizes the anticipated growth for the Town and describes the basis for the forecast. The results of the residential growth forecast analysis are summarized in Figure 3-1 below, and Schedule 1 in Appendix A.

**Figure 3-1
Population and Household Forecast Model**



As identified in Table 3-1 and Schedule 1, the Town's population is anticipated to reach approximately 21,520 by 2028, 24,050 by 2038 and 26,900 by buildout. This represents an increase of 3,430 persons, 5,960 persons and 8,810 persons, respectively, over the 10-year, 20-year, and buildout forecast periods. Further, the population forecast summarized in Schedule 1 excludes the net Census undercount, which is estimated at approximately 2.6%. The Census undercount represents the net number of persons missed during Census enumeration. In calculating the D.C. for Town of Pelham, the net Census undercount has been excluded from the growth forecast. Accordingly, all references provided herein to the population forecast exclude the net Census undercount. The following provides a summary of the D.C. growth forecast. Additional details are provided in Appendix A.

1. Unit Mix (Appendix A – Schedules 1 through 7)

- As previously stated, the forecast housing unit mix for the Town was derived from the draft Niagara Region MCR Growth Option 3, November 2016 prepared by Hemson Consulting Ltd., historical development activity (as per Schedule 7) and discussions with municipal staff regarding anticipated development trends for the Town, and in particular development proposed and planned for the urban areas of Fonthill and Fenwick.
 - Based on the above, the 20-year (2018-2038) household growth forecast is comprised of a housing unit mix of approximately 66% low density (single detached and semi-detached), 21% medium density (multiples except apartments) and 13% high density (bachelor, 1 bedroom and 2+ bedroom apartments).

2. Geographic Location of Residential Development (Appendix A – Schedule 2)

- *Schedule 2* summarizes the anticipated amount, type and location of residential development for the Town of Pelham by development location. The percentage of forecast housing growth over the 20-year forecast period (2018-2038) by area within the Town is summarized below.

○ Fonthill	70%
○ Fenwick	25%
○ Rural	5%

**Table 3-1
Town of Pelham
Residential Growth Forecast Summary**

Year	Population (Including Census Undercount) ¹	Excluding Census Undercount			Housing Units						Person Per Unit (PPU): Total Population/ Total Households	
		Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi-Detached	Multiple Dwellings ²	Apartments ³	Other	Total Households	Equivalent Institutional Households		
Historical	<i>Mid 2006</i>	16,580	16,155	140	16,015	5,100	305	510	15	5,930	127	2.724
	<i>Mid 2011</i>	17,030	16,598	368	16,230	5,322	474	395	16	6,207	335	2.674
	<i>Mid 2016</i>	17,550	17,110	440	16,670	5,475	430	550	15	6,470	400	2.645
Forecast	<i>Mid 2018</i>	18,560	18,089	467	17,622	5,775	484	569	15	6,843	425	2.643
	<i>Mid 2028</i>	22,080	21,521	536	20,985	6,827	801	735	15	8,379	487	2.568
	<i>Mid 2038</i>	24,670	24,049	620	23,429	7,530	1,044	903	15	9,492	564	2.534
	<i>Buildout</i>	27,600	26,900	693	26,207	8,327	1,345	1,112	15	10,799	630	2.491
Incremental	Mid 2006 - Mid 2011	450	443	228	215	222	169	-115	1	277	208	
	Mid 2011 - Mid 2016	520	512	72	440	153	-44	155	-1	263	65	
	Mid 2016 - Mid 2018	1,010	979	27	952	300	54	19	0	373	25	
	Mid 2018 - Mid 2028	3,520	3,432	69	3,363	1,052	317	166	0	1,536	62	
	Mid 2018 - Mid 2038	6,110	5,960	153	5,807	1,755	560	334	0	2,649	139	
	Mid 2018 - Buildout	9,040	8,811	226	8,585	2,552	861	543	0	3,956	205	

Source: Derived by Watson & Associates Economists Ltd., 2018, from the draft Niagara Region Municipal Comprehensive Review Strategic Growth Option 3, November 2016, and has been informed by discussions with Town Staff regarding anticipated development trends, active residential development in the planning approvals process, and future development yields on vacant designated lands in the East Fonthill Secondary Plan and draft East Fenwick Secondary Plan.

1. Census Undercount estimated at approximately 2.6%. Note: Population Including the Undercount has been rounded.

2. Includes townhomes and apartments in duplexes.

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

3. Planning Period

- Short- and longer-term time horizons are required for the D.C. process. The D.C.A. limits the planning horizon for certain services, such as parks, recreation and libraries, to a 10-year planning horizon. Roads and fire services utilize a long-term forecast period.

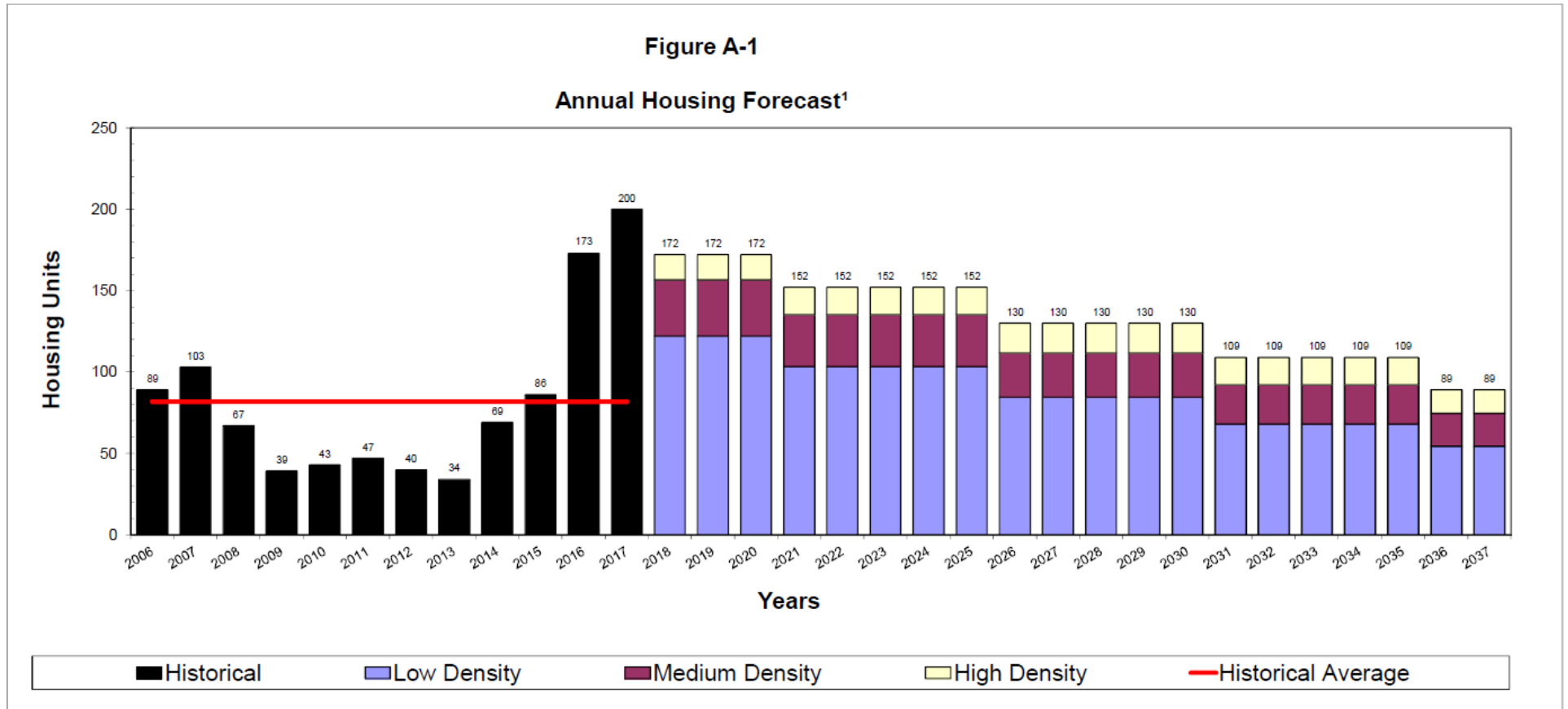
4. Population in New Units (Appendix A - Schedules 3 through 8)

- The number of housing units to be constructed in the Town of Pelham during the short-term (2018-2028) and long-term (2028-2038) periods is presented on Figure 3-2. Over the 20-year period, the Town is anticipated to average 132 housing units annually.
- Population in new units is derived from Schedules 3, 4, and 5, which incorporate historical development activity, anticipated units (see unit mix discussion) and average persons per unit by dwelling type for new units.
- Schedule 8 summarizes the average number of persons per unit (P.P.U.) for the new permanent residential housing units by age and type of dwelling, based on 2016 custom Census data. P.P.U. data for low and medium-density dwelling units was derived based on 2016 Census data for the Town of Pelham as outlined in Schedule 8a. Due to data limitations high-density P.P.U.s were derived from Niagara Region as outlined in Schedule 8b. The 20-year average P.P.U.'s by dwelling type are as follows:
 - Low density: 2.924
 - Medium density: 2.083
 - High density: 1.714

5. Existing Units and Population Change (Appendix A - Schedules 2 through 6)

- Existing households as of 2018 are based on the 2016 Census households, plus estimated residential units constructed between 2016 and 2018, assuming a 6-month lag between construction and occupancy (see Schedule 3).
- The decline in average occupancy levels for existing housing units is calculated in Schedules 3 through 5, by aging the existing population over the forecast period. The forecast population decline in existing households over the 20-year forecast period is estimated at approximately 1,060.

**Figure 3-2
Town of Pelham
Annual Housing Forecast¹**



Source: Historical housing activity based on Statistics Canada building permits, 2006-2017.

¹ 1. Growth Forecast represents calendar year.

1. Employment (Appendix A, Schedules 10a, 10b and 10c)

- Employment projections are largely based on the activity rate method, which is defined as the number of jobs in the Town divided by the number of residents, and discussions with Town of Pelham municipal staff regarding anticipated non-residential development. In addition, the employment forecast is guided by the draft Niagara Region MCR Growth Option 3, November 2016 prepared by Hemson Consulting Ltd. total place of work employment target for 2041.
- Key employment sectors include primary, industrial, commercial/ population-related, institutional, and work at home, which are considered individually below.
 - The Town's 2016¹ employment base by place of work is outlined in Schedule 10a. The 2016 employment base is comprised of the following sectors:
 - 325 primary (approx. 8%);
 - 915 work at home employment (approx. 23%);
 - 380 industrial (approx. 10%);
 - 1,525 commercial/population-related (approx. 39%); and
 - 800 institutional (approx. 20%).
 - The 2016 employment base by usual place of work, including work at home, is approximately 3,945 jobs. An additional 600 jobs have been identified for Town of Pelham as having no fixed place of work (N.F.P.O.W.).² The total employment including N.F.P.O.W. in 2016 is 4,545. As of mid-2018 the Town's total employment base is estimated at 4,740.
 - Schedule 10b, Appendix A, summarizes the employment forecast, excluding work at home and N.F.P.O.W. employment, which is the basis for the D.C.A. employment forecast. The impact on municipal services from work at home employees has already been included in the population forecast. The need for municipal services related to N.F.P.O.W. employees has largely been included in the employment forecast by usual place of work (i.e. employment and G.F.A. in the retail and accommodation sectors generated from N.F.P.O.W. construction employment). Furthermore, since these employees have no fixed work address, they cannot be captured in the non-residential gross floor area

¹ 2016 Employment is based on Statistics Canada 2016 Places of Work Employment dataset.

² Statistics Canada defines "No Fixed Place of Work" (N.F.P.O.W.) employees as, "persons who do not go from home to the same work place location at the beginning of each shift. Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc."

(G.F.A.) calculation. Accordingly, work-at-home and N.F.P.O.W. employees have been removed from the D.C. employment forecast and calculation.

- Total employment for Town of Pelham (excluding work at home and no fixed place of work employment) is anticipated to reach approximately 3,880 by 2028, 4,390 by 2038 and 4,890 by buildout. This represents an employment increase of 740, 1,250 and 1,750 additional jobs over the 10-year, 20-year and buildout forecast periods, respectively.

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

- Square footage estimates were calculated in Schedule 10b based on the following employee density assumptions:¹
 - 2,000 sq.ft. per employee for industrial;
 - 550 sq.ft. per employee for commercial/population-related;
 - 700 sq.ft. per employee for institutional employment.
- The Town-wide incremental non-residential G.F.A. increase is anticipated to be approximately 523,600 sq.ft. over the 10-year forecast period, 862,700 sq.ft. over the 20-year period and 1,181,700 sq.ft. to buildout.
- In terms of percentage growth, the 20-year incremental G.F.A. forecast by sector is broken down as follows:
 - Industrial – approx. 35%;
 - Commercial/population-related – approx. 48%; and
 - Institutional – approx. 17%.

¹ Based on discussions with municipal staff regarding anticipated industrial development and based on Watson & Associates Economists Ltd. employment surveys.

4. The Approach to Calculation of the Charge

4.1 Introduction

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

4.2 Services Potentially Involved

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

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

4.3 Increase in the Need for Service

The D.C. calculation commences with an estimate of “the increase in the need for service attributable to the anticipated development,” for each service to be covered by the by-law. There must be some form of link or attribution between the anticipated development and the estimated increase in the need for service. While the need could conceivably be expressed generally in terms of units of capacity, s.s.5(1)3, which requires that Town Council indicate that it intends to ensure that such an increase in need will be met, suggests that a project-specific expression of need would be most appropriate.

4.4 Local Service Policy

Some of the need for services generated by additional development consists of local services related to a plan of subdivision. As such, they will be required as a condition of subdivision agreements or consent conditions.

Figure 4-1
The Process of Calculating a D.C. under the D.C.A.

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

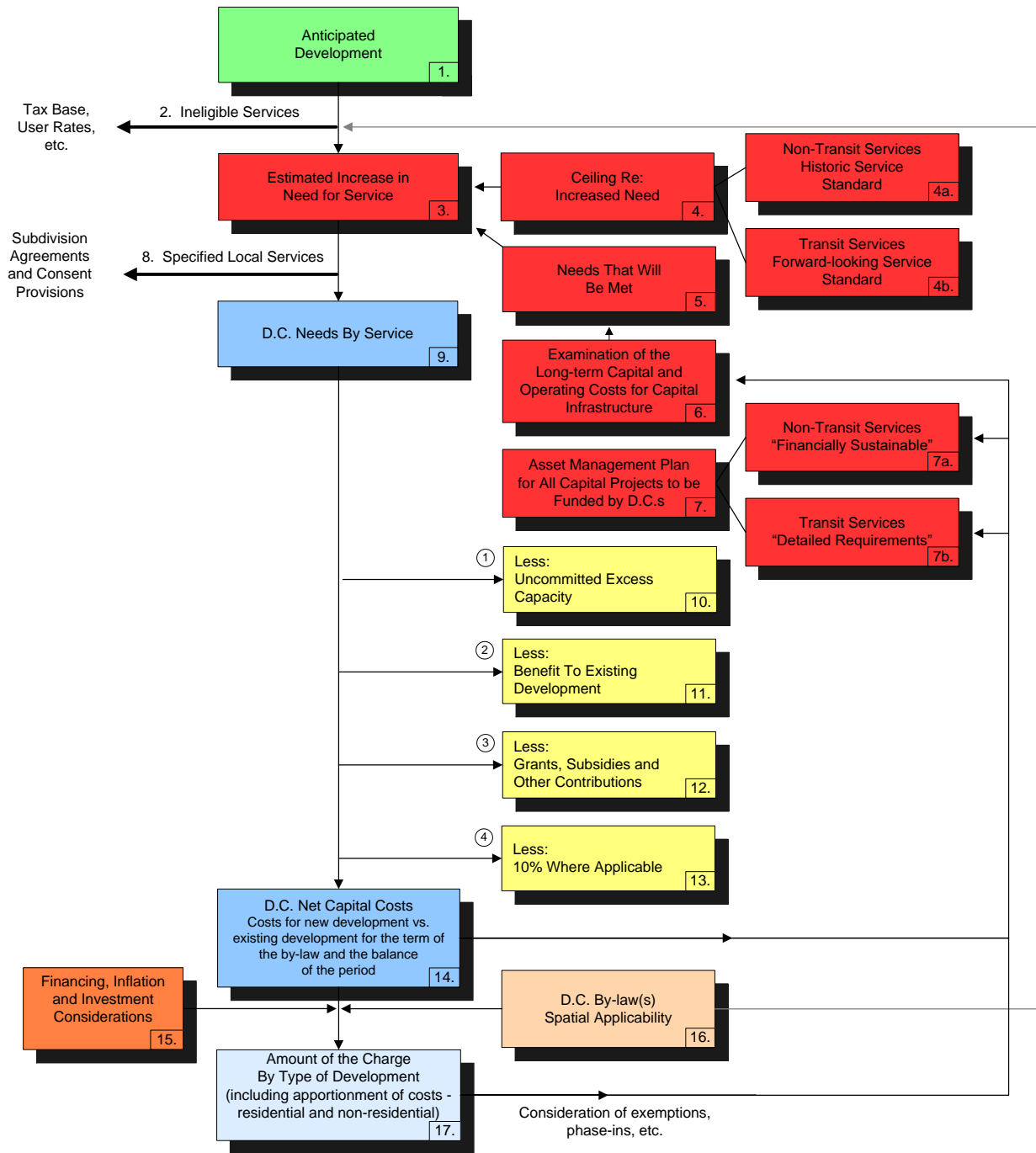


Table 4-1
Categories of Municipal Services to be Addressed as Part of the Calculation

Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
1. Services Related to a Highway	Yes	1.1 Arterial roads	100
	Yes	1.2 Collector roads	100
	Yes	1.3 Bridges, Culverts and Roundabouts	100
	No	1.4 Local municipal roads	0
	Yes	1.5 Traffic signals	100
	Yes	1.6 Sidewalks and streetlights	100
	Yes	1.7 Active Transportation	100
2. Other Transportation Services	n/a	2.1 Transit vehicles ¹ & facilities	100
	n/a	2.2 Other transit infrastructure	100
	n/a	2.3 Municipal parking spaces - indoor	90
	No	2.4 Municipal parking spaces - outdoor	90
	Yes	2.5 Works Yards	100
	Yes	2.6 Rolling stock ¹	100
	n/a	2.7 Ferries	90
	n/a	2.8 Airport	90
3. Stormwater Drainage and Control Services	No	3.1 Main channels and drainage trunks	100
	No	3.2 Channel connections	100
	No	3.3 Retention/detention ponds	100
4. Fire Protection Services	Yes	4.1 Fire stations	100
	Yes	4.2 Fire pumpers, aerials and rescue vehicles ¹	100
	Yes	4.3 Small equipment and gear	100

¹with 7+ year life time

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

Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
5. Outdoor Recreation Services (i.e. Parks and Open Space)	Ineligible	5.1 Acquisition of land for parks, woodlots and E.S.A.s	0
	Yes	5.2 Development of area municipal parks	90
	Yes	5.3 Development of district parks	90
	Yes	5.4 Development of municipal-wide parks	90
	Yes	5.5 Development of special purpose parks	90
	Yes	5.6 Parks rolling stock ¹ and yards	90
6. Indoor Recreation Services	Yes	6.1 Arenas, indoor pools, fitness facilities, community centres, etc. (including land)	90
	Yes	6.2 Recreation vehicles and equipment ¹	90
7. Library Services	Yes	7.1 Public library space (incl. furniture and equipment)	90
	n/a	7.2 Library vehicles ¹	90
	Yes	7.3 Library materials	90
8. Electrical Power Services	Ineligible	8.1 Electrical substations	0
	Ineligible	8.2 Electrical distribution system	0
	Ineligible	8.3 Electrical system rolling stock	0
9. Provision of Cultural, Entertainment and Tourism Facilities and Convention Centres	Ineligible	9.1 Cultural space (e.g. art galleries, museums and theatres)	0
	Ineligible	9.2 Tourism facilities and convention centres	0
10. Wastewater Services	n/a	10.1 Treatment plants	100
	Yes	10.2 Sewage trunks	100
	n/a	10.3 Local systems	0
	Yes	10.4 Vehicles and equipment ¹	100

¹with 7+ year life time

Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
11. Water Supply Services	n/a	11.1 Supply and Storage	100
	n/a	11.2 Treatment plants	100
	Yes	11.3 Distribution systems	100
	n/a	11.4 Local systems	0
	Yes	11.5 Vehicles and equipment ¹	100
12. Waste Management Services	Ineligible	12.1 Landfill collection, transfer vehicles and equipment	0
	Ineligible	12.2 Landfills and other disposal facilities	0
	n/a	12.3 Waste diversion facilities	90
	n/a	12.4 Waste diversion vehicles and equipment ¹	90
13. Police Services	n/a	13.1 Police detachments	100
	n/a	13.2 Police rolling stock ¹	100
	n/a	13.3 Small equipment and gear	100
14. Homes for the Aged	n/a	14.1 Homes for the aged space	90
	n/a	14.2 Vehicles ¹	90
15. Child Care	n/a	15.1 Child care space	90
	n/a	15.2 Vehicles ¹	90
16. Health	n/a	16.1 Health department space	90
	n/a	16.2 Health department vehicles ¹	90
17. Social Housing	n/a	17.1 Social Housing space	90
18. Provincial Offences Act (P.O.A.)	n/a	18.1 P.O.A. space	90
19. Social Services	n/a	19.1 Social service space	90
20. Ambulance	n/a	20.1 Ambulance station space	90
	n/a	20.2 Vehicles ¹	90
21. Hospital Provision	Ineligible	21.1 Hospital capital contributions	0

¹with 7+ year life time

Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
22. Provision of Headquarters for the General Administration of Municipalities and Area Municipal Boards	Ineligible Ineligible Ineligible	22.1 Office space 22.2 Office furniture 22.3 Computer equipment	0 0 0
23. Other Services	Yes	23.1 Studies in connection with acquiring buildings, rolling stock, materials and equipment, and improving land ² and facilities, including the D.C. background study cost	0-100
	Yes	23.2 Interest on money borrowed to pay for growth-related capital	0-100

¹with a 7+ year life time

²same percentage as service component to which it pertains

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

4.5 Capital Forecast

Paragraph 7 of s.s.5(1) of the D.C.A. requires that “the capital costs necessary to provide the increased services must be estimated.” The Act goes on to require two potential cost reductions and the Regulation sets out the way in which such costs are to be presented. These requirements are outlined below.

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

The capital costs include:

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

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

4.6 Treatment of Credits

Section 8 para. 5 of O.Reg. 82/98 indicates that a D.C. background study must set out "the estimated value of credits that are being carried forward relating to the service." s.s.17 para. 4 of the same Regulation indicates that "...the value of the credit cannot be recovered from future D.C.s," if the credit pertains to an ineligible service. This implies that a credit for eligible services can be recovered from future D.C.s. As a result, this provision should be made in the calculation, in order to avoid a funding shortfall with respect to future service needs. Outstanding credit obligations have been included in the D.C. calculations.

4.7 Eligible Debt and Committed Excess Capacity

Section 66 of the D.C.A. states that, for the purposes of developing a D.C. by-law, a debt incurred with respect to an eligible service may be included as a capital cost, subject to any limitations or reductions in the Act. Similarly, s.18 of O.Reg. 82/98

indicates that debt with respect to an ineligible service may be included as a capital cost, subject to several restrictions.

In order for such costs to be eligible, two conditions must apply. First, they must have funded excess capacity which is able to meet service needs attributable to the anticipated development. Second, the excess capacity must be “committed,” that is, either before or at the time it was created, Council must have expressed a clear intention that it would be paid for by D.C.s or other similar charges; for example, this may have been done as part of previous D.C. processes. It is noted that projects which have been debentured to-date and to which the principal and interest costs need to be recovered are included within the capital detail sheets.

4.8 Existing Reserve Funds

Section 35 of the D.C.A. states that:

“The money in a reserve fund established for a service may be spent only for capital costs determined under paragraphs 2 to 8 of subsection 5(1).”

There is no explicit requirement under the D.C.A. calculation method set out in s.s.5(1) to net the outstanding reserve fund balance as part of making the D.C. calculation; however, s.35 does restrict the way in which the funds are used in future.

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

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

The Town’s D.C. Reserve Fund Balance by service at December 31, 2017 is shown below:

Service	Totals
Services Related to a Highway	\$11,804
Fire Protection Services	\$138,008
Outdoor Recreation Services	\$1,300,820
Indoor Recreation Services	\$341,899
Library Services	(\$94,971)
Administration	(\$30,283)
Stormwater Drainage and Control Services	\$21,301
Wastewater Services	\$964,607
Water Services	(\$244,388)
Total	\$2,408,797

Note: Amounts in brackets are deficit balances.

4.9 Deductions

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

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

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

4.9.1 Reduction Required by Level of Service Ceiling

This is designed to ensure that the increase in need included in 4.3 does "...not include an increase that would result in the level of service (for the additional development increment) exceeding the average level of the service provided in the Municipality over the 10-year period immediately preceding the preparation of the background study..." O.Reg. 82.98 (s.4) goes further to indicate that "...both the quantity and quality of a service shall be taken into account in determining the level of service and the average level of service."

In many cases, this can be done by establishing a quantity measure in terms of units as floor area, land area or road length per capita and a quality measure, in terms of the average cost of providing such units based on replacement costs, engineering standards or recognized performance measurement systems, depending on circumstances. When the quantity and quality factor are multiplied together, they

produce a measure of the level of service, which meets the requirements of the Act, i.e. cost per unit.

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

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

4.9.2 Reduction for Uncommitted Excess Capacity

Paragraph 5 of s.s.5(1) requires a deduction from the increase in the need for service attributable to the anticipated development that can be met using the Town's "excess capacity," other than excess capacity which is "committed" (discussed above in 4.6).

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

4.9.3 Reduction for Benefit to Existing Development

Section 5(1)6 of the D.C.A. provides that, "The increase in the need for service must be reduced by the extent to which an increase in service to meet the increased need would benefit existing development." The general guidelines used to consider benefit to existing development included the following:

- the repair or unexpanded replacement of existing assets that are in need of repair;
- an increase in average service level of quantity or quality (compare water as an example);
- the elimination of a chronic servicing problem not created by growth; and
- providing services where none previously existed (generally considered for water or wastewater services).

This step involves a further reduction in the need, by the extent to which such an increase in service would benefit existing development. The level of services cap in 4.4 is related but is not the identical requirement. Sanitary, storm and water trunks are highly localized to growth areas and can be more readily allocated in this regard than other services such as services related to a highway, which do not have a fixed service area.

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

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

4.9.4 Reduction for Anticipated Grants, Subsidies and Other Contributions

This step involves reducing the capital costs necessary to provide the increased services by capital grants, subsidies and other contributions (including direct developer contributions required due to the local service policy) made or anticipated by Council and in accordance with various rules such as the attribution between the share related to new vs. existing development. That is, some grants and contributions may not specifically be applicable to growth or where Council targets fundraising as a measure to offset impacts on taxes (O.Reg. 82.98 s.6).

4.9.5 The 10% Reduction

Paragraph 8 of s.s.(1) of the D.C.A. requires that, “the capital costs must be reduced by 10 percent.” This paragraph does not apply to water supply services, waste water services, storm water drainage and control services, services related to a highway, police, fire protection, and transit services. The primary services to which the 10% reduction does apply include services such as parks, and recreation facilities.

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

4.10 Municipal-Wide vs. Area Rating

This step involves determining whether all of the subject costs are to be recovered on a uniform municipal-wide basis or whether some or all are to be recovered on an area-specific basis. Under the amended D.C.A., it is now mandatory to “consider” area-rating of services (providing charges for specific areas and services), however, it is not mandatory to implement area-rating. Further discussion is provided in Section 7.4.4.

4.11 Allocation of Development

This step involves relating the costs involved to anticipated development for each period under consideration and using allocations between residential and non-residential development and between one type of development and another, to arrive at a schedule of charges.

4.12 Asset Management

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

4.13 Transit

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

- A. Transit no longer requires the statutory 10% mandatory deduction from the net capital cost (section 5.2(i) of the D.C.A.).
- B. The Background Study requires the following in regard to transit costs (as per section 8(2) of the Regulations):
 - 1. The calculations that were used to prepare the estimate for the planned level of service for the transit services, as mentioned in subsection 5.2 (3) of the Act.
 - 2. An identification of the portion of the total estimated capital cost relating to the transit services that would benefit,
 - i. the anticipated development over the 10-year period immediately following the preparation of the background study, or
 - ii. the anticipated development after the 10-year period immediately following the preparation of the background study.
 - 3. An identification of the anticipated excess capacity that would exist at the end of the 10-year period immediately following the preparation of the background study.
 - 4. An assessment of ridership forecasts for all modes of transit services proposed to be funded by the development charge over the 10-year period immediately following the preparation of the background study, categorized by development types, and whether the forecasted ridership will be from existing or planned development.
 - 5. An assessment of the ridership capacity for all modes of transit services proposed to be funded by the development charge over the 10-year period immediately following the preparation of the background study.
- C. A new forward-looking service standard (as per 6.1(2) of the Regulations):
 - 1. The service is a discrete service.

2. No portion of the service that is intended to benefit anticipated development after the 10-year period immediately following the preparation of the background study may be included in the estimate.
 3. No portion of the service that is anticipated to exist as excess capacity at the end of the 10-year period immediately following the preparation of the background study may be included in the estimate.
- D. A very detailed asset management strategy and reporting requirements (section 6.1(3) of the Regulation) that includes lifecycle costs, action plans that will enable the assets to be sustainable, summary of how to achieve the proposed level of service, discussion on procurement measures and risk.

The Town does not currently plan on expanding the transit system. Therefore, the above calculations and reporting requirements are not required.

5. D.C. Eligible Cost Analysis by Service

5.1 Introduction

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

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

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

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

5.2.1 Administration Studies

The D.C.A. permits the inclusion of studies undertaken to facilitate the completion of the Town's capital works program. The Town has made provision for the inclusion of new studies undertaken to facilitate this D.C. process, as well as other studies which benefit growth (in whole or in part). The list of studies includes such studies as the following:

- Water/Wastewater Master Plan;
- Stormwater Master Plan;
- Downtown Master Plan;
- Development Charge Studies;
- Environmental Impact Study;
- Official Plan Review and Update;
- Transportation Master Plan;
- Parks, Recreation, and Cultural Master Plan; and
- East Fonthill Study debenture.

The cost of these studies is \$1,403,234, of which \$517,951 is related to the discounted principal and interest of the East Fonthill Study debenture. An additional \$30,283 has been included as a recovery item to acknowledge the current reserve fund deficit. Furthermore, a deduction in the amount of \$225,000 has been made to account for the benefit to existing development. Therefore, the net growth-related capital cost, after the mandatory 10% deduction on studies related to soft services, is \$1,137,734 and this amount has been included in the D.C. calculations.

These costs have been allocated 82% residential and 18% non-residential based on the incremental growth in population to employment for the 10-year forecast period.

5.2.2 Outdoor Recreation Services

The Town currently has 56 hectares of parkland within its jurisdiction. The parkland consists of various sized parkettes and neighbourhood/community parks. The Town has sustained the current level of service over the historical 10-year period (2008-2017), with an average of 3.3 hectares of parkland and 2.5 parkland amenities items per 1,000 population. Including parkland and parkland amenities (e.g. ball diamonds, playground equipment, soccer fields, etc.), the level of service provided is approximately \$1,236 per capita. When applied over the forecast period, this average level of service translates into a D.C.-eligible amount of \$4,240,236.

The Town has identified the need for various amenities (such as a splash pad, play equipment, skate parks, etc.), additional parkland development and other park-related works. In addition to the capital works, the recovery of the Skate Park debenture (principal and discounted interest) has been included. The gross capital cost of these projects is \$6,856,851, with \$136,395 benefiting existing development and \$228,000 being attributed to growth outside the 10-year forecast. Further deductions in the amounts of \$1,300,380 have been made to reflect the balance in the D.C. reserve fund, as well as \$2,345,000 to reflect other contributions. Therefore, the net growth capital cost after the mandatory 10% deduction is \$2,456,785 and has been included in the D.C.

As the predominant users of outdoor recreation tend to be residents of the Town, the forecast growth-related costs have been allocated 95% to residential and 5% to non-residential.

Town of Pelham
Service Parkland Development

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Subtotal	Less:	Potential DC Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development		Other (e.g. 10% Statutory Deduction)	Total	Residential Share	Non-Residential Share
	2018-2027										95%	5%	
1	East Fonthill Parkland Development	2020	500,000	-		500,000	25,000		475,000	47,500	427,500	406,125	21,375
2	East Fenwick Parkland Development	2021	947,900	-		947,900	47,395		900,505	90,051	810,455	769,932	40,523
3	Playground Equipment (X2)	2025	160,000	-		160,000	8,000		152,000	15,200	136,800	129,960	6,840
4	Playground Equipment (X2)	2026	160,000	-		160,000	8,000		152,000	15,200	136,800	129,960	6,840
5	Playground Equipment (X2)	2027	160,000	-		160,000	8,000		152,000	15,200	136,800	129,960	6,840
6	Playground Equipment (X2)	2028	160,000	152,000		8,000	8,000		-	-	-	-	-
7	Playground Equipment (X1)	2029	80,000	76,000		4,000	4,000		-	-	-	-	-
8	Splash Pad	2019	275,000	-		275,000	13,750		261,250	26,125	235,125	223,369	11,756
9	Kundra Park	2020	150,000	-		150,000	7,500		142,500	14,250	128,250	121,838	6,413
10	MSSP Parking Lot	2020	135,000	-		135,000	6,750		128,250	12,825	115,425	109,654	5,771
11	Woonerf and Central Park	2020	3,500,000	-		3,500,000	-	2,345,000	1,155,000	115,500	1,039,500	987,525	51,975
12	Lookout Park	2018	230,000	-		230,000	-		230,000	23,000	207,000	196,650	10,350
13	Weiland Park	2018	150,000	-		150,000	-		150,000	15,000	135,000	128,250	6,750
14	Skate Park Debt - Principal	2018-2025	242,143	-		242,143	-		242,143	-	242,143	230,036	12,107
15	Skate Park Debt - Discounted Interest	2018-2025	6,807	-		6,807	-		6,807	-	6,807	6,467	340
16	Reserve Fund Adjustment		-	-		-	1,300,820		(1,300,820)	-	(1,300,820)	(1,235,779)	(65,041)
	Total		6,856,851	228,000	-	6,628,851	1,437,215	2,345,000	2,846,636	389,851	2,456,785	2,333,946	122,839

5.2.3 Indoor Recreation Services

With respect to indoor recreation services, the Town currently operates out of 39,170 sq.ft. of recreation space. The average historical level of service for the previous ten years has been approximately 2.29 sq.ft. of space per capita or an investment of \$513 per capita. Based on this service standard, the Town would be eligible to collect \$1,761,852 from D.C.s for indoor recreation.

The Town has recently constructed the Pelham Community Centre and issued a debenture on the growth-related component over a 30-year period. The principal and interest (discounted) that is being included for recovery totals \$14,484,388. Of the identified amount, \$12.4 million has been identified to benefit growth outside the 10-year forecast period. A further deduction in the amount \$341,899 has been made to reflect the balance in the D.C. reserve fund. Therefore, the net growth capital cost of \$1,746,086 has been included in the D.C.

As the predominant users of indoor recreation tend to be residents of the Town, the forecast growth-related costs have been allocated 95% to residential and 5% to non-residential.

5.2.4 Library Services

The Town currently operates its library services out of the branches in Fonthill and Fenwick providing a total of 12,425 sq.ft. in library space. Over the past 10 years, the Town has sustained a current level of service with an average of 0.60 sq.ft. of facility space and 7.4 collection materials per capita. Including facilities and collection materials (e.g. books, magazines, electronic collections, etc.), the level of service provided is approximately \$434 per capita. When applied over the forecast period, this average level of service translates into a D.C.-eligible amount of \$1,488,596.

The Town has identified a need to expand its library services based on the forecasted growth over the next 10 years. Therefore, the Town has identified the need for additional equipment, as well as provisions for additional space and collection materials totalling \$935,000. In addition, the reserve fund deficit of \$94,971 has been included for recovery. A deduction in the amount of \$133,750 has been made to account for a portion of the capital items benefitting existing development. Therefore, the net growth capital cost after the mandatory 10% deduction is \$816,096.

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

5.3 Service Levels and 20-Year Capital Costs for Pelham's D.C. Calculation

This section evaluates the development-related capital requirements for those services with 20-year capital costs.

5.3.1 Services Related to a Highway

The Town owns and maintains 287 km of gravel roads, surface treated roads, and hot mix asphalt roads. The current level of service over the historical 10-year period (2008-2017) is an average of 14.8 km per 1,000 population. This provides an average level of investment of \$28,781 per capita, resulting in a D.C.-eligible recovery amount of \$171.5 million over the 20-year forecast period.

With respect to future needs, the forecasted road program is an extension from the previous D.C. study, as well as added components identified through discussions with Town staff, all of which totals \$36,541,483. Of this total, \$4,246,921 is related to debentures for Haist Road, Port Robinson, Port Robinson Road, Effingham, Highway 20, and the Fenwick Downtown revitalization. Based on the location and type of work to be undertaken, the existing benefit to the current population and employment of the Town has been identified in the amount of \$12,232,350. A further reduction in the amount of \$11,804 has been made to recognize the reserve fund balance. This results in a D.C. eligible amount of \$24,297,329 to be recovered over the current forecast period (2018-2037).

The Town currently utilizes 14,968 sq.ft. of depots and domes space related to public works. This results in a calculated average level of service for the historical 10-year period of \$150 per capita, providing for a D.C.-eligible amount over the forecast period of \$896,026.

The Town has identified a provision for new operations space based on the forecasted growth, amounting to \$800,000. This amount has been included in the D.C. calculations.

In addition to the Public Works facilities, the Town currently maintains and operates a fleet of 30 vehicles and equipment related to public works. This results in a calculated average level of service for the historical 10-year period of \$206 per capita, providing for a D.C.-eligible amount over the forecast period of \$1,228,475.

Additional vehicles and equipment items (e.g. pick up truck, street sweeper, dump truck, etc.) have been identified for the forecast period to support the associated expansion to

the public works department. The gross costs of the additional vehicles and equipment are approximately \$1.3 million, with an existing benefit deduction in the amount of \$2,500. Therefore, total amount of \$1,314,300 is to be included in the D.C. calculation.

These costs have been allocated 83% residential and 17% non-residential based on the incremental growth in population to employment for the 20-year forecast period.

Town of Pelham

Service: Services Related to a Highway - Roads

Prj .No	Increased Service Needs Attributable to Anticipated Development 2018-2037	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 83%	Non-Residential Share 17%
	Fenwick										
1	Welland Road Balfour Street Cream Street urbanize road section	2021	2,800,000	-		2,800,000	1,120,000		1,680,000	1,394,400	285,600
2	Cream Street Welland Road Memorial urbanize road section	2021	2,975,000	-		2,975,000	892,500		2,082,500	1,728,475	354,025
3	Cream Street Welland Road Memorial sidewalks-west side	2021	272,800	-		272,800	81,840		190,960	158,497	32,463
4	Memorial Drive Maple Street Cream Street urbanize road section	2026	4,802,000	-		4,802,000	1,440,600		3,361,400	2,789,962	571,438
5	Memorial Drive Maple Street Cream Street sidewalks-south side	2026	603,500	-		603,500	181,050		422,450	350,634	71,817
6	Canboro Road Garner Avenue Balfour semi urbanize road section	2026	600,000	-		600,000	240,000		360,000	298,800	61,200
7	Canboro Road Garner Avenue Balfour traffic control-Maple Street	2026	151,600	-		151,600	15,160		136,440	113,245	23,195
8	Maple Street Memorial Street Canboro Road urbanize road section	2026	2,800,000	-		2,800,000	840,000		1,960,000	1,626,800	333,200
	Fonthill										
9	Haist Road - Debenture Principal	2018-2021	559,243	-		559,243	-		559,243	464,171	95,071
10	Haist Road - Debenture Interest Discounted	2018-2021	37,606	-		37,606	-		37,606	31,213	6,393
11	Pelham Street Quaker Road Regional Road 20 urbanize	2019	4,460,000	-		4,460,000	3,345,000		1,115,000	925,450	189,550
12	Pelham Street Quaker Road College traffic control-Port Robinson	2021	151,600	-		151,600	15,160		136,440	113,245	23,195
13	Pelham Street Quaker Road Regional Road 20 traffic control-Quaker Road upgrades	2021	250,000	-		250,000	25,000		225,000	186,750	38,250
14	Pelham Street Quaker Road Regional Road 20 traffic control-Merritt Road	2021	151,600	-		151,600	15,160		136,440	113,245	23,195
15	Merritt Road Pelham Street Rice Road urbanize road section	2022	3,900,000	-		3,900,000	1,170,000		2,730,000	2,265,900	464,100
16	Merritt Road Pelham Street Rice Road Sidewalk both sides	2022	633,800	-		633,800	190,140		443,660	368,238	75,422
17	Port Robinson Road Pelham Street Rice Road urbanize road section top coat	2020	350,000	-		350,000	105,000		245,000	203,350	41,650

Town of Pelham

Service: Services Related to a Highway - Roads

Prj .No	Increased Service Needs Attributable to Anticipated Development 2018-2037	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 83%	Non-Residential Share 17%
18	Station Street Regional Road 20 Port Robinson Road urbanize road section	2023	2,300,000	-		2,300,000	690,000		1,610,000	1,336,300	273,700
19	Effingham Hwy 20 Metler hard top surface	2019	2,500,000	-		2,500,000	1,750,000		750,000	622,500	127,500
20	Regional Road 20 Station Street Rice Road sidewalks - both sides	2018-2020	385,800	-		385,800	115,740		270,060	224,150	45,910
21	Extension of Station Street from Port Robinson Road South 500 metres to end of road allowance	2025	1,496,000	-		1,496,000	-		1,496,000	1,241,680	254,320
22	Provision for potential oversizing	2018-2037	500,000	-		500,000	-		500,000	415,000	85,000
23	Port Robinson Debt - Principal	2018-2025	460,247	-		460,247	-		460,247	382,005	78,242
24	Port Robinson Debt - Discounted Interest	2018-2025	12,939	-		12,939	-		12,939	10,739	2,200
25	Fenwick Downtown Revitalization Debt - Principal	2018-2026	2,175,139	-		2,175,139	-		2,175,139	1,805,365	369,774
26	Fenwick Downtown Revitalization Debt - Discounted Interest	2018-2026	26,533	-		26,533	-		26,533	22,023	4,511
27	Port Robinson Rd Reconstruction Debt - Principal	2018-2026	796,835	-		796,835	-		796,835	661,373	135,462
28	Port Robinson Rd Reconstruction Debt - Discounted Interest	2018-2026	9,720	-		9,720	-		9,720	8,068	1,652
29	Lookout Street Urbanization (Town Portion)	2018-2019	210,862	-		210,862	-		210,862	175,015	35,847
30	Effingham (16-Kilman) Debt - Principal	2018-2023	121,621	-		121,621	-		121,621	100,946	20,676
31	Effingham (16-Kilman) Debt - Discounted Interest	2018-2023	8,499	-		8,499	-		8,499	7,054	1,445
32	Hwy 20 (Station - Rice) Debt - Principal	2018-2023	36,021	-		36,021	-		36,021	29,897	6,124
33	Hwy 20 (Station - Rice) Debt - Discounted Interest	2018-2023	2,517	-		2,517	-		2,517	2,089	428
34	Reserve Fund Adjustment		-	-		-	11,804		(11,804)	(9,797)	(2,007)
	Total		36,541,483	-	-	36,541,483	12,244,154	-	24,297,329	20,166,783	4,130,546

Town of Pelham
 Service: Services Related to a Highway - Public Works Facilities

Prj .No	Increased Service Needs Attributable to Anticipated Development 2018-2037	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 83%	Non-Residential Share 17%
1	Provision for New Operations Space	2018-2022	800,000	-		800,000	-		800,000	664,000	136,000
	Total		800,000	-	-	800,000	-	-	800,000	664,000	136,000

5.3.2 Fire Protection Services

The Town of Pelham currently operates its fire services from 28,193 sq.ft. of facility space, providing for a per capita average level of service of 1.48 sq.ft. per capita or \$419 per capita. This level of service provides the Town with a maximum D.C.-eligible amount for recovery over the forecast period of \$2,496,763.

The fire department has a current inventory of 14 vehicles. The total D.C.-eligible amount calculated for fire vehicles over the forecast period is \$2,146,971, based on a standard of \$360 per capita.

The fire department provides 86 items of equipment and gear for the use by firefighters. This results in a calculated average level of service for the historical 10-year period of \$54 per capita, providing for a D.C.-eligible amount over the forecast period of \$320,708 for small equipment and gear.

Based on the information above, the combined service standard ceiling for Fire services is \$4,946,442 over the 20-year forecast period.

The Town has identified the need for expansions to station #1, a new vehicle for the fire chief, a provision for additional vehicles and equipment, and the recovery of the station #2 debenture. These projects total \$1,459,736. Deductions in the amounts of \$333,300 and \$138,008 have been made to reflect the benefit of these works to the existing population and the positive reserve fund balance, respectively. Therefore, the net growth capital cost of \$988,428 has been included in the D.C.

These costs are shared between residential and non-residential based on the population to employment ratio over the forecast period, resulting in 83% being allocated to residential development and 17% being allocated to non-residential development.

5.4 Service Levels and Urban Build-out Capital Costs for Pelham's D.C. Calculation

This section evaluates the development-related capital requirements for those services with urban build-out capital costs.

5.4.1 Water Services

The Town has identified the need undertake water-related capital works in the areas of Fenwick and Fonthill in the form of new watermains and upsizing existing watermains. In addition to these works, the Town has included the recovery of debentures related to Rice Road, Port Robinson and Highway 20. In total, the gross capital cost included is \$6,828,203, with an additional recovery of \$244,388 to recognize the Town's reserve fund deficit. A deduction in the amount of \$2,669,950 has been applied to recognize the portion of the works that will benefit the existing developments within the Town. Therefore, the net growth capital cost of \$4,402,641 has been included in the D.C.

These costs are shared between residential and non-residential based on the population to employment ratio over the urban build-out forecast period, resulting in 86% being allocated to residential development and 14% being allocated to non-residential development.

Town of Pelham
 Service: Water Distribution

Prj.No	Increased Service Needs Attributable to Anticipated Development 2018-Urban Build Out	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 86%	Non-Residential Share 14%
	Fenwick										
1	East Fenwick Secondary Plan - proposed upgrades	2021	4,085,500	-		4,085,500	2,042,750		2,042,750	1,756,765	285,985
	Fonthill										
2	Merritt Road New Watermain	2022	1,026,700	-		1,026,700	-		1,026,700	882,962	143,738
3	Rice Road - Debenture Principal	2018-2022	402,787	-		402,787	-		402,787	346,397	56,390
4	Rice Road - Debenture Interest Discounted	2018-2022	28,276	-		28,276	-		28,276	24,317	3,959
5	Canboro Road - Haist to Church Hill - upsize	2024	784,000	-		784,000	627,200		156,800	134,848	21,952
6	Port Robinson Debt - Principal	2018-2025	185,236	-		185,236	-		185,236	159,303	25,933
7	Port Robinson Debt - Discounted Interest	2018-2025	5,207	-		5,207	-		5,207	4,478	729
8	Hwy 20 (Station - Rice) Debt - Principal	2018-2023	290,217	-		290,217	-		290,217	249,586	40,630
9	Hwy 20 (Station - Rice) Debt - Discounted Interest	2018-2023	20,280	-		20,280	-		20,280	17,441	2,839
			-	-		-	-		-	-	-
10	Reserve Fund Adjustment		244,388	-		244,388	-		244,388	210,174	34,214
			-	-		-	-		-	-	-
	Total		7,072,591	-	-	7,072,591	2,669,950	-	4,402,641	3,786,271	616,370

5.4.2 Wastewater Services

The Town has identified the need for wastewater-related works due to the forecasted growth within the areas of Fenwick and Fonthill. These works include various new trunk sewers, extensions, sewer upgrades and oversizing. In addition to these works, the recovery of the Port Robinson Rd. reconstruction debenture has also been included. The total gross capital costs included is \$17,802,465. Deductions in the amounts of \$6,396,705 and \$964,607 have been made to account for the benefit to existing development and the reserve fund balance, respectively. Therefore, the net growth capital cost of \$10,441,153 has been included in the D.C.

These costs are shared between residential and non-residential based on the population to employment ratio over the urban build-out forecast period, resulting in 86% being allocated to residential development and 14% being allocated to non-residential development.

Town of Pelham
Service: Wastewater - Sewers

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 86%	Non-Residential Share 14%
	2018-Urban Build Out										
	Fenwick										
1	Welland Road Upgrade existing sewer from 200 mm dia to 300 mm dia	2020	879,900	-		879,900	351,960		527,940	454,028	73,912
2	Church Street Upgrade existing sewer from 250 mm dia to 350 mm dia	2019	1,608,000	-		1,608,000	643,200		964,800	829,728	135,072
3	Foss Road Upgrade existing sewer from 350 dia to 450 mm dia	2018	859,200	-		859,200	343,680		515,520	443,347	72,173
4	Sewage Pumping Station for Northwest Fenwick	2019	1,200,000	-		1,200,000	-		1,200,000	1,032,000	168,000
5	East Fenwick Secondary Plan - proposed upgrades	2021	7,716,000	-		7,716,000	3,858,000		3,858,000	3,317,880	540,120
	Fonthill										
6	Merritt Road New sanitary sewer to service new development	2022	1,343,400	-		1,343,400	-		1,343,400	1,155,324	188,076
7	Deer Park, Phase II Upgrade existing from 350 to 450	2019	804,900	-		804,900	321,960		482,940	415,328	67,612
8	Pelham Town Square Extension New 300 mm sewer to service new development	2020	745,000	-		745,000	-		745,000	640,700	104,300
9	Provision for potential oversizing	2018-2036	140,000	-		140,000	-		140,000	120,400	19,600
10	Hurricane upgrade existing Station to Hwy 20	2023	1,535,400	-		1,535,400	690,930		844,470	726,244	118,226
11	Concord upgrade existing	2023	250,000	-		250,000	112,500		137,500	118,250	19,250
12	Ker Crescent outlet - upgrade existing	2023	496,500	-		496,500	74,475		422,025	362,942	59,084
13	Port Robinson Rd Reconstruction Debt - Principal	2018-2026	221,464	-		221,464	-		221,464	190,459	31,005
14	Port Robinson Rd Reconstruction Debt - Discounted Interest	2018-2026	2,702	-		2,702	-		2,702	2,323	378
15	Reserve Fund Adjustment		-	-		-	964,607		(964,607)	(829,562)	(135,045)
	Total		17,802,465	-	-	17,802,465	7,361,312	-	10,441,153	8,979,392	1,461,761

6. D.C. Calculation

Table 6-1 calculates the proposed uniform D.C.s to be imposed for infrastructure services based upon an urban build-out horizon (water and wastewater). Table 6-2 calculates the proposed uniform D.C. to be imposed on anticipated development for Town-wide services over a 20-year planning horizon (Services Related to a Highway and Fire Protection Services). Table 6-3 calculates the proposed uniform D.C. to be imposed on anticipated development for Town-wide services over a 10-year planning horizon.

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

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

For the residential calculations, the total cost is divided by the "gross" (new resident) population to determine the per capita amount. The eligible D.C. cost calculations set out in Chapter 5 are based on the net anticipated population increase (the forecast new unit population less the anticipated decline in existing units). The cost per capita is then multiplied by the average occupancy of the new units (Appendix A, Schedule 5) to calculate the charge in Tables 6-1, 6-2 and 6-3.

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

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

**Table 6-1
Town of Pelham
Development Charge Calculation
Urban build-out Services**

SERVICE	2018 \$ DC Eligible Cost		2018 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft²
	\$	\$	\$	\$
1. <u>Wastewater Services</u>				
1.1 Sewers	8,979,392	1,461,761	2,762	1.90
	8,979,392	1,461,761	2,762	1.90
2. <u>Water Services</u>				
2.1 Distribution systems	3,786,271	616,370	1,165	0.80
	3,786,271	616,370	1,165	0.80
TOTAL	\$12,765,663	\$2,078,131	\$3,927	\$2.70
DC ELIGIBLE CAPITAL COST	\$12,765,663	\$2,078,131		
Build out Gross Population / GFA Growth (ft².)	9,506	768,700		
Cost Per Capita / Non-Residential GFA (ft².)	\$1,342.91	\$2.70		
<u>By Residential Unit Type</u>	<u>p.p.u</u>			
Single and Semi-Detached Dwelling	2.92	\$3,927		
Apartments - 2 Bedrooms +	2.00	\$2,688		
Apartments - Bachelor and 1 Bedroom	1.22	\$1,644		
Other Multiples	2.08	\$2,797		
Special Care/Special Dwelling Units	1.00	\$1,343		

**Table 6-2
Town of Pelham
Development Charge Calculation
Municipal-wide Services
2018-2037**

SERVICE	2018 \$ DC Eligible Cost		2018 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft²
	\$	\$	\$	\$
3. <u>Services Related to a Highway</u>				
3.1 Roads	20,166,783	4,130,546	8,583	4.79
3.2 Depots and Domes	664,000	136,000	283	0.16
3.3 PW Rolling Stock	1,090,869	223,431	464	0.26
	21,921,652	4,489,977	9,330	5.21
4. <u>Fire Protection Services</u>				
4.1 Fire Facilities, Vehicles, and Equipment	820,395	168,033	349	0.19
	820,395	168,033	349	0.19
TOTAL	\$22,742,047	\$4,658,010	\$9,679	\$5.40
DC ELIGIBLE CAPITAL COST	\$22,742,047	\$4,658,010		
20 Year Gross Population / GFA Growth (ft².)	6,870	862,700		
Cost Per Capita / Non-Residential GFA (ft².)	\$3,310.34	\$5.40		
<u>By Residential Unit Type</u>	<u>p.p.u</u>			
Single and Semi-Detached Dwelling	2.92	\$9,679		
Apartments - 2 Bedrooms +	2.00	\$6,627		
Apartments - Bachelor and 1 Bedroom	1.22	\$4,052		
Other Multiples	2.08	\$6,895		
Special Care/Special Dwelling Units	1.00	\$3,310		

**Table 6-3
Town of Pelham
Development Charge Calculation
Municipal-wide Services
2018-2027**

SERVICE	2018 \$ DC Eligible Cost		2018 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft²
	\$	\$	\$	\$
5. <u>Outdoor Recreation Services</u>				
5.1 Parkland development, amenities & trails	2,333,946	122,839	1,697	0.23
5.2 Parks vehicles and equipment	0	0	0	0.00
5.1 Parkland development, amenities, trails, vehicles & equipment	0	0	0	0.00
	2,333,946	122,839	1,697	0.23
6. <u>Indoor Recreation Services</u>				
6.1 Recreation facilities	1,658,781	87,304	1,206	0.17
6.2 Recreation vehicles and equipment	0	0	0	0.00
6.1 Recreation facilities, vehicles and equipment	0	0	0	0.00
	1,658,781	87,304	1,206	0.17
7. <u>Library Services</u>				
7.1 Library Facilities and Collection Materials	775,291	40,805	563	0.08
	775,291	40,805	563	0.08
8. <u>Administration</u>				
8.1 Studies	932,942	204,792	678	0.39
TOTAL	\$5,700,960	\$455,740	\$4,144	\$0.87
DC ELIGIBLE CAPITAL COST	\$5,700,960	\$455,740		
10 Year Gross Population / GFA Growth (ft².)	4,023	523,600		
Cost Per Capita / Non-Residential GFA (ft².)	\$1,417.09	\$0.87		
By Residential Unit Type	p.p.u			
Single and Semi-Detached Dwelling	2.92	\$4,144		
Apartments - 2 Bedrooms +	2.00	\$2,837		
Apartments - Bachelor and 1 Bedroom	1.22	\$1,735		
Other Multiples	2.08	\$2,952		
Special Care/Special Dwelling Units	1.00	\$1,417		

**Table 6-4
Town of Pelham
Development Charge Calculation
Total All Services**

	2018 \$ DC Eligible Cost		2018 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft²
	\$	\$	\$	\$
Urban-wide Services Build-out	\$12,765,663	\$2,078,131	\$3,927	\$2.70
Town-wide Services 20 Year	22,742,047	4,658,010	9,679	5.40
Town-wide Services 10 Year	5,700,960	455,740	4,144	0.87
TOTAL	41,208,670	7,191,881	17,750	8.97

Table 6-5
Town of Pelham
Gross Expenditure and Sources of Revenue Summary
For Costs to be Incurred Over the Life of the By-law

SERVICE	TOTAL GROSS COST	SOURCES OF FINANCING						
		TAX BASE OR OTHER NON-DC SOURCE				POST DC PERIOD BENEFIT	DC RESERVE FUND	
		OTHER DEDUCTIONS	BENEFIT TO EXISTING	OTHER FUNDING	LEGISLATED REDUCTION		RESIDENTIAL	NON-RESIDENTIAL
1. Wastewater Services 1.1 Sewers	15,317,778	0	5,518,800	0	0	0	8,427,121	1,371,857
2. Water Services 2.1 Distribution systems	5,662,290	0	2,042,750	0	0	0	3,112,805	506,736
3. Services Related to a Highway 3.1 Roads 3.2 Depots and Domes 3.3 PW Rolling Stock	21,519,428 800,000 1,316,800	0 0 0	8,825,540 0 2,500	0 0 0	0 0 0	0 0 0	10,535,927 664,000 1,090,869	2,157,961 136,000 223,431
4. Fire Protection Services 4.1 Fire Facilities, Vehicles, and Equipment	1,459,736	0	333,300	0	0	0	934,942	191,494
5. Outdoor Recreation Services 5.1 Parkland development, amenities & trails	6,043,494	0	100,395	2,345,000	344,251	0	3,091,156	162,692
6. Indoor Recreation Services 6.1 Recreation facilities	2,414,065	0	0	0	0	2,066,067	330,598	17,400
7. Library Services 7.1 Library Facilities and Collection Materials	467,500	0	66,875	0	40,063	0	342,534	18,028
8. Administration 8.1 Studies	838,719	0	112,500	0	17,750	0	580,945	127,524
TOTAL EXPENDITURES & REVENUES	\$55,839,810	\$0	\$17,002,660	\$2,345,000	\$402,063	\$2,066,067	\$29,110,896	\$4,913,123

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

7.1 Introduction

s.s.5(1)9 states that rules must be developed:

“...to determine if a development charge is payable in any particular case and to determine the amount of the charge, subject to the limitations set out in subsection 6.”

Paragraph 10 of the section goes on to state that the rules may provide for exemptions, phasing in and/or indexing of D.C.s.

s.s.5(6) establishes the following restrictions on the rules:

- the total of all D.C.s that would be imposed on anticipated development must not exceed the capital costs determined under 5(1) 2-8 for all services involved;
- if the rules expressly identify a type of development, they must not provide for it to pay D.C.s that exceed the capital costs that arise from the increase in the need for service for that type of development; however, this requirement does not relate to any particular development; and
- if the rules provide for a type of development to have a lower D.C. than is allowed, the rules for determining D.C.s may not provide for any resulting shortfall to be made up via other development.

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

The rules provided are based on the Town’s existing policies; however, there are items under consideration at this time and these may be refined prior to adoption of the by-law.

7.2 D.C. By-law Structure

It is recommended that:

- the Town uses a uniform Town-wide D.C. calculation for all Municipal services;
- water and wastewater services be imposed on the urban service areas of the Town; and

- one Municipal D.C. by-law be used for all services.

7.3 D.C. By-law Rules

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

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

7.3.1 *Payment in any Particular Case*

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

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

7.3.2 *Determination of the Amount of the Charge*

The following conventions be adopted:

- 1) Costs allocated to residential uses will be assigned to different types of residential units based on the average occupancy for each housing type constructed during the previous decade. Costs allocated to non-residential uses will be assigned based on the amount of square feet of gross floor area constructed for eligible uses (i.e. industrial, commercial and institutional).
- 2) Costs allocated to residential and non-residential uses are based upon a number of conventions, as may be suited to each municipal circumstance, e.g.
 - for Administration, the costs have been based on a population vs. employment growth ratio (82%/18%) for residential and non-residential, respectively) over the 10-year forecast period;

- for Library services, Indoor Recreation, and Outdoor Recreation services, a 5% non-residential attribution has been made to recognize use by the non-residential sector;
- for Services related to a Highway and Fire services, an 83% residential/17% non-residential attribution has been made based on a population vs. employment growth ratio over the 20-year forecast period; and
- for Water and Wastewater services an 86%/14% attribution has been made based on the current urban population in housing units to employment by usual place of work over the urban build-out forecast.

7.3.3 Application to Redevelopment of Land (Demolition and Conversion)

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

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

7.3.4 Exemptions (full or partial)

a) Statutory exemptions

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

b) Non-statutory exemptions

- a hospital as defined under the Public Hospitals Act;
- that portion of a place of worship that is exempt from taxation under the Assessment Act;
- a garden suite;

- a farm help house;
- a farm building;
- Institutions that are exempt from municipal taxation under the following legislation;
 - Social Housing Reform Act;
 - Long Term Care Act; or
 - Mental Health Act;
- save and except those that are operated for profit; and
- land developed for purposes where the development is clearly exempt from taxation under Provincial or Federal Legislation.

7.3.5 Phasing in

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

7.3.6 Timing of Collection

A D.C. that is applicable under Section 5 of the D.C.A. shall be calculated and payable;

- where a permit is required under the Building Code Act in relation to a building or structure, the owner shall pay the D.C. prior to the issuance of the first building permit prior to the commencement of development or redevelopment as the case may be; and
- Despite above, Council, from time to time, and at any time, may enter into agreements providing for all or any part of a D.C. to be paid before or after it would otherwise be payable.

7.3.7 Indexing

Indexing of the D.C.s shall be implemented on a mandatory basis annually commencing on January 1, 2020 and each January 1st thereafter, in accordance with the Statistics Canada Quarterly, Non-Residential Building Construction Price Index (CANSIM Table 327-0043)¹ for the most recent year-over-year period.

7.3.8 The Applicable Areas

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

¹ O.Reg 82/98 referenced “The Statistics Canada Quarterly, Construction Price Statistics, catalogue number 62-007” as the index source. As of the end of December 2013 this catalogue has been discontinued and replaced by this web based table.

- All Town-wide Services – the full residential and non-residential charge will be imposed on all lands within the Town; and
- Water and Wastewater – the full residential and non-residential charge will be imposed on the urban service areas of the Town.

7.4 Other D.C. By-law Provisions

It is recommended that:

7.4.1 Categories of Services for Reserve Fund and Credit Purposes

The Town's D.C. collections are currently reserved in eight separate reserve funds: Services Related to a Highway, Fire Services, Outdoor Recreation Services, Indoor Recreation Services, Library Services, Administration, Water Services and Wastewater Services. It is recommended that these reserve funds continue. Appendix D outlines the reserve fund policies that the Town is required to follow as per the D.C.A.

7.4.2 By-law In-force Date

A by-law under the D.C.A. comes into force on the day after which the by-law is passed by Council or on a future date as specified.

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

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

7.4.4 Area Rating

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

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

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

Presently, the Town's by-law does provide for area rating for water and wastewater services. All other Town services are recovered based on a uniform, Town-wide basis. There have been several reasons why they have not been imposed including:

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

For the reasons noted above, it is recommended that Council continue the D.C. approach to calculate the charges on an urban area basis for water and wastewater and on a uniform Town-wide basis for all other services.

7.5 Other Recommendations

It is recommended that Council:

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

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

“Continue the D.C. approach to calculate the charges on an urban area basis for water and wastewater and on a uniform Town-wide basis for all other services”;

“Approve the capital project listing set out in Chapter 5 of the D.C.s Background Study dated May 17, 2018, subject to further annual review during the capital budget process;”

“Approve the D.C.s Background Study dated May 17, 2018, as amended (if applicable);”

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

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

8. By-law Implementation

8.1 Public Consultation Process

8.1.1 Introduction

This chapter addresses the mandatory, formal public consultation process (Section 8.1.2), as well as the optional, informal consultation process (Section 8.1.3). The latter is designed to seek the co-operation and participation of those involved, in order to produce the most suitable policy. Section 8.1.4 addresses the anticipated impact of the D.C. on development from a generic viewpoint.

8.1.2 Public Meeting of Council

Section 12 of the D.C.A. indicates that before passing a D.C. by-law, Council must hold at least one public meeting, giving at least 20 clear days' notice thereof, in accordance with the Regulation. Council must also ensure that the proposed by-law and background report are made available to the public at least two weeks prior to the (first) meeting.

Any person who attends such a meeting may make representations related to the proposed by-law.

If a proposed by-law is changed following such a meeting, Council must determine whether a further meeting (under this section) is necessary (i.e. if the proposed by-law which is proposed for adoption has been changed in any respect, Council should formally consider whether an additional public meeting is required, incorporating this determination as part of the final by-law or associated resolution. It is noted that Council's decision, once made, is final and not subject to review by a Court or the Local Planning Appeal Tribunal (L.P.A.T.), formerly the Ontario Municipal Board (O.M.B.).

8.1.3 Other Consultation Activity

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

1. The first grouping is the residential development community, consisting of land developers and builders, who are typically responsible for generating the majority of the D.C. revenues. Others, such as realtors, are directly impacted by D.C. policy. They are, therefore, potentially interested in all aspects of the charge, particularly the quantum by unit type, projects to be funded by the D.C. and the

timing thereof, and Town policy with respect to development agreements, D.C. credits and front-ending requirements.

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

8.2 Anticipated Impact of the Charge on Development

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

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

8.3 Implementation Requirements

8.3.1 Introduction

Once the Town has calculated the charge, prepared the complete background study, carried out the public process and passed a new by-law, the emphasis shifts to implementation matters.

These include notices, potential appeals and complaints, credits, front-ending agreements, subdivision agreement conditions and finally the collection of revenues and funding of projects.

The sections which follow overview the requirements in each case.

8.3.2 Notice of Passage

In accordance with s.13 of the D.C.A., when a D.C. by-law is passed, the Town clerk shall give written notice of the passing and of the last day for appealing the by-law (the day that is 40 days after the day it was passed). Such notice must be given no later than 20 days after the day the by-law is passed (i.e. as of the day of newspaper publication or the mailing of the notice).

Section 10 of O.Reg. 82/98 further defines the notice requirements which are summarized as follows:

- notice may be given by publication in a newspaper which is (in the Clerk's opinion) of sufficient circulation to give the public reasonable notice, or by personal service, fax or mail to every owner of land in the area to which the by-law relates;
- s.s.10(4) lists the persons/organizations who must be given notice; and
- s.s.10(5) lists the eight items which the notice must cover.

8.3.3 By-law Pamphlet

In addition to the "notice" information, the Town must prepare a "pamphlet" explaining each D.C. by-law in force, setting out:

- a description of the general purpose of the D.C.s;
- the "rules" for determining if a charge is payable in a particular case and for determining the amount of the charge;
- the services to which the D.C.s relate; and
- a general description of the general purpose of the Treasurer's statement and where it may be received by the public.

Where a by-law is not appealed to the L.P.A.T., the pamphlet must be readied within 60 days after the by-law comes into force. Later dates apply to appealed by-laws.

The Town must give one copy of the most recent pamphlet without charge, to any person who requests one.

8.3.4 Appeals

Sections 13-19 of the D.C.A. set out the requirements relative to making and processing a D.C. by-law appeal and L.P.A.T. Hearing in response to an appeal. Any person or organization may appeal a D.C. by-law to the L.P.A.T. by filing a notice of appeal with the Town clerk, setting out the objection to the by-law and the reasons supporting the objection. This must be done by the last day for appealing the by-law, which is 40 days after the by-law is passed.

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

8.3.5 Complaints

A person required to pay a D.C., or his agent, may complain to the Town Council imposing the charge that:

- the amount of the charge was incorrectly determined;
- the reduction to be used against the D.C. was incorrectly determined; or
- there was an error in the application of the D.C.

Sections 20-25 of the D.C.A. set out the requirements that exist, including the fact that a complaint may not be made later than 90 days after a D.C. (or any part of it) is payable. A complainant may appeal the decision of Town Council to the L.P.A.T.

8.3.6 Credits

Sections 38-41 of the D.C.A. set out a number of credit requirements, which apply where a Town agrees to allow a person to perform work in the future that relates to a service in the D.C. by-law.

These credits would be used to reduce the amount of D.C.s to be paid. The value of the credit is limited to the reasonable cost of the work which does not exceed the average level of service. The credit applies only to the service to which the work relates, unless the Town agrees to expand the credit to other services for which a D.C. is payable.

8.3.7 Front-Ending Agreements

The Town and one or more landowners may enter into a front-ending agreement which provides for the costs of a project which will benefit an area in the Town to which the

D.C. by-law applies. Such an agreement can provide for the costs to be borne by one or more parties to the agreement who are, in turn, reimbursed in future by persons who develop land defined in the agreement.

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

8.3.8 Severance and Subdivision Agreement Conditions

Section 59 of the D.C.A. prevents a Municipality from imposing directly or indirectly, a charge related to development or a requirement to construct a service related to development, by way of a condition or agreement under s.51 or s.53 of the *Planning Act*, except for:

- “local services, related to a plan of subdivision or within the area to which the plan relates, to be installed or paid for by the owner as a condition of approval under section 51 of the *Planning Act*,” and
- “local services to be installed or paid for by the owner as a condition of approval under Section 53 of the *Planning Act*.”

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

In this regard, if the Town in question is a commenting agency, in order to comply with subsection 59(4) of the D.C.A. it would need to provide to the approval authority, information regarding the applicable Town D.C.s related to the site.

If the Town is an approval authority for the purposes of section 51 of the *Planning Act*, it would be responsible to ensure that it collects information from all entities which can impose a D.C.

The most effective way to ensure that purchasers are aware of this condition would be to require it as a provision in a registered subdivision agreement, so that any purchaser of the property would be aware of the charges at the time the title was searched prior to closing a transaction conveying the lands.

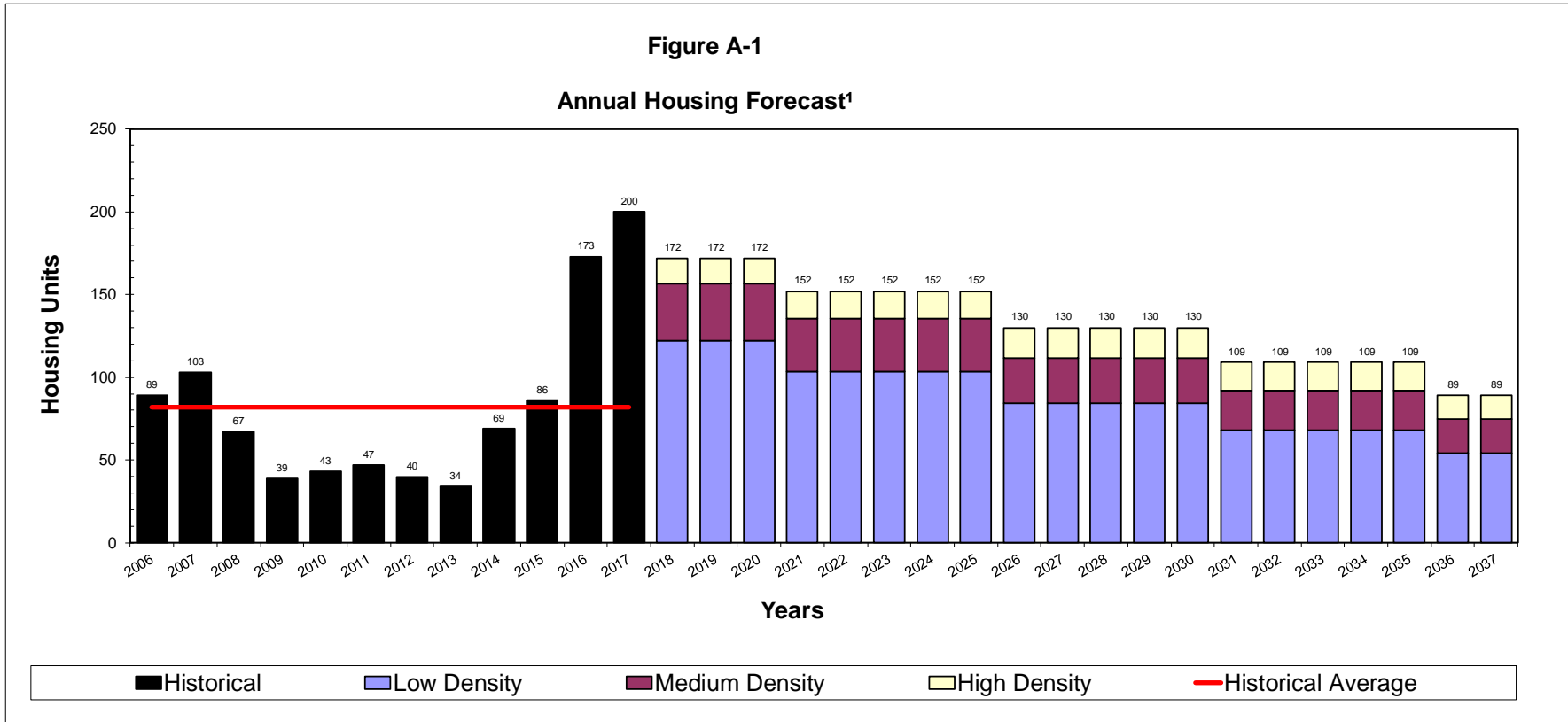
Appendix A – Background Information on Residential and Non-residential Growth Forecast

**Schedule 1
Town of Pelham
Residential Growth Forecast Summary**

Year	Population (Including Census Undercount) ¹	Excluding Census Undercount			Housing Units						Person Per Unit (PPU): Total Population/ Total Households	
		Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi-Detached	Multiple Dwellings ²	Apartments ³	Other	Total Households	Equivalent Institutional Households		
Historical	<i>Mid 2006</i>	16,580	16,155	140	16,015	5,100	305	510	15	5,930	127	2.724
	<i>Mid 2011</i>	17,030	16,598	368	16,230	5,322	474	395	16	6,207	335	2.674
	<i>Mid 2016</i>	17,550	17,110	440	16,670	5,475	430	550	15	6,470	400	2.645
Forecast	<i>Mid 2018</i>	18,560	18,089	467	17,622	5,775	484	569	15	6,843	425	2.643
	<i>Mid 2028</i>	22,080	21,521	536	20,985	6,827	801	735	15	8,379	487	2.568
	<i>Mid 2038</i>	24,670	24,049	620	23,429	7,530	1,044	903	15	9,492	564	2.534
	<i>Buildout</i>	27,600	26,900	693	26,207	8,327	1,345	1,112	15	10,799	630	2.491
Incremental	Mid 2006 - Mid 2011	450	443	228	215	222	169	-115	1	277	208	
	Mid 2011 - Mid 2016	520	512	72	440	153	-44	155	-1	263	65	
	Mid 2016 - Mid 2018	1,010	979	27	952	300	54	19	0	373	25	
	Mid 2018 - Mid 2028	3,520	3,432	69	3,363	1,052	317	166	0	1,536	62	
	Mid 2018 - Mid 2038	6,110	5,960	153	5,807	1,755	560	334	0	2,649	139	
	Mid 2018 - Buildout	9,040	8,811	226	8,585	2,552	861	543	0	3,956	205	

Source: Derived by Watson & Associates Economists Ltd., 2018, from the draft Niagara Region Municipal Comprehensive Review Strategic Growth Option 3, November 2016, and has been informed by discussions with Town Staff regarding anticipated development trends, active residential development in the planning approvals process, and future development yields on vacant designated lands in the East Fonthill Secondary Plan and draft East Fenwick Secondary Plan.

1. Census Undercount estimated at approximately 2.6%. Note: Population Including the Undercount has been rounded.
2. Includes townhomes and apartments in duplexes.
3. Includes bachelor, 1 bedroom and 2 bedroom+ apartments.



Source: Historical housing activity based on Statistics Canada building permits, 2006-2017.

1. Growth Forecast represents calendar year.

Schedule 2
Town of Pelham
Estimate of the Anticipated Amount, Type and Location of
Residential Development for Which Development Charges Can Be Imposed

Development Location	Timing	Single & Semi-Detached	Multiples ¹	Apartments ²	Total Residential Units	Gross Population In New Units	Existing Unit Population Change	Net Population Increase, Excluding Institutional	Institutional Population	Net Population Including Institutional
Fonthill	2018 - 2028	737	248	141	1,126	2,912	(415)	2,496	48	2,544
	2018 - 2038	1,149	409	281	1,839	4,693	(670)	4,023	106	4,129
	2018 - Buildout	1,635	603	434	2,672	6,781	(1,009)	5,772	156	5,928
Fenwick	2018 - 2028	226	70	25	321	849	(59)	790	21	811
	2018 - 2038	465	151	53	670	1,766	(95)	1,671	47	1,719
	2018 - Buildout	684	258	109	1,051	2,725	(143)	2,582	70	2,652
Rural	2018 - 2028	90	0	0	90	262	(185)	77	0	77
	2018 - 2038	140	0	0	140	410	(298)	113	0	113
	2018 - Buildout	232	0	0	232	679	(448)	231	0	231
Town of Pelham	2018 - 2028	1,052	317	166	1,536	4,023	(659)	3,363	69	3,432
	2018 - 2038	1,755	560	334	2,649	6,870	(1,063)	5,807	153	5,960
	2018 - Buildout	2,552	861	543	3,956	10,186	(1,600)	8,585	226	8,811

Source: Watson & Associates Economists Ltd., 2018.

1. Includes townhomes and apartments in duplexes.

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

**Schedule 3
Town of Pelham
Current Year Growth Forecast
Mid 2016 to Mid 2018**

		Population
Mid 2016 Population		17,110
Occupants of New Housing Units, Mid 2016 to Mid 2018	<i>Units (2)</i>	373
	<i>multiplied by persons per unit (3)</i>	3.095
<i>gross population increase</i>		1,155
Occupants of New Equivalent Institutional Units, Mid 2016 to Mid 2018	<i>Units</i>	25
	<i>multiplied by persons per unit</i>	1.100
<i>gross population increase</i>		27
Decline in Housing Unit Occupancy, Mid 2016 to Mid 2018	<i>Units (4)</i>	6,470
	<i>multiplied by ppu decline rate (5)</i>	-0.0314
<i>total decline in population</i>		-203
Population Estimate to Mid 2018		18,089
<i>Net Population Increase, Mid 2016 to Mid 2018</i>		979

(1) 2016 population based on StatsCan Census unadjusted for Census Undercount.

(2) Estimated residential units constructed, Mid 2016 to the beginning of the growth period, assuming a six month lag between construction and occupancy.

(3) Average number of persons per unit (ppu) is assumed to be:

Structural Type	Persons Per Unit ¹	% Distribution of Estimated Units ²	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	3.353	80%	2.697
<i>Multiples (6)</i>	2.167	14%	0.314
<i>Apartments (7)</i>	1.669	5%	0.085
Total		100%	3.095

¹ Based on 2016 Census custom database

² Based on Building permit/completion activity

(4) 2016 households taken from Statistics Canada Census.

(5) Decline occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.

(6) Includes townhomes and apartments in duplexes.

(7) Includes bachelor, 1 bedroom and 2 bedroom+ apartments.

**Schedule 4a
Town of Pelham
Ten Year Growth Forecast
Mid 2018 to Mid 2028**

		Population
Mid 2018 Population		18,089
Occupants of New Housing Units, Mid 2018 to Mid 2028	<i>Units (2)</i>	1,536
	<i>multiplied by persons per unit (3)</i>	2.619
	<i>gross population increase</i>	4,023
Occupants of New Equivalent Institutional Units, Mid 2018 to Mid 2028	<i>Units</i>	62
	<i>multiplied by persons per unit</i>	1.100
	<i>gross population increase</i>	68
Decline in Housing Unit Occupancy, Mid 2018 to Mid 2028	<i>Units (4)</i>	6,843
	<i>multiplied by ppu decline rate (5)</i>	-0.0963
	<i>total decline in population</i>	-659
Population Estimate to Mid 2028		21,521
<i>Net Population Increase, Mid 2018 to Mid 2028</i>		3,432

(1) Mid 2018 Population based on:

2016 Population (17,110) + Mid 2016 to Mid 2018 estimated housing units to beginning of forecast period (373 x 3.095 = 1,155) + (25 x 1.100 = 27) + (6,470 x -0.0314 = -203) = 18,089

(2) Based upon forecast building permits/completions assuming a lag between construction and occupancy.

(3) Average number of persons per unit (ppu) is assumed to be:

Structural Type	Persons Per Unit ¹	% Distribution of Estimated Units ²	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	2.924	69%	2.003
<i>Multiples (6)</i>	2.083	21%	0.431
<i>Apartments (7)</i>	1.714	11%	0.186
<i>one bedroom or less</i>	1.224		
<i>two bedrooms or more</i>	2.002		
Total		100%	2.619

¹ Persons per unit based on adjusted Statistics Canada Custom 2016 Census database.

² Forecast unit mix based upon historical trends and housing units in the development process.

(4) Mid 2018 households based upon 6,470 (2016 Census) + 373 (Mid 2016 to Mid 2018 unit estimate) = 6,843

(5) Decline occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.

(6) Includes townhomes and apartments in duplexes.

(7) Includes bachelor, 1 bedroom and 2 bedroom+ apartments.

**Schedule 4b
Town of Pelham
Twenty Year Growth Forecast
Mid 2018 to Mid 2038**

		Population
Mid 2018 Population		18,089
Occupants of New Housing Units, Mid 2018 to Mid 2038	<i>Units (2)</i>	2,649
	<i>multiplied by persons per unit (3)</i>	2.593
	<i>gross population increase</i>	6,870
Occupants of New Equivalent Institutional Units, Mid 2018 to Mid 2038	<i>Units</i>	139
	<i>multiplied by persons per unit</i>	1.100
	<i>gross population increase</i>	153
Decline in Housing Unit Occupancy, Mid 2018 to Mid 2038	<i>Units (4)</i>	6,843
	<i>multiplied by ppu. decline rate (5)</i>	-0.1553
	<i>total decline in population</i>	-1,063
Population Estimate to Mid 2038		24,049
<i>Net Population Increase, Mid 2018 to Mid 2038</i>		<i>5,960</i>

(1) Mid 2018 Population based on:

2016 Population (17,110) + Mid 2016 to Mid 2018 estimated housing units to beginning of forecast period (373 x 3.095 = 1,155) + (25 x 1.100 = 27) + (6,470 x -0.0314 = -203) = 18,089

(2) Based upon forecast building permits/completions assuming a lag between construction and occupancy.

(3) Average number of persons per unit (ppu) is assumed to be:

Structural Type	Persons Per Unit ¹	% Distribution of Estimated Units ²	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	2.924	66%	1.937
<i>Multiples (6)</i>	2.083	21%	0.441
<i>Apartments (7)</i>	1.714	13%	0.216
<i>one bedroom or less</i> 1.224			
<i>two bedrooms or more</i> 2.002			
Total		100%	2.593

¹ Persons per unit based on Statistics Canada Custom 2016 Census database.

² Forecast unit mix based upon historical trends and housing units in the development process.

(4) Mid 2018 households based upon 6,470 (2016 Census) + 373 (Mid 2016 to Mid 2018 unit estimate) = 6,843

(5) Decline occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.

(6) Includes townhomes and apartments in duplexes.

(7) Includes bachelor, 1 bedroom and 2 bedroom+ apartments.

**Schedule 5
Town of Pelham
Mid 2018 to Buildout**

		Population
Mid 2018 to Buildout		18,089
Occupants of New Housing Units, Mid 2018 to Buildout	<i>Units (2)</i>	3,956
	<i>multiplied by persons per unit (3)</i>	2.575
	<i>gross population increase</i>	10,186
Occupants of New Equivalent Institutional Units, Mid 2018 to Buildout	<i>Units</i>	205
	<i>multiplied by persons per unit</i>	1.100
	<i>gross population increase</i>	226
Decline in Housing Unit Occupancy, Mid 2018 to Buildout	<i>Units (4)</i>	6,843
	<i>multiplied by ppu. decline rate (5)</i>	-0.2338
	<i>total decline in population</i>	-1,600
Population Estimate to Buildout		26,900
<i>Net Population Increase, Mid 2018 to Buildout</i>		8,811

(1) Mid 2018 Population based on:

2016 Population (17,110) + Mid 2016 to Mid 2018 estimated housing units to beginning of forecast period (373 x 3.095 = 1,155) + (25 x 1.100 = 27) + (6,470 x -0.0314 = -203) = 18,089

(2) Based upon forecast building permits/completions assuming a lag between construction and occupancy.

(3) Average number of persons per unit (ppu) is assumed to be:

Structural Type	Persons Per Unit ¹	% Distribution of Estimated Units ²	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	2.924	65%	1.886
<i>Multiples (6)</i>	2.083	22%	0.453
<i>Apartments (7)</i>	1.714	14%	0.235
<i>one bedroom or less</i>	1.224		
<i>two bedrooms or more</i>	2.002		
Total		100%	2.575

¹ Persons per unit based on Statistics Canada Custom 2016 Census database.

² Forecast unit mix based upon historical trends and housing units in the development process.

(4) Mid 2018 households based upon 6,470 (2016 Census) + 373 (Mid 2016 to Mid 2018 unit estimate) = 6,843

(5) Decline occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.

(6) Includes townhomes and apartments in duplexes.

(7) Includes bachelor, 1 bedroom and 2 bedroom+ apartments.

Schedule 6a
Town of Pelham
Buildout Population and Housing Summary

Inventory of Units in the Development Pipeline							
Housing Structure Type	Fonthill	Fenwick	Total	Shares	PPU	Weighted PPU	Population
Low	139	48	187	21%	2.924	0.623	117
Medium	203	44	247	28%	2.083	0.587	145
High	357	86	443	51%	1.714	0.866	384
Total	699	178	877	100%		2.076	1,821

Source: Derived from Town of Pelham Inventory of Units, December 2017, by Watson & Associates Economists Ltd., 2018.

Secondary Plans Projected Development Yields	
Area	Population
Fonthill	4,478
Fenwick	2,282
Total	6,760

Source: Adopted from Town of Pelham East Fonthill Secondary Plan and draft East Fenwick Secondary Plan Projected Development Yields by Watson & Associates Economists Ltd., 2018.

Projected Population (Mid 2018 to Buildout)		
	Population	
Development Pipeline	1,821	
Secondary Plan Projected Development	6,760	
Rural Growth	231	
Total Population Growth	8,812	
Mid 2018 Population	18,089	
Total Population at Buildout	26,901	
	Fonthill	Fenwick
Development Pipeline	1,451	370
Secondary Plan Projected Development	4,478	2,282
Population Growth at Buildout	5,929	2,652

Source: Derived from Town of Pelham Inventory of Units, December 2017, East Fonthill Secondary Plan and draft East Fenwick Secondary Plan Projected Development Yields by Watson & Associates Economists Ltd., 2018.

Notes:

Population excludes the Census Undercount.

Schedule 6b
Town of Pelham (Urban)
Summary of Housing Units In The Development Process and Vacant Urban Land Supply

Stage of Development	Density Type			
	Singles & Semi-Detached	Multiples ¹	Apartments ²	Total
Registered Not Built	67	0	20	87
<i>% Breakdown</i>	<i>77%</i>	<i>0%</i>	<i>23%</i>	<i>100%</i>
Draft Plans Approved	120	139	26	285
<i>% Breakdown</i>	<i>42%</i>	<i>49%</i>	<i>9%</i>	<i>100%</i>
Application Under Review	0	108	397	505
<i>% Breakdown</i>	<i>0%</i>	<i>21%</i>	<i>79%</i>	<i>100%</i>
Vacant lands designated for Residential	2,133	614	100	2,847
<i>% Breakdown</i>	<i>75%</i>	<i>22%</i>	<i>4%</i>	<i>100%</i>
Total	2,320	861	543	3,724
<i>% Breakdown</i>	<i>62%</i>	<i>23%</i>	<i>15%</i>	<i>100%</i>

Source: Derived from Town of Pelham Inventory of Units, December 2017, East Fontill Secondary Plan and East Fenwick Secondary Plan Projected Development Yields by Watson & Associates Economists Ltd., 2018.

1. Includes townhomes and apartments in duplexes.
2. Includes bachelor, 1 bedroom and 2 bedroom+ apartments.

Notes:

Vacant lands designated for residential calculated as the residual of total urban development at buildout net of inventory of units in the current development pipeline.

Schedule 6c
Fonthill
Summary of Housing Units In The Development Process and Vacant Urban Land Supply

Stage of Development	Density Type			Total
	Singles & Semi-Detached	Multiples ¹	Apartments ²	
Registered Not Built	49	0	20	69
<i>% Breakdown</i>	<i>71%</i>	<i>0%</i>	<i>29%</i>	<i>100%</i>
Draft Plans Approved	90	95	26	211
<i>% Breakdown</i>	<i>43%</i>	<i>45%</i>	<i>12%</i>	<i>100%</i>
Application Under Review	0	108	311	419
<i>% Breakdown</i>	<i>0%</i>	<i>26%</i>	<i>74%</i>	<i>100%</i>
Vacant lands designated for Residential	1,496	400	77	1,973
<i>% Breakdown</i>	<i>76%</i>	<i>20%</i>	<i>4%</i>	<i>100%</i>
Total	1,635	603	434	2,672
<i>% Breakdown</i>	<i>61%</i>	<i>23%</i>	<i>16%</i>	<i>100%</i>

1. Includes townhomes and apartments in duplexes.

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

Schedule 6d
Fenwick
Summary of Housing Units In The Development Process and Vacant Urban Land Supply

Stage of Development	Density Type			Total
	Singles & Semi-Detached	Multiples ¹	Apartments ²	
Registered Not Built	18	0	0	18
<i>% Breakdown</i>	<i>100%</i>	<i>0%</i>	<i>0%</i>	<i>100%</i>
Draft Plans Approved	30	44	0	74
<i>% Breakdown</i>	<i>41%</i>	<i>59%</i>	<i>0%</i>	<i>100%</i>
Application Under Review	0	0	86	86
<i>% Breakdown</i>	<i>0%</i>	<i>0%</i>	<i>100%</i>	<i>100%</i>
Vacant lands designated for Residential	636	214	23	873
<i>% Breakdown</i>	<i>73%</i>	<i>25%</i>	<i>3%</i>	<i>100%</i>
Total	684	258	109	1,051
<i>% Breakdown</i>	<i>65%</i>	<i>25%</i>	<i>10%</i>	<i>100%</i>

1. Includes townhomes and apartments in duplexes.

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

Schedule 7

Town of Pelham
Historical Residential Building Permits
Years 2008 - 2017

Year	Residential Building Permits			
	Singles & Semi Detached	Multiples ¹	Apartments ²	Total
2008	56	11	0	67
2009	32	7	0	39
2010	38	2	3	43
2011	38	9	0	47
2012	32	8	0	40
Sub-total	196	37	3	236
Average (2008 - 2012)	39	7	1	47
% Breakdown	83.1%	15.7%	1.3%	100.0%
2013	24	7	3	34
2014	45	24	0	69
2015	63	23	0	86
2016	124	35	14	173
2017	176	19	5	200
Sub-total	432	108	22	562
Average (2013 - 2017)	86	22	4	112
% Breakdown	76.9%	19.2%	3.9%	100.0%
2008 - 2017				
Total	628	145	25	798
Average	53	15	3	70
% Breakdown	78.7%	18.2%	3.1%	100.0%

Source: Statistics Canada Publication, 64-001XIB

1. Includes townhomes and apartments in duplexes.
2. Includes bachelor, 1 bedroom and 2 bedroom+ apartments.

Schedule 8a
Town of Pelham
Persons Per Unit By Age And Type Of Dwelling
(2016 Census)

Age of Dwelling	Singles and Semi-Detached						Adjusted PPU ¹	20 Year Average
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	-	3.091	-	3.353	3.286	
6-10	-	-	-	2.796	-	2.710	2.656	
11-15	-	-	1.727	2.833	-	2.943	2.899	
16-20	-	-	1.824	2.957	-	2.883	2.854	2.924
20-25	-	-	-	3.150	-	3.151	3.131	
25-35	-	-	-	2.873	3.211	2.842	2.831	
35+	-	-	1.889	2.622	3.906	2.560	2.555	
Total	-	2.250	1.859	2.762	3.791	2.729		

Age of Dwelling	Multiples ²						Adjusted PPU ¹	20 Year Average
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	-	-	-	2.167	2.167	
6-10	-	-	-	-	-	-	-	
11-15	-	-	-	-	-	-	-	
16-20	-	-	1.909	2.067	-	2.000	2.000	2.083
20-25	-	-	-	-	-	-	-	
25-35	-	-	-	-	-	-	-	
35+	-	-	-	1.909	-	2.154	2.154	
Total	-	-	2.000	2.036	-	2.023		

Age of Dwelling	All Density Types					
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total
1-5	-	-	-	3.100	-	3.106
6-10	-	-	2.067	2.679	-	2.571
11-15	-	-	1.800	2.776	-	2.663
16-20	-	-	2.000	2.833	-	2.697
20-25	-	-	-	3.106	-	3.000
25-35	-	-	2.071	2.831	3.389	2.721
35+	-	1.054	1.754	2.604	3.875	2.422
Total	-	1.232	1.840	2.728	3.824	2.580

1. The Census PPU has been adjusted to account for historical trends (2006 to 2016).

2. Includes townhomes and apartments in duplexes.

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

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

Schedule 8b
Niagara Region
Persons Per Unit By Age And Type Of Dwelling
(2016 Census)

Age of Dwelling	Singles and Semi-Detached						20 Year Average
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total	
1-5	-	1.500	1.915	3.045	4.522	2.929	
6-10	-	1.500	1.864	3.078	4.414	2.981	
11-15	-	1.909	1.928	3.005	4.323	2.999	
16-20	-	-	1.846	2.962	3.950	2.936	2.961
20-25	-	1.615	1.893	2.931	4.022	2.895	
25-35	-	1.594	1.929	2.797	3.713	2.805	
35+	2.091	1.420	1.816	2.532	3.765	2.445	
Total	2.467	1.481	1.834	2.666	3.895	2.592	

Age of Dwelling	Multiples ¹						20 Year Average
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total	
1-5	-	1.647	1.726	2.424	-	2.189	
6-10	-	1.231	1.807	2.275	-	1.997	
11-15	-	1.529	1.675	2.432	-	2.111	
16-20	-	1.500	1.914	2.494	-	2.208	2.126
20-25	-	1.360	1.748	2.726	3.143	2.296	
25-35	-	1.292	2.000	2.640	2.750	2.404	
35+	-	1.216	1.823	2.630	3.407	2.176	
Total	-	1.275	1.814	2.562	3.243	2.197	

Age of Dwelling	Apartments ²						20 Year Average
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total	
1-5	-	1.317	1.652	2.783	-	1.669	
6-10	-	1.178	1.721	3.067	-	1.685	
11-15	-	1.381	1.865	2.632	-	1.817	
16-20	-	1.241	1.847	2.652	-	1.686	1.714
20-25	-	1.224	1.780	2.974	-	1.668	
25-35	-	1.199	1.729	3.082	-	1.589	
35+	1.085	1.167	1.740	2.616	2.550	1.562	
Total	0.892	1.185	1.746	2.716	2.875	1.589	

Age of Dwelling	All Density Types					
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total
1-5	-	1.411	1.792	2.879	4.380	2.604
6-10	-	1.338	1.821	2.966	4.291	2.688
11-15	-	1.447	1.836	2.931	4.284	2.745
16-20	-	1.430	1.868	2.895	3.934	2.656
20-25	-	1.253	1.799	2.895	3.934	2.515
25-35	-	1.231	1.818	2.787	3.648	2.497
35+	1.250	1.219	1.790	2.539	3.725	2.272
Total	1.250	1.242	1.800	2.658	3.841	2.383

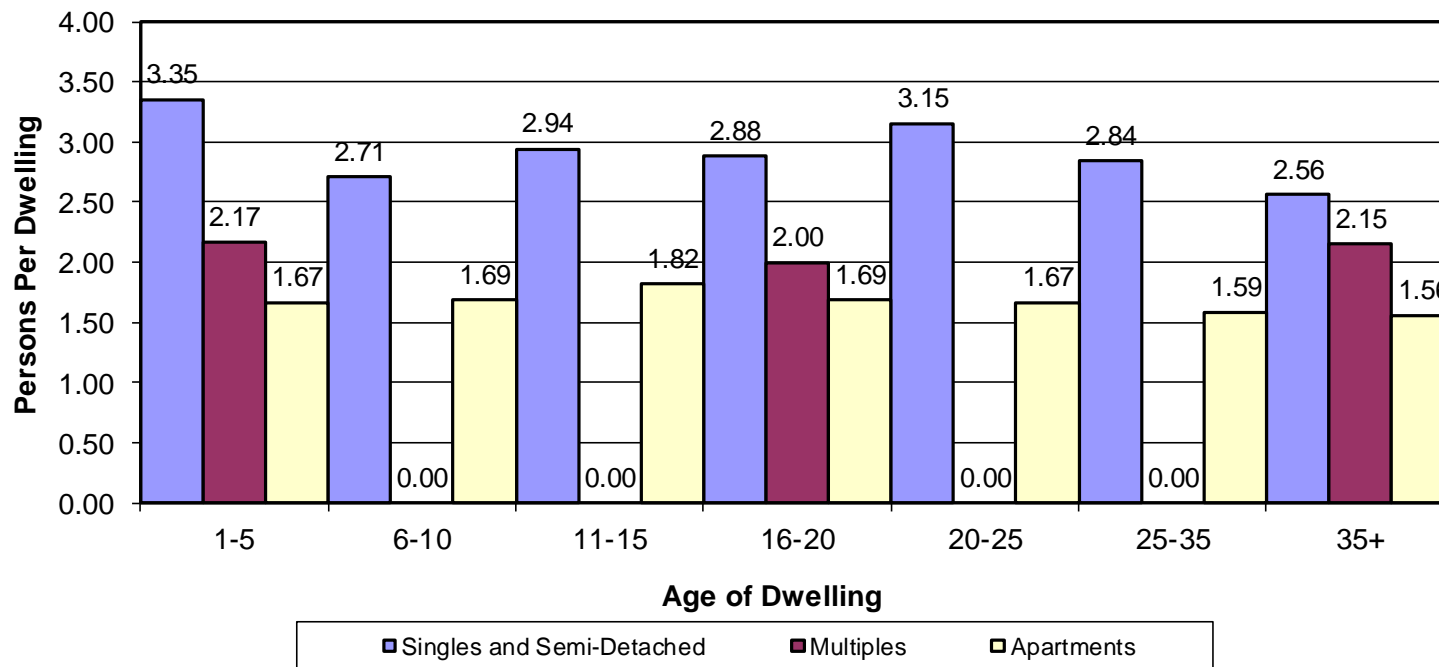
1. Includes townhomes and apartments in duplexes.

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

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

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

**Schedule 9
Town of Pelham
Persons Per Unit By Structural Type And Age Of Dwelling
(2016 Census)**



Apartment PPU's are based on Niagara Region.

Schedule 10a
Town of Pelham
Employment Forecast, 2018 To Buildout

Period	Population	Activity Rate								Employment								Employment Total (Excluding NFPOW and Work at Home)
		Primary	Work at Home	Industrial	Commercial/Population Related	Institutional	Total	NFPOW ¹	Total Including NFPOW	Primary	Work at Home	Industrial	Commercial/Population Related	Institutional	Total	NFPOW ¹	Total Employment (Including NFPOW)	
Mid 2006	16,155	0.017	0.052	0.040	0.087	0.044	0.240	0.025	0.265	270	835	653	1,403	715	3,875	405	4,280	3,040
Mid 2011	16,598	0.013	0.048	0.021	0.093	0.045	0.220	0.028	0.248	220	790	353	1,548	745	3,655	457	4,112	2,865
Mid 2016	17,110	0.019	0.053	0.022	0.089	0.047	0.231	0.035	0.266	325	915	380	1,525	800	3,945	600	4,545	3,030
Mid 2018	18,089	0.018	0.053	0.022	0.090	0.047	0.231	0.035	0.266	325	967	383	1,630	804	4,109	634	4,743	3,142
Mid 2028	21,521	0.017	0.055	0.022	0.097	0.044	0.235	0.037	0.272	360	1,184	478	2,083	957	5,062	798	5,860	3,878
Mid 2038	24,049	0.016	0.056	0.022	0.102	0.042	0.239	0.038	0.277	385	1,343	533	2,460	1,015	5,736	915	6,651	4,393
Buildout	26,900	0.015	0.057	0.022	0.105	0.040	0.238	0.040	0.278	411	1,521	583	2,828	1,065	6,408	1,072	7,480	4,887
Incremental Change																		
Mid 2006 - Mid 2011	443	-0.003	-0.004	-0.019	0.006	0.001	-0.020	0.002	-0.017	-50	-45	-300	145	30	-220	52	-168	-175
Mid 2011 - Mid 2016	512	0.0057	0.0059	0.0010	-0.0041	0.0019	0.0104	0.0075	0.0179	105	125	28	-23	55	290	143	433	165
Mid 2016 - Mid 2018	979	-0.0010	0.0000	0.0000	0.0010	0.0000	0.0000	0.0000	0.0000	0	52	3	105	4	164	34	198	112
Mid 2018 - Mid 2028	3,432	-0.0012	0.0015	0.0000	0.0067	-0.0023	0.0047	0.0020	0.0067	35	217	95	453	153	953	164	1,117	736
Mid 2018 - Mid 2038	5,960	-0.0020	0.0024	0.0000	0.0121	-0.0046	0.0080	0.0030	0.0110	60	376	150	830	211	1,627	281	1,908	1,251
Mid 2018 - Buildout	8,811	-0.0027	0.0030	-0.0006	0.0150	-0.0072	0.0077	0.0048	0.0125	86	554	200	1,198	261	2,299	438	2,737	1,745
Annual Average																		
Mid 2006 - Mid 2011	89	-0.00069	-0.00082	-0.00383	0.00128	0.00013	-0.00393	0.00049	-0.00344	-10	-9	-60	29	6	-44	10	-34	-35
Mid 2011 - Mid 2016	102	0.0011	0.0012	0.0002	-0.0008	0.0004	0.0021	0.0015	0.0036	21	25	6	-5	11	58	29	87	33
Mid 2016 - Mid 2018	490	-0.0005	0.0000	0.0000	0.0005	0.0000	0.0000	0.0000	0.0000	0	26	2	53	2	82	17	99	56
Mid 2018 - Mid 2028	343	-0.00012	0.00015	0.00000	0.00067	-0.00023	0.00047	0.00020	0.00067	4	22	10	45	15	95	16	112	74
Mid 2018 - Mid 2038	298	-0.00010	0.00012	0.00000	0.00061	-0.00023	0.00040	0.00015	0.00055	3	19	8	42	11	81	14	95	63
Mid 2018 - Buildout	245	-0.00007	0.00008	-0.00002	0.00042	-0.00020	0.00021	0.00013	0.00035	2	15	6	33	7	64	12	76	48

Source: Derived by Watson & Associates Economists Ltd., 2018, from the draft Niagara Region Municipal Comprehensive Review Strategic Growth Option 3, November 2016. Industrial buildout based on Niagara Employment Lands Strategy: Phase 2, Non-Gateway Communities, November 2013.

1. Statistics Canada defines no fixed place of work (NFPOW) employees as "persons who do not go from home to the same work place location at the beginning of each shift". Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc.

Schedule 10b
Town of Pelham
Employment & Gross Floor Area (G.F.A) Forecast, 2018 To Buildout

Period	Population	Employment				Gross Floor Area in Square Feet (Estimated) ¹			
		Industrial	Commercial/ Population Related	Institutional	Total	Industrial	Commercial/ Population Related	Institutional	Total
Mid 2006	16,155	653	1,403	715	3,040				
Mid 2011	16,598	353	1,548	745	2,865				
Mid 2016	17,110	380	1,525	800	3,030				
Mid 2018	18,089	383	1,630	804	3,142				
Mid 2028	21,521	478	2,083	957	3,878				
Mid 2038	24,049	533	2,460	1,015	4,393				
Buildout	26,900	583	2,828	1,065	4,887				
Incremental Change									
Mid 2006 - Mid 2011	443	-300	145	30	-175				
Mid 2011 - Mid 2016	512	28	-23	55	165				
Mid 2016 - Mid 2018	979	3	105	4	112	6,000	52,500	2,800	61,300
Mid 2018 - Mid 2028	3,432	95	453	153	736	190,000	226,500	107,100	523,600
Mid 2018 - Mid 2038	5,960	150	830	211	1,251	300,000	415,000	147,700	862,700
Mid 2018 - Buildout	8,811	200	1,198	261	1,745	400,000	599,000	182,700	1,181,700
Annual Average									
Mid 2006 - Mid 2011	89	-60	29	6	-35				
Mid 2011 - Mid 2016	102	6	-5	11	33				
Mid 2016 - Mid 2018	490	2	53	2	56	3,000	26,250	1,400	30,650
Mid 2018 - Mid 2028	343	10	45	15	74	19,000	22,650	10,710	52,360
Mid 2018 - Mid 2038	298	8	42	11	63	15,000	20,750	7,385	43,135
Mid 2018 - Buildout	245	6	33	7	48	11,111	16,639	5,075	32,825

Source: Derived by Watson & Associates Economists Ltd., 2018, from the draft Niagara Region Municipal Comprehensive Review Strategic Growth Option 3, November 2016. Industrial buildout based on Niagara Employment Lands Strategy: Phase 2, Non-Gateway Communities, November 2013.

1. Square Foot Per Employee Assumptions

Industrial	2,000
Commercial/ Population Related	500
Institutional	700

Schedule 10c
Estimate of the Anticipated Amount, Type and Location of
Non-Residential Development for Which Development Charges Can Be Imposed

Development Location	Timing	Industrial	Commercial	Institutional	Total Non-Res	Employment
		GFA S.F.	GFA S.F.	GFA S.F.	GFA S.F.	Increase ¹
Fonthill	2018 - 2028	-	180,800	87,700	268,500	487
	2018 - 2038	-	307,600	111,800	419,400	775
	2018 - Buildout	-	444,500	138,600	583,100	1,087
Fenwick	2018 - 2028	-	40,000	19,400	59,400	108
	2018 - 2038	-	98,700	35,900	134,600	249
	2018 - Buildout	-	141,500	44,100	185,600	346
Rural	2018 - 2028	190,000	5,500	-	195,500	141
	2018 - 2038	300,000	8,500	-	308,500	227
	2018 - Buildout	400,000	13,000	-	413,000	312
Town of Pelham	2018 - 2028	190,000	226,500	107,100	523,600	736
	2018 - 2038	300,000	415,000	147,700	862,700	1,251
	2018 - Buildout	400,000	599,000	182,700	1,181,700	1,745

Source: Watson & Associates Economists Ltd., 2018.

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

2. Square feet per employee assumptions:

Industrial	2,000
Commercial	500
Institutional	700

Schedule 11
Town of Pelham
Non-Residential Construction Value
Years 2007 - 2016
(000's \$ 2018)

YEAR	Industrial				Commercial				Institutional				Total			
	New	Improve	Additions	Total	New	Improve	Additions	Total	New	Improve	Additions	Total	New	Improve	Additions	Total
2007	0	0	582	582	411	903	663	1,978	23	136	0	159	434	1,039	1,245	2,719
2008	0	0	0	0	593	1,067	0	1,660	6	39	0	44	599	1,106	0	1,704
2009	0	0	0	0	1,435	807	559	2,802	791	748	0	1,539	2,226	1,555	559	4,341
2010	0	0	0	0	84	1,027	0	1,110	2,943	163	424	3,530	3,027	1,190	424	4,640
2011	1,088	0	0	1,088	1,140	739	0	1,879	278	86	0	364	2,506	825	0	3,331
2012	536	750	482	1,769	1,600	1,522	0	3,122	32	150	0	182	2,168	2,422	482	5,073
2013	53	0	0	53	2,294	1,251	0	3,546	324	361	368	1,053	2,671	1,612	368	4,652
2014	165	0	0	165	1,197	1,890	0	3,087	1,238	1,228	671	3,137	2,600	3,118	671	6,390
2015	42	0	0	42	1,615	1,313	0	2,928	0	99	0	99	1,657	1,412	0	3,069
2016	1,583	0	0	1,583	43,486	1,888	407	45,781	835	136	3,667	4,638	45,903	2,024	4,074	52,001
Subtotal	3,466	750	1,064	5,280	53,856	12,407	1,630	67,893	6,471	3,146	5,130	14,746	63,793	16,303	7,824	87,920
Percent of Total	66%	14%	20%	100%	79%	18%	2%	100%	44%	21%	35%	100%	73%	19%	9%	100%
Average	347	75	106	528	5,386	1,241	163	6,789	647	315	513	1,475	6,379	1,630	782	8,792
2007 - 2011 Period Total				1,670				9,428				5,637				16,736
2007 - 2011 Average				334				1,886				1,127				3,347
% Breakdown				10.0%				56.3%				33.7%				100.0%
2012 - 2016 Period Total				3,611				58,465				9,109				71,184
2012 - 2016 Average				722				11,693				1,822				14,237
% Breakdown				5.1%				82.1%				12.8%				100.0%
2007 - 2016 Period Total				5,280				67,893				14,746				87,920
2007 - 2016 Average				528				6,789				1,475				8,792
% Breakdown				6.0%				77.2%				16.8%				100.0%

Source: Statistics Canada Publication, 64-001-XIB

Note: Inflated to year-end 2017 (January, 2018) dollars using Reed Construction Cost Index

Schedule 12
Town of Pelham

Employment to Population Ratio by Major Employment Sector, 2006 to 2016

NAICS		Year			Change		Comments
		2006	2011	2016	06-11	11-16	
Employment by industry							
Primary Industry Employment							
11	<i>Agriculture, forestry, fishing and hunting</i>	395	375	450	-20	75	Categories which relate to local land-based resources.
21	<i>Mining and oil and gas extraction</i>	20	0	10	-20	10	
Sub-total		415	375	460	-40	85	
Industrial and Other Employment							
22	<i>Utilities</i>	10	0	10	-10	10	Categories which relate primarily to industrial land supply and demand.
23	<i>Construction</i>	220	145	195	-75	50	
31-33	<i>Manufacturing</i>	140	185	95	45	-90	
41	<i>Wholesale trade</i>	310	120	120	-190	0	
48-49	<i>Transportation and warehousing</i>	90	35	110	-55	75	
56	<i>Other services (except public administration)</i>	60	43	83	-18	40	
Sub-total		830	528	613	-303	85	
Population Related Employment							
44-45	<i>Retail trade</i>	495	580	500	85	-80	Categories which relate primarily to population growth within the municipality.
51	<i>Information and cultural industries</i>	35	25	25	-10	0	
52	<i>Finance and insurance</i>	170	225	125	55	-100	
53	<i>Real estate and rental and leasing</i>	120	85	85	-35	0	
54	<i>Professional, scientific and technical services</i>	215	270	225	55	-45	
55	<i>Management of companies and enterprises</i>	0	0	0	0	0	
56	<i>Administrative and support</i>	60	43	83	-18	40	
71	<i>Arts, entertainment and recreation</i>	190	195	245	5	50	
72	<i>Accommodation and food services</i>	290	235	440	-55	205	
81	<i>Other services (except public administration)</i>	220	305	195	85	-110	
Sub-total		1,795	1,963	1,923	168	-40	
Institutional							
61	<i>Educational services</i>	340	245	315	-95	70	
62	<i>Health care and social assistance</i>	375	455	505	80	50	
91	<i>Public administration</i>	120	90	130	-30	40	
Sub-total		835	790	950	-45	160	
Total Employment		3,875	3,655	3,945	-220	290	
Population		16,155	16,598	17,110	443	512	
Employment to Population Ratio							
Industrial and Other Employment		0.05	0.03	0.04	-0.02	0.00	
Population Related Employment		0.11	0.12	0.11	0.01	-0.01	
Institutional Employment		0.05	0.05	0.06	0.00	0.01	
Primary Industry Employment		0.03	0.02	0.03	0.00	0.00	
Total		0.24	0.22	0.23	-0.02	0.01	

Source: Statistics Canada Employment by Place of Work

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

Appendix B – Level of Service

**Appendix B – Level of Service Ceiling
Town of Pelham
Summary of Service Standards as per D.C.A.**

Service Category	Sub-Component	10 Year Average Service Standard					Maximum Ceiling LOS
		Cost (per capita)	Quantity (per capita)		Quality (per capita)		
Services Related to a Highway	Services Related to a Highway - Roads	\$28,781.10	0.0148	km of roadways	1,944,669	per lane km	171,535,356
	Services Related to a Highway - Public Works Facilities	\$150.34	0.8919	ft ² of building area	169	per ft ²	896,026
	Services Related to a Highway - Public Works Vehicles	\$206.12	0.0018	No. of vehicles and equipment	114,511	per vehicle	1,228,475
Fire	Fire Facilities	\$418.92	1.4777	ft ² of building area	283	per ft ²	2,496,763
	Fire Vehicles	\$360.23	0.0008	No. of vehicles	450,288	per vehicle	2,146,971
	Fire Small Equipment and Gear	\$53.81	0.0051	No. of equipment and gear	10,551	per Firefighter	320,708
Parks	Parkland Development	\$919.46	0.0033	Hectares of Parkland	278,624	per acre	3,155,587
	Parkland Amenities	\$316.04	0.0025	No. of parkland amenities	126,416	per amenity	1,084,649
Recreation	Indoor Recreation Facilities	\$513.36	2.2975	ft ² of building area	223	per ft ²	1,761,852
Library	Library Facilities	\$200.07	0.6008	ft ² of building area	333	per ft ²	686,640
	Library Collection Materials	\$233.67	7.4468	No. of library collection items	31	per collection item	801,955

**Town of Pelham
Service Standard Calculation Sheet**

Service: Services Related to a Highway - Public Works Vehicles
Unit Measure: No. of vehicles and equipment

Description	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 Value (\$/Vehicle)
1 Ton Truck	2	2	2	2	4	4	4	4	4	4	\$77,400
1/2 Ton Truck	7	7	7	7	7	7	7	6	6	6	\$43,300
5 Ton Dump & Plow	8	8	8	8	7	5	5	5	4	4	\$192,900
Backhoe Loader	3	3	3	3	3	3	3	3	3	3	\$205,000
Tractor	3	3	3	3	3	3	3	3	4	4	\$55,100
Cube Van	1	1	1	1	3	3	3	3	3	3	\$94,600
3/4 Ton	4	4	4	4	3	3	1	1	1	1	\$63,000
Tandem Dump Trucks				1	2	2	2	2	2	2	\$253,500
Front End Loader	1	1	1	1	1	1	1	1	1	1	\$220,400
Small SUV									1	1	\$26,000
Transit Van									1	1	\$32,000
Total	29	29	29	30	33	31	29	28	30	30	

Population	16,248	16,442	16,553	16,598	16,699	16,801	16,907	17,009	17,110	17,530
Per Capita Standard	0.0018	0.0018	0.0018	0.0018	0.0020	0.0018	0.0017	0.0016	0.0018	0.0017

10 Year Average	2008-2017
Quantity Standard	0.0018
Quality Standard	\$114,511
Service Standard	\$206

DC Amount (before deductions)	20 Year
Forecast Population	5,960
\$ per Capita	\$206
Eligible Amount	\$1,228,475

**Town of Pelham
Service Standard Calculation Sheet**

Service: Fire Vehicles
Unit Measure: No. of vehicles

Description	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 Value (\$/Vehicle)
Pumper	2	2	2	2	2	2	2	2	2	2	\$700,000
Heavy Rescue	1	1	1	1	1	1	1	1	1	1	\$500,000
Tanker	3	3	3	3	3	3	3	3	3	3	\$300,000
Large Pumper	2	2	2	2	2	2	2	2	2	2	\$700,000
Aerial Unit	1	1	1	1	1	1	1	1	1	1	\$1,400,000
Light Rescue	2	2	2	2	2	2	2	2	2	2	\$175,000
Service vehicle	1	1	1	1	1	1	1	1	1	1	\$44,100
Fire Prevention Vehicle		1	1	1	1	1	1	1	1	1	\$40,000
Fire Chief Vehicle							1	1	1	1	\$40,000
Total	12	13	13	13	13	13	14	14	14	14	

Population	16,248	16,442	16,553	16,598	16,699	16,801	16,907	17,009	17,110	17,530
Per Capita Standard	0.0007	0.0008	0.0008	0.0008	0.0008	0.0008	0.0008	0.0008	0.0008	0.0008

10 Year Average	2008-2017
Quantity Standard	0.0008
Quality Standard	\$450,288
Service Standard	\$360

DC Amount (before deductions)	20 Year
Forecast Population	5,960
\$ per Capita	\$360
Eligible Amount	\$2,146,971

**Town of Pelham
Service Standard Calculation Sheet**

Service: Parkland Development
Unit Measure: Hectares of Parkland

Description	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 Value (\$/Ha)
Centennial Park	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	\$275,600
Cherry Ridge Park	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	\$275,600
Harold Black Park	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	\$275,600
Hurlestone Park	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	\$275,600
Marlene Stewart Streit Park	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	\$275,600
North Pelham Park	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	\$275,600
Pelham Arena (adjacent parkland & tot lot)	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	\$275,600
Pelham Corners Park	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	\$275,600
Pelham Peace Park	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	\$275,600
Woodstream Park	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	\$275,600
Harold Bradshaw Park	20.2	20.2	20.2	20.2	20.2	20.2	20.2	20.2	20.2	20.2	\$275,600
Total	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	

Population	16,248	16,442	16,553	16,598	16,699	16,801	16,907	17,009	17,110	17,530
Per Capita Standard	0.0034	0.0034	0.0034	0.0034	0.0034	0.0033	0.0033	0.0033	0.0033	0.0032

10 Year Average	2008-2017
Quantity Standard	0.0033
Quality Standard	\$278,624
Service Standard	\$919

DC Amount (before deductions)	10 Year
Forecast Population	3,432
\$ per Capita	\$919
Eligible Amount	\$3,155,587

**Town of Pelham
Service Standard Calculation Sheet**

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

Description	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 Value (\$/item)
Soccer Lit	2	2	2	2	2	2	2	2	2	2	\$435,400
Soccer Intermediate	2	2	2	2	2	2	2	2	2	2	\$209,400
Soccer Mini	1	1	1	1	1	1	1	1	1	1	\$90,400
Ball Diamond Lit	3	3	3	3	3	3	3	3	3	3	\$380,300
Ball Diamond Unlit	4	4	4	4	4	4	4	4	4	4	\$192,900
Tball	1	1	1	1	1	1	1	1	1	1	\$66,100
Portable Lighting Equip	2	2	2	2	2	2	2	2	2	2	\$7,700
Portable bleachers	12	12	12	12	12	12	12	12	12	12	\$9,300
Playground Equip	8	8	8	8	8	8	8	8	8	8	\$137,800
Ice Resurfacer	1	1	1	1	1	1	1	1	1	1	\$92,800
Bandshell	1	1	1	1	1	1	1	1	1	1	\$92,700
Farmers Market	1	1	1	1	1	1	1	1	1	1	\$5,800
Tennis Courts (lit)	4	4	4	4	4	4	4	4	4	4	\$88,200
Skate Park	-	-	-	-	-	-	1	1	1	1	\$438,700
Total	42	42	42	42	42	42	43	43	43	43	

Population	16,248	16,442	16,553	16,598	16,699	16,801	16,907	17,009	17,110	17,530
Per Capita Standard	0.0026	0.0026	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025

10 Year Average	2008-2017
Quantity Standard	0.0025
Quality Standard	\$126,416
Service Standard	\$316

DC Amount (before deductions)	10 Year
Forecast Population	3,432
\$ per Capita	\$316
Eligible Amount	\$1,084,649

**Town of Pelham
Service Standard Calculation Sheet**

Service: Indoor Recreation Facilities
Unit Measure: ft² of building area

Description	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 Bld'g Value (\$/ft ²)	Value/ft ² with land, site works, etc.
Arena	29,690	29,690	29,690	29,690	29,690	29,690	29,690	29,690	29,690	29,690	\$193	\$234
Senior Citizen's Centre	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	\$167	\$206
Outdoor Swimming Pool	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	\$153	\$190
Storage Hut at Arena	912	912	912	912	912	912	912	912	912	912	\$85	\$115
Portable 1 (Dressing Room)	-	-	-	-	-	-	504	504	504	504	\$171	\$171
Portable 2 (Lunchroom/Washroom)	-	-	-	-	-	-	504	504	504	504	\$131	\$131
Total	38,162	38,162	38,162	38,162	38,162	38,162	39,170	39,170	39,170	39,170		

Population	16,248	16,442	16,553	16,598	16,699	16,801	16,907	17,009	17,110	17,530
Per Capita Standard	2.3487	2.3210	2.3054	2.2992	2.2853	2.2714	2.3168	2.3029	2.2893	2.2345

10 Year Average	2008-2017
Quantity Standard	2.2975
Quality Standard	\$223
Service Standard	\$513

DC Amount (before deductions)	10 Year
Forecast Population	3,432
\$ per Capita	\$513
Eligible Amount	\$1,761,852

**Town of Pelham
Service Standard Calculation Sheet**

Service: Library Facilities
Unit Measure: ft² of building area

Description	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 Bld'g Value (\$/ft ²)	Value/ft ² with land, site works, etc.
Main Branch (Fonthill)	8,425	8,425	8,425	8,425	8,425	8,425	8,425	8,425	8,425	8,425	\$258	\$333
Maple Acre (Fenwick) Branch	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	1,410	4,000	\$258	\$333
Total	9,835	9,835	9,835	9,835	9,835	9,835	9,835	9,835	9,835	12,425		

Population	16,248	16,442	16,553	16,598	16,699	16,801	16,907	17,009	17,110	17,530
Per Capita Standard	0.6053	0.5982	0.5942	0.5925	0.5890	0.5854	0.5817	0.5782	0.5748	0.7088

10 Year Average	2008-2017
Quantity Standard	0.6008
Quality Standard	\$333
Service Standard	\$200

DC Amount (before deductions)	10 Year
Forecast Population	3,432
\$ per Capita	\$200
Eligible Amount	\$686,640

Appendix C – Long Term Capital and Operating Cost Examination

Appendix C – Long Term Capital and Operating Cost Examination

Town of Pelham Annual Capital and Operating Cost Impact

As a requirement of the D.C.A. under subsection 10(2)(c), an analysis must be undertaken to assess the long-term capital and operating cost impacts for the capital infrastructure projects identified within the D.C. As part of this analysis, it was deemed necessary to isolate the incremental operating expenditures directly associated with these capital projects, factor in cost saving attributable to economies of scale or cost sharing where applicable and prorate the cost on a per unit basis (i.e. sq.ft. of building space, per vehicle, etc.). This was undertaken through a review of the Town's approved 2016 Financial Information Return (F.I.R.).

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

Asset	Lifecycle Cost Factor	
	Average Useful Life	Factor
Water Linear	80	0.005160705
Wastewater Linear	80	0.005160705
Facilities	50	0.01182321
Roads	30	0.024649922
Parkland Development	20	0.041156718
Fire Vehicles	15	0.057825472
Parkland Amenities	20	0.041156718
Fire Small Equipment & Gear	15	0.057825472
Vehicles	7	0.134511956

Table C-1 depicts the annual operating impact resulting from the proposed gross capital projects at the time they are all in place. It is important to note that, while Town program expenditures will increase with growth in population, the costs associated with the new infrastructure (i.e. facilities) would be delayed until the time these works are in place.

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

SERVICE	GROSS COST LESS BENEFIT TO EXISTING	ANNUAL LIFECYCLE EXPENDITURES	ANNUAL OPERATING EXPENDITURES	TOTAL ANNUAL EXPENDITURES
1. Wastewater Services				
1.1 Sewers	10,441,153	614,039	894,712	1,508,751
2. Water Services				
2.1 Distribution systems	4,402,641	177,169	1,300,722	1,477,891
3. Services Related to a Highway				
3.1 Roads	24,297,329	1,186,247	1,658,446	2,844,693
3.2 Depots and Domes	800,000	41,465	54,605	96,070
3.3 PW Rolling Stock	1,314,300	217,428	89,709	307,137
4. Fire Protection Services				
4.1 Fire Facilities, Vehicles, and Equipment	988,428	77,560	431,149	508,709
5. Outdoor Recreation Services				
5.1 Parkland development, amenities & trails	5,419,636	452,805	121,602	574,407
6. Indoor Recreation Services				
6.1 Recreation facilities	14,142,489	0	202,098	202,098
7. Library Services				
7.1 Library Facilities and Collection Materials	896,221	57,920	185,042	242,962
8. Administration				
8.1 Studies	1,178,234	0	0	0
Total	0	2,824,633	4,938,085	7,762,718

Appendix D – D.C. Reserve Fund Policy

Appendix D – D.C. Reserve Fund Policy

D.1 Legislative Requirements

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

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

Annually, the Treasurer of the Town is required to provide Council with a financial statement related to the D.C. by-law(s) and reserve funds. This statement must also be forwarded to the Minister of Municipal Affairs and Housing within 60 days of the statement being filed with Council.

O.Reg. 82/98 prescribes the information that must be included in the Treasurer’s statement, as follows:

- opening balance;
- closing balance;
- description of each service and/or service category for which the reserve fund was established;
- transactions for the year (e.g. collections, draws);
- list of credits by service or service category (outstanding at beginning of the year, given in the year and outstanding at the end of the year by holder);
- amounts borrowed, purpose of the borrowing and interest accrued during previous year;

- amount and source of money used by the Town to repay municipal obligations to the fund;
- schedule identifying the value of credits recognized by the Town, the service to which it applies, and the source of funding used to finance the credit; and
- for each draw, the amount spent on the project from the D.C. reserve fund and the amount and source of any other monies spent on the project.

Based upon the above, Figure D-1 sets out the format for which annual reporting to Council should be provided.

D.2 D.C. Reserve Fund Application

Section 35 of the D.C.A. states that:

“The money in a reserve fund established for a service may be spent only for capital costs determined under paragraphs 2 to 8 of subsection 5(1).”

This provision clearly establishes that reserve funds collected for a specific service are only to be used for that service.

**Figure 1
Town of Pelham
Annual Treasurer's Statement of Development Charge Reserve Funds**

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

¹ Source of funds used to repay the DC reserve fund

² See Attachment 1 for details

³ See Attachment 2 for details

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

**Attachment 1
Town of Pelham
Amount Transferred to Capital (or Other) Funds - Capital Fund Transactions**

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

Amount Transferred to Operating (or Other) Funds - Operating Fund Transactions

Operating Fund Transactions	Annual Debt Repayment Amount	DC Reserve Fund Draw		Post DC Forecast Period			Non-DC Recoverable Cost Share		
		Principal	Interest	Principal	Interest	Source	Principal	Interest	Source
<u>Services Related to a Highway</u>									
Capital Cost J									
Capital Cost K									
Capital Cost L									
Sub-Total - Services Related to Highways	\$0	\$0	\$0	\$0	\$0		\$0	\$0	
<u>Water Services</u>									
Capital Cost M									
Capital Cost N									
Capital Cost O									
Sub-Total - Water	\$0	\$0	\$0	\$0	\$0		\$0	\$0	
<u>Wastewater Services</u>									
Capital Cost P									
Capital Cost Q									
Capital Cost R									
Sub-Total - Wastewater	\$0	\$0	\$0	\$0	\$0		\$0	\$0	

Attachment 2
Town of Pelham
Statement of Credit Holder Transactions

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

Appendix E – Local Service Policy

Appendix E – Local Service Policy

Town of Pelham

Recommended General Policy Guidelines on Development Charge and Local Service Funding for Road-related, Stormwater Management, Parkland Development, Water, and Sanitary Sewer Works

The following guidelines set out in general terms the size and nature of engineered infrastructure that is included in the study as a development charge project versus infrastructure that is considered as a local service, to be emplaced separately by landowners, pursuant to a development agreement.

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

SERVICES RELATED TO A HIGHWAY

A highway and services related to a highway are intended for the transportation of people and goods via many different modes including, but not limited to passenger automobiles, commercial vehicles, transit vehicles, bicycles and pedestrians. The highway shall consist of all land and associated infrastructure built to support (or service) this movement of people and goods regardless of the mode of transportation employed, thereby achieving a complete street. A complete street is the concept whereby a highway is planned, designed, operated and maintained to enable pedestrians, cyclists, public transit users and motorists to safely and comfortably be moved, thereby allowing for the efficient movement of persons and goods.

The associated infrastructure to achieve this concept shall include, but is not limited to: road pavement structure and curbs; grade separation/bridge structures (for any vehicles, railways and/or pedestrians); grading, drainage and retaining wall features; culvert structures; storm water drainage systems; utilities; traffic control systems; signage; gateway features; street furniture; active transportation facilities (e.g. sidewalks, bike lanes, multi-use trails which interconnect the transportation network, etc.); transit lanes & lay-bys; roadway illumination systems; boulevard and median surfaces (e.g. sod & topsoil, paving, etc.); street trees and landscaping; parking lanes &

lay-bys; (excluding on-street parking in the downtown) and driveway entrances; noise attenuation systems; railings and safety barriers.

1. Arterial and Collector Roads (including Structures)

- i. New Collector Roads internal to a development are direct developer responsibility.
- ii. New, widened, extended or upgraded, Arterial and Collector Roads external to a development are considered to be development charge projects.
- iii. New Collector Roads external to a development, but primarily acting as a connection serving a development, are a direct developer responsibility.
- iv. All other roads are considered to be the developer's responsibility.

2. Traffic Control Systems, Signals and Intersection Improvements

- i. On new arterial roads and arterial road improvements unrelated to a specific development: included as part of road costing funded through D.C.'s.
- ii. On non-arterial roads, or for any private site entrances or entrances to specific development: direct developer responsibility under s.59 of D.C.A. (as a local service).
- iii. On arterial or collector road intersections with Regional roads: include in D.C.'s or in certain circumstances, may be a direct developer responsibility
- iv. Intersection improvements, new or modified signalization, signal timing & optimization plans, area traffic studies for highways attributed to growth and unrelated to a specific development: included in D.C. calculation as permitted under s.5(1) of the D.C.A.

3. Streetlights

- i. Streetlights on new arterial roads an arterial road improvements: considered part of the complete street and included as part of the road costing funded through D.C.'s or in exceptional circumstances, may be direct developer responsibility through local service provisions (s.59 of D.C.A.).
- ii. Streetlights on non-arterial roads internal to development: considered part of the complete street and included as a direct developer responsibility under s. 59 of the D.C.A. (as a local service).

-
-
- iii. Streetlights on non-arterial roads external to development, needed to support a specific development or required to link with the area to which the plan relates: considered part of the complete street and included as a direct developer responsibility under s. 59 of the D.C.A. (as a local service).

4. Transportation Related Pedestrian and Cycling Facilities

- i. Sidewalks, multi-use trails, cycle tracks, and bike lanes, inclusive of all required infrastructure, located within arterial roads, Regional roads and provincial highway corridors: considered part of the complete street and included in D.C.'s, or, in exceptional circumstances, may be direct developer responsibility through local service provisions (s.59 of D.C.A.).
- ii. Sidewalks, multi-use trails, cycle tracks, and bike lanes, inclusive of all required infrastructure, located within or linking to non-arterial road corridors internal to development: considered part of the complete street and is a direct developer responsibility through local service provisions (s.59 of D.C.A.).
- iii. Other sidewalks, multi-use trails, cycle tracks, and bike lanes, inclusive of all required infrastructure, located within non-arterial road corridors external to development and needed to support a specific development or required to link with the area to which the plan relates: direct developer responsibility under s.59 of D.C.A. (as a local service).
- iv. Multi-use trails (not associated with a road), inclusive of all land and required infrastructure, that go beyond the function of a (parkland) recreational trail and form part of the municipality's active transportation network for cycling and/or walking: included in D.C.'s

5. Transit Lanes and Lay-bys

- i. Transit lanes and lay-bys located within municipal arterial and regional road corridors: considered part of the complete street and included in D.C.'s
- ii. Transit lanes and lay-bys located within non-arterial road corridors internal to development: considered part of the complete street and direct developer responsibility under s. 59 of the D.C.A. (as a local service).
- iii. Transit lanes and lay-bys located within non-arterial road corridors external to development and needed to support a specific development or required to link

with the area to which the plan relates: direct developer responsibility under s. 59 of the D.C.A. (as a local service).

6. Transit Bus Stops and Amenities

- i. Transit bus stops and amenities internal to development: direct developer responsibility under s.59 of D.C.A. (as a local service).
- ii. Transit bus stops and amenities on arterial roads: included in Municipality's Transit D.C.'s consistent with D.C.A., s.5(1).

LAND ACQUISITION FOR ROADS

7. Road Allowances

- i. Land acquisition for Arterial or Collector Roads, to the widths required according to the approved engineering standards, is primarily provided by dedications under the Planning Act. In areas where limited or no development is anticipated, and direct dedication is unlikely, the land acquisition is considered to be part of the capital cost of the related development charge project

8. Grade Separations

- i. Land acquisition for Grade Separations (beyond normal dedication requirements) is considered to be part of the capital cost of the related development charge project.

The detailed engineering requirements of the above items are governed by the approved detailed engineering standards for the Town.

PARKLAND DEVELOPMENT

9. Recreational Trails

- i. 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.

10. Parkland

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

condition, as defined in the Municipality's Parks Standards, as a local service provision.

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

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

- i. 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.

WATER

12. Watermains

- i. Watermains internal to the development are considered to be a local service unless the Town requests a watermain be oversized, in which case the oversizing is a development charge project.
- ii. External watermains of any size required by a development to connect to an existing local trunk main are considered to be the developer's local service responsibility.
- iii. Watermains of any size required to connect a development charge eligible pumping station or reservoir to the supply network are considered to be development charge projects.
- iv. Providing new underground services or upgrading existing underground services external to the development if the services are required to service the

development, and if the pipe sizes do not exceed 300mm, are considered to be the developer's local service responsibility.

13. Booster Stations and Reservoirs

- i. New or expanded water booster pumping stations and reservoir projects servicing two or more developments are considered to be development charge projects. All others are the responsibility of the developer.
- ii. All other new or expanded water booster pumping stations and reservoir projects that do not qualify as above are the responsibility of the developer.
- iii. The detailed engineering requirements of the above items are governed by the approved detailed engineering standards for the Town.

WASTEWATER

14. Sanitary Sewers

- i. Sanitary Sewers internal to the development are considered to be a local service, unless the Town requests a sewer be oversized, in which case the oversizing is a development charge project.
- ii. Sanitary Sewers of any size required by a development to connect to an existing local trunk main are considered to be the developer's responsibility.
- iii. Sanitary Sewers of any size required to connect a pumping station or treatment plant to the collection network are considered to be development charge projects.
- iv. Providing new underground services or upgrading existing underground services external to the development if the services are required to service the development, and if the pipe sizes do not exceed 300mm, are considered to be the developer's local service responsibility.

15. Pumping Stations

- i. New or expanded pumping stations internal or external to a development, that are fed by sanitary sewers which qualify as a development charge project are also considered to be development charge projects.
- ii. New or expanded pumping stations fed by sanitary sewers that do not qualify as a development charge project are the responsibility of the developer.

The above pipe sizes in section 15(iv) govern, unless the hydraulic conditions of a particular development require a different pipe size, in which case the minimum pipe size determined by such hydraulic conditions shall be the developer's responsibility.

LAND ACQUISITION FOR WATER AND WASTEWATER WORKS

16. Booster Stations and Reservoirs

- i. Where required, land acquisition for Booster Stations and Reservoirs which are development charge projects, to the size required by the design of the facility, is to be provided by the developer as part of the development approval process. The market value of the land is considered to be part of the capital cost of the related development charge project.

17. Pumping Stations

- i. Where required, land acquisition for Pumping Stations which are development charges projects, to the size required by the design of the facility, is to be provided by the developer as part of the development approval process. The market value of the land is considered to be part of the capital cost of the related development charge project.

The detailed engineering requirements of the above items are governed by the approved detailed engineering standards for the Town.

STORMWATER MANAGEMENT

18. Stormwater

- i. Over-sizing cost of stormwater facilities capacity, excluding land, to accommodate runoff from new, widened, extended or upgraded municipal arterial roads that are funded as a development charges project: included as part of road costing funded through D.C.'s.
- ii. Erosion works, inclusive of all restoration requirements, related to a development application: direct developer responsibility under s. 59 of the D.C.A. (as a local service).
- iii. Monitoring works: included in D.C.'s consistent with the D.C.A., s.5(1).

- iv. Storm sewer systems and drainage works that are required for a specific development, either internal or external to the area to which the plan relates: direct developer responsibility under s. 59 of the D.C.A. (as a local service).

Appendix F – Asset Management Plan

Appendix F – Asset Management Plan

The recent changes to the D.C.A. (new section 10(2) (c.2)) require that the Background Study must include an asset management plan related to new infrastructure. Section 10(3) of the D.C.A. provides:

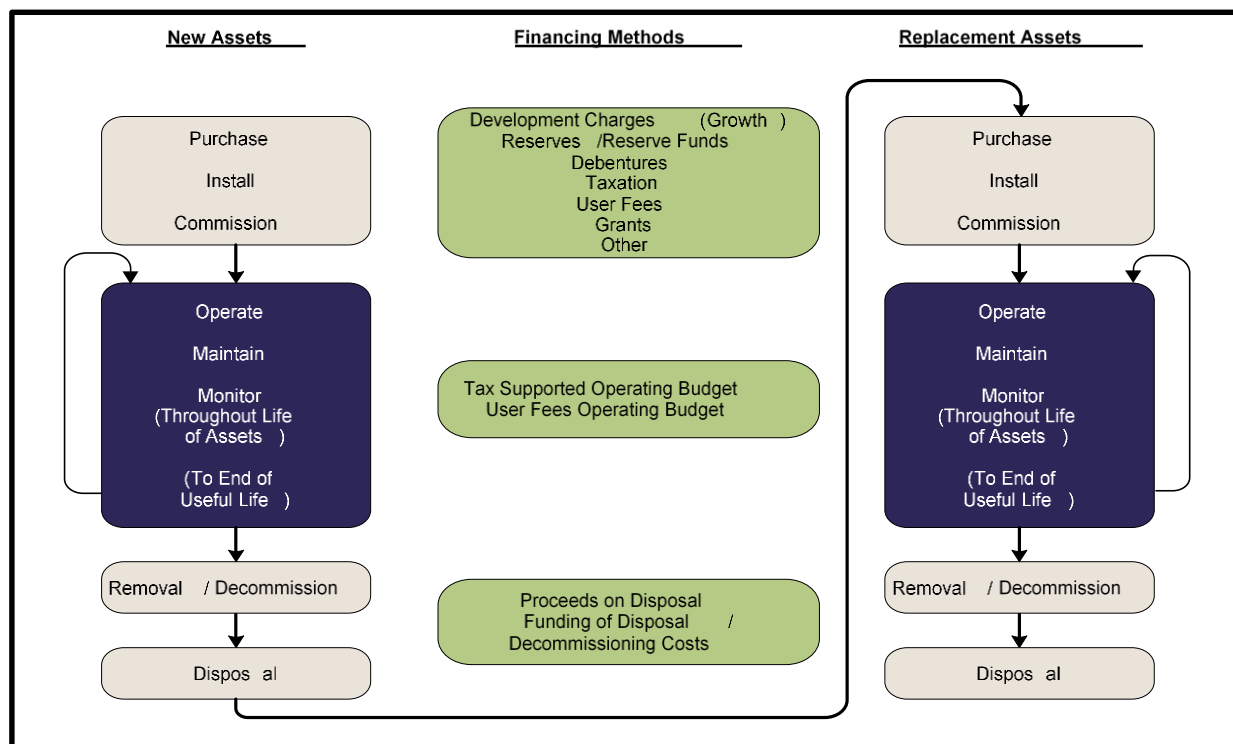
The asset management plan shall,

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

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

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

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



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

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

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

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

Financing strategy: having a financial plan is critical for putting an A.M.P. into action. By having a strong financial plan, municipalities can also demonstrate that they have made a concerted effort to integrate the A.M.P. with financial planning and municipal budgeting and are making full use of all available infrastructure financing tools.

Commensurate with the above, the Town prepared an Asset Management Plan in 2015 for its existing assets, however, the plan does not include all assets categories that are

included in the capital forecast needs of the D.C. background study and for the services included, the plan only addresses non-growth costs of capital (i.e. does not include expansionary capital). As a result, the asset management requirement for the D.C. must be undertaken in the absence of this information.

In recognition to the schematic above, the following table (presented in 2018 \$) has been developed to provide the annualized expenditures and revenues associated with new growth. Note that the D.C.A. does not require an analysis of the non-D.C. capital needs or their associated operating costs so these are omitted from the table below. As well, as all existing assets for the categories of assets included in the D.C. eligible capital costs are not included in the Town's Asset Management Plan, the present infrastructure gap and associated funding plan have not been considered at this time. Hence the following does not represent a fiscal impact assessment (including future tax/rate increases) but provides insight into the potential affordability of the new assets:

1. The non-D.C. recoverable portion of the projects which will require financing from Municipal financial resources (i.e. taxation, rates, fees, etc.). This amount has been presented on an annual debt charge amount based on 20-year financing.
2. Lifecycle costs for the 2018 D.C. capital works have been presented based on a sinking fund basis. The assets have been considered over their estimated useful lives.
3. Incremental operating costs for the D.C. services (only) have been included.
4. The resultant total annualized expenditures are \$9.9 million.
5. Consideration was given to the potential new taxation and user fee revenues which will be generated as a result of new growth. These revenues will be available to finance the expenditures above. The new operating revenues are \$6.1 million. This amount, totalled with the existing operating revenues of \$26.2 million, provide annual revenues of \$32.3 million by the end of the period.
6. In consideration of the above, the capital plan is deemed to be financially sustainable.

Town of Pelham
Asset Management – Future Expenditures and Associated Revenues
2018\$

	2037 (Total)
Expenditures (Annualized)	
Annual Debt Payment on Non-Growth Related Capital ¹ (2014 DC and 2016 updates)	1,642,615
Annual Debt Payment on Post Period Capital ²	16,777
Lifecycle:	
Annual Lifecycle - Town Wide Services	\$3,291,168
Incremental Operating Costs (for D.C. Services)	
	\$4,938,085
Total Expenditures	
	\$9,871,869
Revenue (Annualized)	
Total Existing Revenue ³	\$26,192,985
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)	\$6,104,417
Total Revenues	\$32,297,402

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

² Interim Debt Financing for Post Period Benefit

³ As per Sch. 10 of FIR

Appendix G – Proposed D.C. By-law

THE CORPORATION OF THE TOWN OF PELHAM

BY-LAW NUMBER xxxx (2018)

BEING A BY-LAW FOR THE IMPOSITION OF

DEVELOPMENT CHARGES AND TO REPEAL BY-LAW 3527(2014)

WHEREAS subsection 2(1) of the *Development Charges Act, 1997, S.O. c. 27* (hereinafter called “the Act”) provides that the council of a municipality may pass By-laws for the imposition of development charges against land to pay for increased capital costs required because of the need for services arising from development in the area to which the by-law applies;

AND WHEREAS the Council of The Corporation of the Town of Pelham (“Town of Pelham”) has given Notice in accordance with Section 12 of the *Development Charges Act, 1997*, of its intention to pass a by-law under Section 2 of the said Act;

AND WHEREAS the Council of the Town of Pelham has heard all persons who applied to be heard no matter whether in objection to, or in support of, the development charge proposal at a public meeting held on June 13, 2018;

AND WHEREAS the Council of the Town of Pelham, had before it a report entitled Town of Pelham Development Charges Background Study dated May 17, 2018 prepared by Watson & Associates Economists Ltd., wherein it is indicated that the development of any land within the Town of Pelham will increase the need for services as defined herein;

AND WHEREAS the Council of the Town of Pelham on June 13, 2018 approved the applicable Development Charges Background Study, dated May 17, 2018, in which certain recommendations were made relating to the establishment of a development charge policy for the Town of Pelham pursuant to the *Development Charges Act, 1997*;

AND WHEREAS the Council of the Town of Pelham on _____, 2018 determined that no additional public meeting was required;

NOW THEREFORE THE COUNCIL OF THE TOWN OF PELHAM ENACTS AS FOLLOWS:

DEFINITIONS

1. In this by-law,

- (1) “Act” means the *Development Charges Act*, S.O. 1997, c. 27;
- (2) “Administration Service” means any and all studies carried out by the municipality that are with respect to eligible services for which a development charge by-law may be imposed under the *Development Charges Act, 1997*;
- (3) “Agricultural use” means a bona fide farming operation;
- (4) “Apartment dwelling” means any building containing more than three Dwelling units;
- (5) “Back-to-back townhouse dwelling” means a building containing more than two dwelling units separated vertically by a common wall, including a rear common wall, that do not have rear yards;
- (6) “Bedroom” means a habitable room larger than seven square metres, including a den, study, or other similar area, but does not include a living room, dining room or kitchen;
- (7) “Board of education” means a board defined in s.s. 1(1) of the *Education Act*, R.S.O. 1990, c.E.2, as amended;
- (8) “Building Code Act” means the *Building Code Act*, R.S.O. 1992, c.23, as amended;
- (9) “Capital cost” means costs incurred or proposed to be incurred by the municipality or a local board thereof directly or by others on behalf of, and as authorized by, the municipality or local board,
 - (a) to acquire land or an interest in land, including a leasehold interest;
 - (b) to improve land;
 - (c) to acquire, lease, construct or improve buildings and structures;
 - (d) to acquire, lease, construct or improve facilities including,
 - (i) rolling stock with an estimated useful life of seven years or more,
 - (ii) furniture and equipment, other than computer equipment, and

(iii) materials acquired for circulation, reference or information purposes by a library board as defined in the *Public Libraries Act*, R.S.O. 1990, c.P.44; as amended;

(e) to undertake studies in connection with any of the matters referred to in clauses (a) to (d);

(f) to complete the development charge background study under Section 10 of the Act;

(g) interest on money borrowed to pay for costs in (a) to (d);

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

(10) “Commercial use” means a building, structure, lot, use or activity pertaining to the buying or selling of commodities or the supplying of services for remuneration, but does not include activities associated with the manufacturing, warehousing or assembling of goods, or with any construction work;

(11) “Council” means the Council of The Corporation of the Town of Pelham;

(12) “Development” means any activity or proposed activity in respect of land that requires one or more of the actions referred to in Section 7 of this by-law and including the redevelopment of land or the redevelopment, expansion, extension or alteration of a use, building or structure except interior alterations to an existing building or structure which do not change or intensify the use of land;

(13) “Development charge” means a charge imposed pursuant to this By-law;

(14) “Duplex dwelling” means a building divided horizontally into two Dwelling units ;

(15) “Dwelling” means a building containing one or more Dwelling units;

(16) “Dwelling unit” means a room or suite of rooms used, or designed or intended for use by, one person or persons living together, in which access to culinary or sanitary facilities has been provided and may include time share, life lease and long term or assisted care type units;

- (17) “Farm building” means that part of a bona fide farm operation encompassing barns, silos and other ancillary development to an agricultural use, but excluding a residential use;
- (18) “Farm help house” means a Dwelling containing one Dwelling unit and forming part of a bona fide farm operation providing accommodation to farm help on the farm operation;
- (19) “Garden Suite” is a temporary single detached Dwelling providing temporary accommodation, and shall have the same meaning as defined in the Town’s Zoning By-law No. 1136, as amended;
- (20) “Grade” means the average level of finished ground adjoining a building or structure at all exterior walls;
- (21) “Gross floor area” means the total floor area measured between the outside of exterior walls, or between the outside of exterior walls and the centre line of party walls dividing the building from another building, of all floors including below grade but does not include a room or enclosed area within the building or structure that is used exclusively for the accommodation of heating, cooling, ventilation, electrical, mechanical or telecommunications equipment that service that building;
- (22) “Institution use” means, a use or intended use by an agency, organized body, society, association or religious group for promoting a public or non-profit purpose, and includes (but is not limited to) uses such as universities, colleges, schools, places of worship, hospitals and Institutional shall have a corresponding meaning;
- (23) “live/work unit” means a unit which contains separate residential and non-residential areas intended for both residential and non-residential uses concurrently, and shares a common wall or floor with direct access between the residential and non-residential areas;
- (24) “Local board” means a public utility commission, public library board, local board of health, or any other board, commission, committee or body or local authority established or exercising any power or authority under any general or special act with respect to any of the affairs or purposes of the municipality or any part or parts thereof;

- (25) “Local services” means those services or facilities which are under the jurisdiction of the municipality and are related to a plan of subdivision or within the area to which the plan relates, required as a condition of approval under s.51 of the *Planning Act*, or as a condition of approval under s.53 of the *Planning Act*;
- (26) “marijuana production facilities” means a building used, designed or intended for growth, producing, testing, destroying, storing or distribution, excluding retail sales, of medical marijuana or cannabis authorized by a license issued by the federal Minister of Health pursuant to section 25 of the Marihuana for Medical Purposes Regulations, SOR/2013-119, under the Controlled Drugs and Substances Act, S.C. 1996, c.19;
- (27) “Multiple dwelling” means all dwellings other than single detached dwellings, semi-detached dwellings, apartment unit dwellings, and special care/special need dwellings and includes, but is not limited to, back-to-back townhouse dwellings and the residential component of live/work units;
- (28) “Municipality” means The Corporation of the Town of Pelham;
- (29) “Non-residential uses” means a building used, designed or intended to be used for a purpose other than a residential purpose and includes marijuana production facilities and the non-residential portion of a live/work unit;
- (30) “Owner” means the owner of land or a person who has made application for an approval for the development of land upon which a development charge is imposed;
- (31) “Planning Act” means the *Planning Act*, R.S.O. 1990, c.P.13, as amended;
- (32) “Regulation” means any regulation made pursuant to the Act;
- (33) “Residential use” means lands, buildings or structures or portions thereof used, or designed or intended for use as a home or residence of one or more individuals, and shall include a Single detached dwelling, a Semi-detached dwelling, a Multiple dwelling, an Apartment dwelling, and the residential portion of a multiple-use building or structure and residential shall have a corresponding meaning;
- (34) “Semi-detached dwelling” means a Dwelling divided vertically into two Dwelling units;

- (35) “Services” means services set out in Schedule “A” to this By-law;
- (36) “Single detached dwelling” means a completely detached Dwelling containing only one Dwelling unit;
- (37) “Stacked townhouse dwelling” means a building containing two or more dwelling units where each dwelling unit is separated horizontally and/or vertically from another dwelling unit by a common wall or floor; and
- (38) “Use” means either residential use or non-residential use.

CALCULATION OF DEVELOPMENT CHARGES

- 2. (1) Subject to the provisions of this By-law, development charges against land shall be imposed, calculated and collected in accordance with the charges set out in Schedule “B”, which relate to the services set out in Schedule “A”.
- (2) The development charge with respect to the uses of any land, building or structure shall be calculated as follows:
 - a) in the case of residential development or the residential portion of a mixed-use development or redevelopment, based on the number and type of dwelling units or redevelopment, as the sum of the product of the number of dwelling units of each type multiplied by the corresponding total amount for such dwelling unit type, as set out in Schedule “B”;
 - b) in the case of non-residential development or redevelopment, or the non-residential portion of a mixed-use development, as the sum of the product of the gross floor area multiplied by the corresponding total amount for such gross floor area as set out in Schedule “B”.
- (3) Council hereby determines that the development or redevelopment of land, buildings or structures for residential and non-residential uses will require the provision, enlargement or expansion of the services referenced in Schedule “A”.

PHASE-IN OF DEVELOPMENT CHARGES

- 3. The development charges imposed pursuant to this by-law are not being phased-in and are payable in full, subject to the exemptions herein, from the effective date of this by-law.

APPLICABLE LANDS

4. (1) The Council of the Town of Pelham hereby imposes the Town-wide development charges indicated on Schedule “B” to this by-law within the Town of Pelham to those categories of Residential and Non-Residential uses of land, buildings or structures, as further defined herein, in order to defray the growth-related net capital cost of providing, enlarging, expanding or improving the services indicated on Schedule “A” to this by-law.
- (2) Subject to Sections 5, 6 and 7, Schedule “B” to this by-law applies to all lands in the municipality, whether or not the land or use is exempt from taxation under Section 3 of the *Assessment Act*, R.S.O. 1990, c.A.31.
- (3) Subject to Sections 5, 6 and 7, Schedule “B” to this by-law, Water and Sanitary Sewer Development Charges, applies to all lands within the Fenwick Urban Boundary as defined on the map in Schedule “C” to this by-law, whether or not the land or use is exempt from taxation under Section 3 of the *Assessment Act*, R.S.O. 1990, c.A.31. Water and Sewer charges will also apply to any property that is serviced by these facilities and are outside the mapped area.
- (4) Subject to Sections 5, 6 and 7, Schedule “B” to this by-law, Water and Sanitary Sewer Development Charges, applies to all lands within the Fonthill Urban Boundary as defined on the map in Schedule “D” to this by-law, whether or not the land or use is exempt from taxation under Section 3 of the *Assessment Act*, R.S.O. 1990, c.A.31. Water and Sewer charges will also apply to any property that is serviced by these facilities and are outside the mapped area.
- (5) Notwithstanding subsections (3) and (4):
 - (a) The development charge for the water service is applicable to development within the designated service areas provided that municipal water service is available or expected to be made available during the term of the by-law;
 - (b) The development charge for the sanitary sewer service is applicable to development within the designated service areas provided that municipal sanitary sewerage service is available or expected to be made available during the term of the by-law;

- (6) This by-law shall not apply to land that is owned by and used for the purposes of:
- a) a board of education;
 - b) any municipality or local board thereof;
 - c) a hospital as defined under the Public Hospitals Act;
 - d) that portion of a place of worship that is exempt from taxation under the Assessment Act;
 - e) a garden suite,
 - f) a farm help house
 - g) a farm building.
 - h) Institutions that are exempt from municipal taxation under the following legislation;
 - Social Housing Reform Act,
 - Long Term Care Act, or
 - Mental Health Act,
- save and except those that are operated for profit.
- i) This by-law shall not apply to land developed for purposes where the development is clearly exempt from taxation under Provincial or Federal Legislation.
- (7) Notwithstanding subsection (1), a 75% development charge exemption shall be granted for development of the type defined in paragraph (a), and located within the areas defined in paragraph (b), and subject to such development meeting all of the conditions set out in paragraph (c).
- (a)
 - (i) addition of residential units to existing residential, commercial or mixed use buildings; and/or
 - (ii) residential conversion of existing commercial and mixed use buildings that creates additional residential units; and/or
 - (iii) new residential or commercial development on vacant lots/ parking lots; and/or
 - (iv) redevelopment of mixed use buildings that creates additional residential units or commercial space; and/or
 - (v) conversion of non-commercial space to commercial space.

- (b) The area shown as Downtown Fenwick in Schedule “E” or the area shown as Downtown Fonthill in Schedule “F”.
- (c)
 - 1) Based on the decision of the Treasurer, the property taxes for the property on which the development is located, are in good standing at the time of the application; and
 - 2) Based on the decision of the Director of Planning Services, the existing and proposed land uses for the development, are in conformity with applicable Official Plans, zoning by-law and other planning requirements at both the local and Regional level; and
 - 3) Based on the decision of the Chief Building Official, all improvements relating to the development are to be made pursuant to a building permit and constructed in accordance with the Ontario Building Code and all applicable zoning requirements and planning approvals; and
 - 4) Based on the decision of the Chief Building Official, outstanding work orders and/or orders or requests to comply from the Town have been satisfactorily addressed prior to the Town granting the development charge exemption; and, in addition,
 - 5) The Director of Planning Services may require the applicant to submit for approval, professional design/architectural drawings in conformity with any municipally-issued urban design guidelines, as well as traffic impact studies or studies of microclimatic conditions (e.g. sun, shadow, wind) and such requirements must be met prior to the Town granting the development charge exemption.

RULES WITH RESPECT TO EXEMPTIONS FOR INTENSIFICATION OF EXISTING HOUSING

- 5. (1) Notwithstanding Section 4 above, no development charge shall be imposed with respect to developments or portions of developments as follows:
 - (a) the enlargement of an existing residential dwelling unit;

- (b) the creation of one or two additional residential dwelling units in an existing single detached dwelling where the total gross floor area of the additional unit(s) does not exceed the gross floor area of the existing dwelling unit;
 - (c) the creation of one additional dwelling unit in any other existing residential building provided the gross floor area of the additional unit does not exceed the smallest existing dwelling unit already in the building.
 - (d) the creation of a second single family unit on the same property.
- (2) Notwithstanding subsection 5(1)(b), development charges shall be calculated and collected in accordance with Schedule “B” where the total residential gross floor area of the additional one or two dwelling units is greater than the total gross floor area of the existing single detached dwelling unit.
- (3) Notwithstanding subsection 5(1)(c), development charges shall be calculated and collected in accordance with Schedule “B” where the additional dwelling unit has a residential gross floor area greater than,
- (a) in the case of semi-detached dwelling or multiple dwelling, the gross floor area of the existing dwelling unit, and
 - (b) in the case of any other residential building, the residential gross floor area of the smallest existing dwelling unit.

RULES WITH RESPECT TO AN “INDUSTRIAL” EXPANSION EXEMPTION

6. (1) Notwithstanding Section 4, if a development includes the enlargement of the gross floor area of an existing industrial building, the amount of the development charge that is payable is the following:
- (a) if the gross floor area is enlarged by 50 percent or less, the amount of the development charge in respect of the enlargement is zero; or
 - (b) if the gross floor area is enlarged by more than 50 percent, development charges are payable on the amount by which the enlargement exceeds 50 percent of the gross floor area before the enlargement.

- (2) For the purpose of this section, the terms “gross floor area” and “existing industrial building” shall have the same meaning as those terms have in O.Reg. 82/98 made under the Act.
- (3) In this section, for greater certainty in applying the exemption herein:
 - (a) the gross floor area of an existing industrial building is enlarged where there is a bona fide physical and functional increase in the size of the existing industrial building.

DEVELOPMENT CHARGES IMPOSED

- 7. (1) Subject to subsection (2), development charges shall be calculated and collected in accordance with the provisions of this by-law and be imposed on land to be developed for residential and non-residential uses, where, the development requires,
 - (a) the passing of a zoning by-law or an amendment thereto under Section 34 of the *Planning Act*;
 - (b) the approval of a minor variance under Section 45 of the *Planning Act*;
 - (c) a conveyance of land to which a by-law passed under subsection 50(7) of the *Planning Act* applies;
 - (d) the approval of a plan of subdivision under Section 51 of the *Planning Act*;
 - (e) a consent under Section 53 of the *Planning Act*;
 - (f) the approval of a description under Section 50 of the *Condominium Act*, R.S.O. 1990, c.C.26; or
 - (g) the issuing of a permit under the *Building Code Act*, in relation to a building or structure.
- (2) Subsection (1) shall not apply in respect to:
 - (a) local services installed or paid for by the owner within a plan of subdivision or within the area to which the plan relates, as a condition of approval under Section 51 of the *Planning Act*;

- (b) local services installed or paid for by the owner as a condition of approval under Section 53 of the *Planning Act*.

LOCAL SERVICE INSTALLATION

8. Nothing in this by-law prevents Council from requiring, as a condition of an agreement under Section 51 or 53 of the *Planning Act*, that the owner, at his or her own expense, shall install or pay for such local services, within the Plan of Subdivision or within the area to which the plan relates, as Council may require.

MULTIPLE CHARGES

9. (1) Where two or more of the actions described in subsection 7(1) are required before land to which a development charge applies can be developed, only one development charge shall be calculated and collected in accordance with the provisions of this by-law.
- (2) Notwithstanding subsection (1), if two or more of the actions described in subsection 7(1) occur at different times, and if the subsequent action has the effect of increasing the need for municipal services as set out in Schedule "A", an additional development charge on the additional residential units and additional non-residential gross floor area shall be calculated and collected in accordance with the provisions of this by-law.

SERVICES IN LIEU

10. (1) Council may authorize an owner, through an agreement under Section 38 of the Act, to substitute such part of the development charge applicable to the owner's development as may be specified in the agreement, by the provision at the sole expense of the owner, of services in lieu. Such agreement shall further specify that where the owner provides services in lieu in accordance with the agreement, Council shall give to the owner a credit against the development charge in accordance with the agreement provisions and the provisions of Section 39 of the Act, equal to the reasonable cost to the owner of providing the services in lieu. In no case shall the agreement provide for a credit that exceeds the total development charge payable by an owner to the municipality in respect of the development to which the agreement relates.
- (2) In any agreement under subsection (1), Council may also give a further credit to the owner equal to the reasonable cost of providing services in

addition to, or of a greater size or capacity, than would be required under this by-law.

- (3) The credit provided for in subsection (2) shall not be charged to any development charge reserve fund.

RULES WITH RESPECT TO RE-DEVELOPMENT

11. In the case of the re-development involving the demolition and replacement of all or part of a building or structure:
 - (1) a credit offsetting the development charges payable shall be allowed, provided that the land was improved by occupied structures (or structures capable of occupancy) within the five years prior to the issuance of the demolition permit, and the building permit has been issued for the development or redevelopment within five years from the date the demolition permit has been issued; and
 - (2) the credit shall be calculated as follows:
 - (a) for residential buildings, the credit shall be equivalent to the number of dwelling units demolished multiplied by the applicable residential development charge in place at the time the development charge is payable under this by-law.
 - (b) for non-residential buildings, the credit shall be equivalent to the gross floor area demolished multiplied by the applicable non-residential development charge in place at the time the development charge is payable under this by-law.
12. Notwithstanding Subsection 11(1), the credit cannot exceed the amount of the development charge that would otherwise be payable, and no credit is available if the existing land use is exempt under this by-law.
13. If a development includes the conversion of a premise from one use (the “first use”) to another use, then the amount of development charges payable shall be reduced by the amount, calculated pursuant to this By-law at the current development charge rates, that would be payable as development charges in respect of the first use, provided that such reduction shall not exceed the development charges otherwise payable.

TIMING OF CALCULATION AND PAYMENT

14. (1) Development charges shall be calculated and payable in full in money or by provision of services as may be agreed upon, or by credit granted under the Act, on the date that the first building permit is issued in relation to a building or structure on land to which a development charge applies.
- (2) Where development charges apply to land in relation to which a building permit is required, the building permit shall not be issued until the development charge has been paid in full.

RESERVE FUNDS

15. (1) Monies received for the payment of development charges shall be used only in accordance with the provisions of Section 35 of the Act.
- (2) Monies received from payment of development charges under this by-law shall be maintained in separate reserve funds. Council directs the Municipal Treasurer to divide the reserve funds created hereunder into separate accounts in accordance with the designated municipal services set out in Schedule "A" to which the development charge payments shall be credited in accordance with the amounts shown, plus interest earned thereon.
- (3) Where any development charge, or part thereof, remains unpaid after the due date, the amount unpaid shall be added to the tax roll and shall be collected in like manner as taxes.
- (4) Where any unpaid development charges are collected as taxes under subsection (4), the monies so collected shall be credited to the development charge reserve funds referred to in subsection (2).
- (5) The Municipal Treasurer shall, in each year commencing in 2018 for the 2017 year, furnish to Council a statement in respect of the reserve funds established hereunder for the prior year, containing the information set out in Section 12 of O.Reg. 82/98.

BY-LAW AMENDMENT OR APPEAL

16. (1) Where this by-law or any development charge prescribed thereunder is amended or repealed either by order of the Land Planning Appeal Tribunal or by resolution of Council, the Municipal Treasurer shall calculate forthwith

the amount of any overpayment to be refunded as a result of said amendment or repeal.

- (2) Refunds that are required to be paid under subsection (1) shall be paid with interest to be calculated as follows:
 - (a) Interest shall be calculated from the date on which the overpayment was collected to the date on which the refund is paid;
 - (b) The Bank of Canada interest rate in effect on the date of enactment of this by-law shall be used.

BY-LAW INDEXING

17. The development charges set out in Schedule “B” to this by-law shall be adjusted annually, commencing on January 1, 2020 and each January 1st thereafter, without amendment to the by-law, in accordance with the Statistics Canada Quarterly, Non-Residential Building Construction Price Index, catalogue number 62-007.

SEVERABILITY

18. In the event any provision, or part thereof, of this by-law is found by a court of competent jurisdiction to be ultra vires, such provision, or part thereof, shall be deemed to be severed, and the remaining portion of such provision and all other provisions of this by-law shall remain in full force and effect.

HEADINGS FOR REFERENCE ONLY

19. The headings inserted in this by-law are for convenience of reference only and shall not affect the construction or interpretation of this by-law.

BY-LAW REGISTRATION

20. A certified copy of this by-law may be registered on title to any land to which this by-law applies.

BY-LAW ADMINISTRATION

21. This by-law shall be administered by the Municipal Treasurer.

SCHEDULES TO THE BY-LAW

22. The following Schedules to this by-law form an integral part of this by-law:

- Schedule “A” - Designated Municipal Services under this By-law
- Schedule “B” - Schedule of Development Charges
- Schedule “C” - Designated Water and Sanitary Sewer Development Charge Area (Fenwick)
- Schedule “D” - Designated Water and Sanitary Sewer Development Charge Area (Fonthill)
- Schedule “E” - Area to which the Downtown Fenwick Exemption Provisions Apply
- Schedule “F” - Area to which the Downtown Fonthill Exemption Provisions Apply

EXISTING BY-LAW REPEAL

23. By-law #3527(2014) is repealed effective the date this By-law is in force and effect.

DATE BY-LAW EFFECTIVE

24. This By-law shall come into force and effect on October 1, 2018.

SHORT TITLE

25. This by-law may be cited as the “Town of Pelham Development Charge By-law, 2018”.

Passed by the Council this ____ day of _____, 2018.

MAYOR

CLERK

SCHEDULE "A"

TO BY-LAW NO. (2018)

DESIGNATED MUNICIPAL SERVICES UNDER THIS BY-LAW

Town-Wide Services:

- Fire Protection Services;
- Services Related to a Highway;
- Outdoor Recreation Services;
- Indoor Recreation Services; and
- Administration Studies.

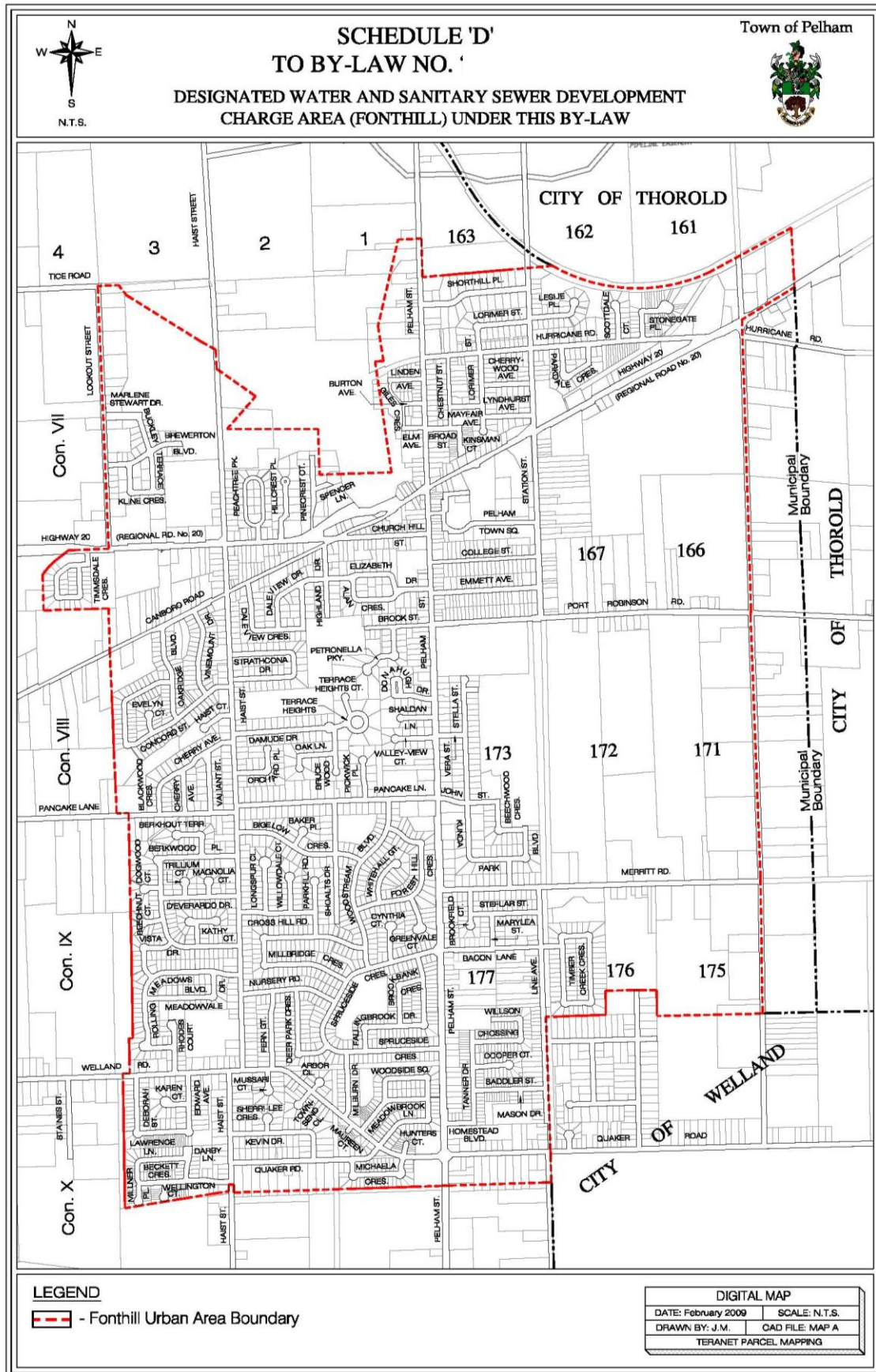
Urban Services:

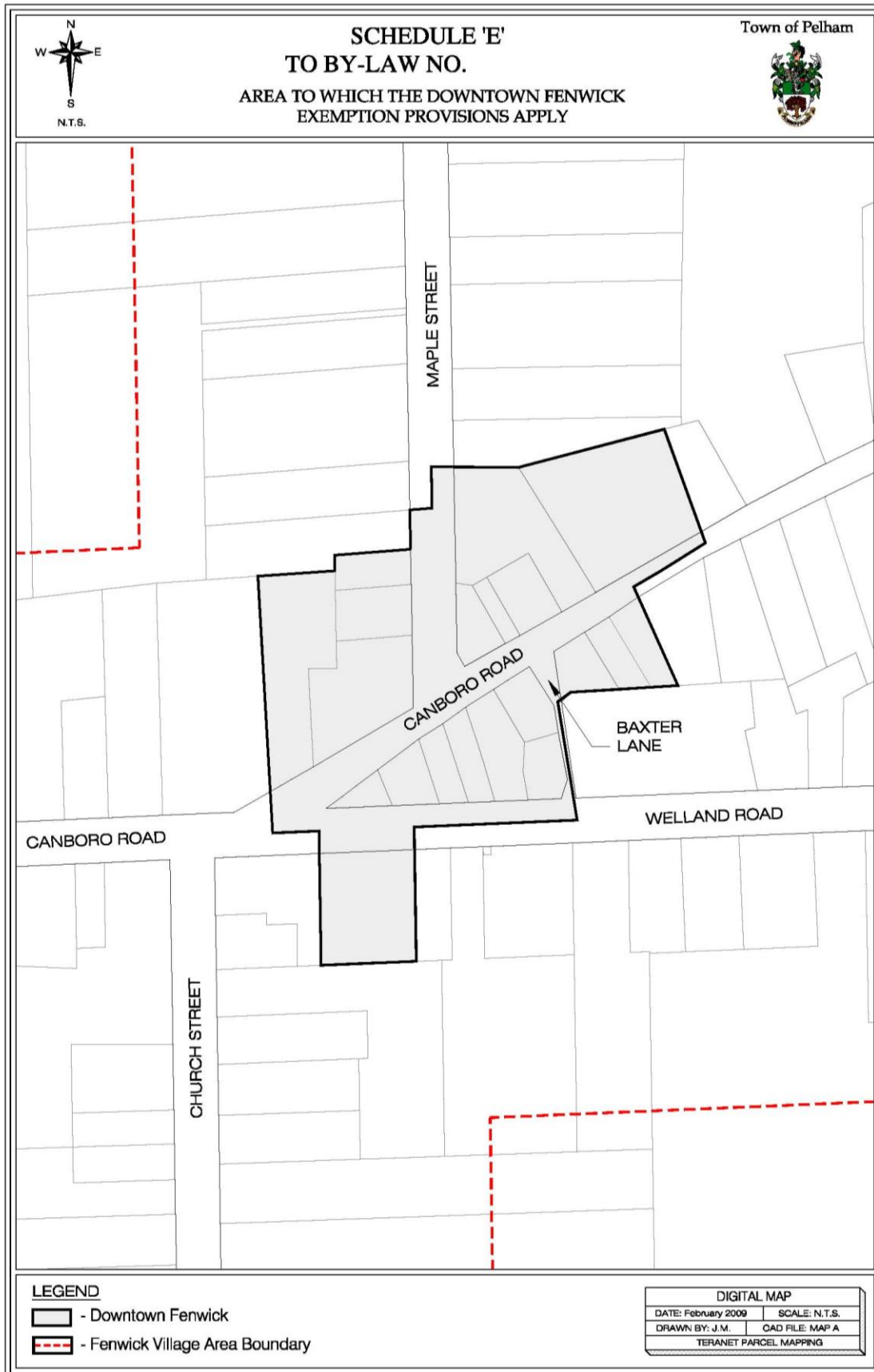
- Water Services; and
- Wastewater Services.

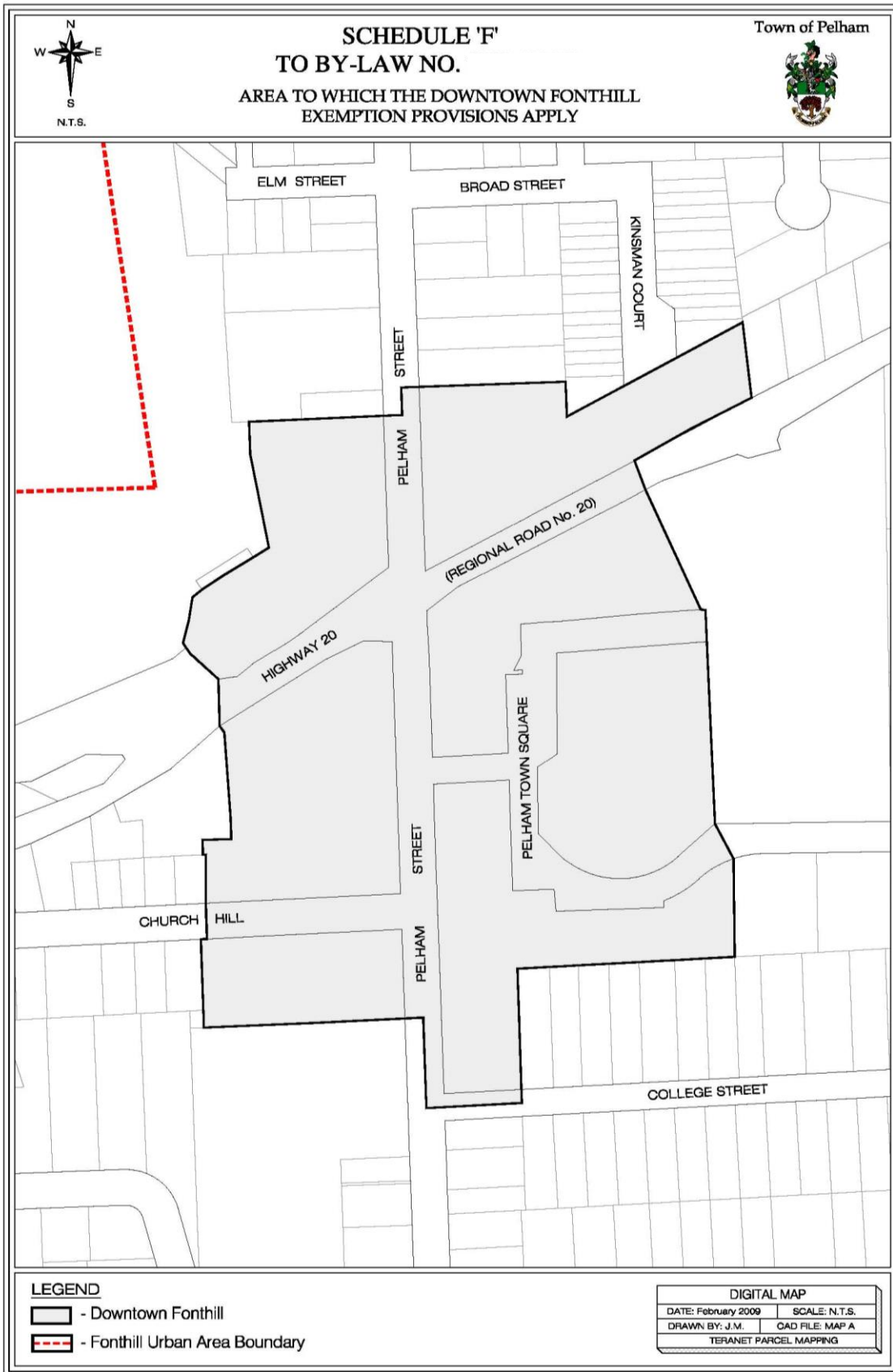
Schedule "B"
Schedule of Development Charges

Service	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	Special Care/Special Dwelling Units	(per ft ² of Gross Floor Area)
Municipal Wide Services:						
Services Related to a Highway	9,330	6,388	3,906	6,647	3,191	5.21
Fire Protection Services	349	239	146	249	119	0.19
Outdoor Recreation Services	1,697	1,162	710	1,209	580	0.23
Indoor Recreation Services	1,206	826	505	859	412	0.17
Library Services	563	385	236	401	193	0.08
Administration	678	464	284	483	232	0.39
Total Municipal Wide Services	13,823	9,464	5,787	9,848	4,727	6.27
Urban Services						
Wastewater Services	2,762	1,891	1,156	1,968	945	1.90
Water Services	1,165	798	488	830	398	0.80
Total Urban Services	3,927	2,689	1,644	2,798	1,343	2.70
GRAND TOTAL RURAL AREA	13,823	9,464	5,787	9,848	4,727	6.27
GRAND TOTAL URBAN AREA	17,750	12,153	7,431	12,646	6,070	8.97









Addendum No. 1 to:

**Town of Pelham
Development Charge
Background Study**

July 11, 2018



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 **Planning for growth**

List of Acronyms and Abbreviations

D.C.	Development Charge
D.C.A.	Development Charges Act, 1997, as amended
G.F.A.	Gross floor area
O.Reg.	Ontario Regulation
P.P.U.	Persons per unit
S.D.U.	Single detached unit
s.s.	Subsection
sq.ft.	Square foot

Addendum Report to the May 17, 2018 Development Charges Background Study

1. Background

Commensurate with the provisions of the Development Charges Act, 1997, as amended (D.C.A.), the Town has undertaken a Development Charges (D.C.) Background Study and released the study in accordance with the D.C.A. The following provides a summary of the key dates in the development charge by-law process:

May 17, 2018 – Release of the D.C. Background Study Update and draft by-law

May 22, 2018 – Notice of Public Meeting

June 13, 2018 – Scheduled date of Public Meeting

July 16, 2018 – Anticipated passage of Development Charges By-law

The purpose of this addendum report is to provide for changes to the May 17, 2018 D.C. Background Study based on discussions with Town staff and Council. The changes documented herein was communicated to Council during the June 13, 2018 Public Meeting. During the meeting, it was acknowledged that a revision to the background study was required and that the increase to the calculated D.C. (\$16,624 for single detached dwellings) could be in the range of an additional \$2,000 to \$4,000. The actual increase to the charge is \$1,126, which results in a revised D.C. for single detached dwellings of \$17,750. These refinements are in relation to:

- An update to Services Related to a Highway project listing which includes:
 - The addition of two (2) debentures for prior D.C. projects; and
 - The addition of one (1) project.
- The addition of a debenture for a prior D.C. project to the Water capital project listing;
- An update to Outdoor Recreation Services project listing, which includes:
 - The removal of one (1) capital project; and
 - The addition of three (3) capital projects.
- An update to Indoor Recreation Services service standard calculations, which includes:
 - The addition of two (2) portables to the service standards.

- The addition of a Master Plan under the Administration studies capital project listing; and
- A modification to the draft D.C. by-law commencement date and indexing date.

These refinements will form part of the D.C. background study provided prior to by-law adoption.

2. Discussion

This section of the addendum report provides an explanation for the above-noted refinements. It is noted that the refinements to the D.C. study have been undertaken as a result of the discussions with staff and were communicated to Council and the Public during the June 13, 2018 Public Meeting. The refinements identified below have impacted the calculated development charges and therefore the corresponding tables and pages have been updated and included in the amended pages section to this addendum.

2.1 Updates to Services Related to a Highway

Upon further review of the background study by Town staff, it was determined that there was a project and debenture payments related to past growth-related projects that were not included in the background study. The project and debentures, which have been added as part of this background study, are as follows:

- New/Added – Project 29: Lookout Street Urbanization (Town Portion)
 - This project was added due to discussions with Town staff. The D.C. eligible amount to be included in the calculations is \$210,862.
- New/Added – Project 30 and 31: Effingham (16-Kilman) Debt – Principal and Interest
 - This debenture was added due to discussions with Town staff that it was missed. The debenture was included in the previous D.C. background study. The combined principal and discounted interest being included into the D.C. calculations is \$130,120.
- New/Added – Project 32 and 33: Hwy 20 (Station – Rice) Debt – Principal and Interest
 - This debenture was added due to discussions with Town staff that it was missed. The debenture was included in the previous D.C. background study. The combined principal and discounted interest being included into the D.C. calculations is \$38,538.

2.2 Updates to Water Services

Upon further review of the background study by Town staff, it was determined that there was debenture payments related to past growth-related projects that was not included in the background study. The debenture, which has been added as part of this background study, is as follows:

- New/Added – Project 8 and 9: Hwy 20 (Station – Rice) Debt – Principal and Interest
 - This debenture was added due to discussions with Town staff that it was missed. The debenture was included in the previous D.C. background study. The combined principal and discounted interest being included into the D.C. calculations is \$310,497.

2.3 Updates to Outdoor Recreation Services

Upon further review of the background study by Town staff, it was determined that there were a few projects that were to be added, as well as one of the projects that needed to be removed. The changes are as follows:

- Remove – Project 11: Long Board Skate Park
 - This project was removed due to discussions with Town staff and Council.
- New/Added – Project 11: Woonerf and Central Park
 - This project was added due to discussions with Town staff and Council. The gross cost of this project is \$3.5 million. It was identified that \$2.345 million would be funded through other contributions. Therefore, after the mandatory 10% deduction, the net D.C. eligible amount to be included in the calculations is \$1,039,500.
- New/Added – Project 12: Lookout Park
 - This project was added due to discussions with Town staff and Council. The gross cost of this project is \$230,000. After the mandatory 10% deduction, the net D.C. eligible amount to be included in the calculations is \$207,000.
- New/Added – Project 13: Weiland Park
 - This project was added due to discussions with Town staff and Council. The gross cost of this project is \$150,000. After the mandatory 10% deduction, the net D.C. eligible amount to be included in the calculations is \$135,000.

2.4 Updates to Indoor Recreation Services

Upon further review of the background study by Town staff, it was determined that there were two items that needed to be added to the 10-year historical service standards.

The changes are as follows:

- New/Added – Portable 1 (Dressing Room)
 - This facility was added due to discussions with Town staff and Council. A total of 504 sq.ft. is being added, dating back to 2014. The replacement cost is \$171 per sq.ft.
- New/Added – Portable 2 (Lunchroom/Washroom)
 - This facility was added due to discussions with Town staff and Council. A total of 504 sq.ft. is being added, dating back to 2014. The replacement cost is \$131 per sq.ft.

2.5 Updates to Administration (Studies)

Based on the review of the background study with Town staff, it was determined that there was a master plan that was missed. A description of the project is provided below:

- New/Added – Project 9: Parks, Recreation, and Cultural Services Master Plan
 - This project was added due to discussions with Town staff. The gross cost of this project is \$100,000. A 25% benefit to existing was attributed to the non-growth portion of the study. After the mandatory 10% deduction, the net D.C. eligible amount to be included in the calculations is \$67,500.

2.6 Draft D.C. By-law Refinements

Based on the discussions with Town staff, the by-law will have an effective date of October 1, 2018. Also, indexing of the D.C. by-law will commence on January 1, 2020.

2.7 Overall Change in the D.C. Calculation

Based on the changes noted above, the calculated development charge (single/semi-detached unit) has changed from the May 17, 2018 background study as follows:

- The Services Related to a Highway charge increased from \$9,196 to \$9,330;
- The Outdoor Recreation charge increased from \$827 to \$1,697;
- The Administration charge increased from \$638 to \$678;
- The Water Services charge increased from \$1,083 to \$1,165; and

- The overall D.C. increased from \$16,624 to \$17,750.

In regard to the non-residential development charge, the calculated charge per square foot of gross floor area are as follows:

- The Services Related to a Highway charge increased from \$5.13 to \$5.21.
- The Outdoor Recreation charge increased from \$0.11 to \$0.23.
- The Administration charge increased from \$0.37 to \$0.39;
- The Water Services charge increased from \$0.75 to \$0.80; and
- The overall D.C. increased from \$8.70 to \$8.97.

The above changes have been incorporated into the calculations and by-law. The summary below outlines the current charges vs. the charges as calculated in the 2018 D.C. report dated May 17, 2018 and the charges calculated in this addendum report.

Residential (Single Detached) Comparison

Service	Current	Calculated May, 2018	Revised Calculated for Addendum
Municipal Wide Services:			
Services Related to a Highway	5,412	9,196	9,330
Fire Protection Services	402	349	349
Outdoor Recreation Services	2,780	827	1,697
Indoor Recreation Services	1,078	1,206	1,206
Library Services	778	563	563
Administration	647	638	678
Total Municipal Wide Services	11,097	12,779	13,823
Urban Services:			
Wastewater Services	1,698	2,762	2,762
Water Services	1,276	1,083	1,165
Total Urban Services	2,974	3,845	3,927
Grand Total - Urban Area	14,071	16,624	17,750

Non-Residential (per ft².) Comparison

Service	Current	Calculated May, 2018	Revised Calculated for Addendum
Municipal Wide Services:			
Services Related to a Highway	3.29	5.13	5.21
Fire Protection Services	0.24	0.19	0.19
Outdoor Recreation Services	0.44	0.11	0.23
Indoor Recreation Services	0.16	0.17	0.17
Library Services	0.12	0.08	0.08
Administration	0.43	0.37	0.39
Total Municipal Wide Services	4.68	6.05	6.27
Urban Services:			
Wastewater Services	1.11	1.90	1.90
Water Services	0.85	0.75	0.80
Total Urban Services	1.96	2.65	2.70
Grand Total - Urban Area	6.64	8.70	8.97

2.6 Changes to the Background Report

Based upon the above, the following revisions are made to the pages within the background study (new pages are appended to this report):

- Pages (iii) and (v) – Updated the references to the D.C. calculations as well as the summary of costs to be recovered over the life of the by-law and Table ES-1;
- Pages 5-15 to 5-17 – Updated the write-up and capital table to reflect the changes to the Administration (Studies) costs;
- Pages 5-18 to 5-19 – Updated the write-up and capital table to reflect the changes to the Outdoor Recreation costs;
- Page 5-20 – Updated the write-up to reflect the changes to the Indoor Recreation service standard ceiling;
- Pages 5-24 and 5-27 – Updated the write-up and capital table to reflect the changes to the Services Related to a Highway costs;
- Pages 5-32 to 5-33 – Updated the write-up and capital table to reflect the changes to the Water Services costs;
- Pages 6-2 to 6-4 – Updated the D.C. calculation tables to reflect the updated capital costs;
- Pages 7-4 to 7-5 – Updated indexing write-up and by-law enforcement date;
- Page B-2 – Updated the service standard summary to reflect the changes to the Indoor Recreation service standard ceiling;

- Page B-11 – Updated the Indoor Recreation service standard to include two (2) historical line items;
- Page C-3 – Updated table C-1 (Operating and Capital Expenditure Impact table) to reflect the revised Services Related to a Highway – Roads, Outdoor Recreation, Water Services and Administration (Studies) impacts on operating and capital expenditures;
- Appendix F – updated the Asset Management write-up and figures to reflect the changes to the lifecycle costs based on the capital revisions; and
- Appendix G – updated the draft D.C. by-law to include all refinements set out in this addendum report.

3. Process for Adoption of the Development Charges By-law

The changes herein form the basis for the by-law being presented to Council. If Council is satisfied with the above changes to the background study, and based on the public submissions made at the public meeting, the Background Study (May 17, 2018), this addendum report (July 11, 2018) and the amended by-law will be considered for approval by Council (July 16, 2018).

Amended Pages