



 **Watson  
& Associates**  
ECONOMISTS LTD.

# Development Charges Background Study – Water and Wastewater Services

## Municipality of Casselman

April 28, 2023

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## List of Acronyms and Abbreviations

<b>Acronym</b>	<b>Full Description of Acronym</b>
A.M.P.	Asset management plan
CANSIM	Canadian Socio-Economic Information Management System (Statistics Canada)
C.I.P.A.	Community Improvement Project Areas
D.C.	Development charge
D.C.A.	Development Charges Act, 1997, as amended
ERASE	Environmental, Remediation, and Site Enhancement
F.I.R.	Financial Information Return
G.F.A.	Gross floor area
LPAT	Local Planning Appeal Tribunal
M.O.E.C.P.	Ministry of the Environment, Conservation and Parks
N.F.P.O.W.	No fixed place of work
OLT	Ontario Land Tribunal
O.P.A.	Official Plan Amendment
O. Reg.	Ontario Regulation
P.O.A.	Provincial Offences Act
P.P.U.	Persons per unit
S.D.E.	Single detached equivalent
S.D.U.	Single detached unit
S.W.M.	Stormwater management
sq.ft.	square foot
sq.m	square metre



# Executive Summary



# Executive Summary

1. The report provided herein represents the Development Charges (D.C.) Background Study for the Municipality of Casselman (Municipality) 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 D.C.A.;
  - Chapter 2 – Review of Present D.C. Policies of the Municipality
  - Chapter 3 – Summary of the residential and non-residential growth forecasts for the Municipality;
  - Chapter 4 – Approach to calculating the D.C.;
  - Chapter 5 – Review of historical service standards and identification of future capital requirements to service growth and related deductions and allocations;
  - Chapter 6 – Calculation of the D.C.s;
  - Chapter 7 – D.C. policy recommendations and rules; and
  - Chapter 8 – By-law implementation.
2. D.C.s provide for the recovery of growth-related capital expenditures from new development. The D.C.A. is the statutory basis to recover these charges. A simplified summary of the methodology 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;
    - Amounts in excess of 15-year historical service calculation;
    - D.C. reserve funds (where applicable);
  - 5) Net costs are then allocated between residential and non-residential benefit.
  - 6) Net costs divided by growth to provide the D.C.
3. There have been a number of amendments to the D.C.A. since its passage in 1997. These amendments effect the determination of the increase in need for



service, capital costs, calculation of the charge, and the imposition and reporting of the D.C. These amendments are reflected in the *Smart Growth for Our Communities Act, 2015*, *More Homes, More Choice Act, 2019*, *Plan to Build Ontario Together Act, 2019*, *COVID-19 Economic Recovery Act, 2020*, *Better for People, Smarter for Business Act, 2020*, *More Homes for Everyone Act, 2022*, and the *More Homes Built Faster Act, 2022*. The changes to the D.C.A. from each of these Acts are further discussed in section 1.3 of this report and the D.C. Background Study and By-laws are compliant with these amendments.

4. The growth forecast (Chapter 3) projects residential and non-residential development for the period to 2046. Aligning with the servicing review underlying the 2018 D.C. Background Study, the urban serviced area (related to water and wastewater services) D.C.s herein are calculations are based on the following population, housing, and non-residential floor area to 2037.

Table ES-1  
Summary of Growth Forecast Used in D.C. Calculation  
(2023-2037)

Measure Incremental Growth	Urban Service Area (2023-2037)
(Net) Population Increase	781
Residential Unit Increase	475
Non-Residential Employment <sup>1</sup>	318
Non-Residential Gross Floor Area Increase (sq.ft.)	338,100

Source: Watson & Associates Economists Ltd. Forecast 2023

5. The D.C.A. requires that the increase in need for service arising from the anticipated development summarized in Table ES-1 be estimated. The increase in need for service must reflect Council’s intent. The capital costs to fulfill the

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<sup>1</sup> Excluding work at home and no fixed place of work.





increase in need for service must be estimates and statutory deductions made to determine the D.C. recoverable capital costs. These calculations are provided in Chapter 5.

6. The D.C.A. requires that the capital costs incurred during the 10-year term of the by-laws be summarized by source of funding. These calculations are provided in Table ES-2.

Table ES-2  
Summary of Expenditures Anticipated Over the Life of the D.C. By-Laws

Description	Expenditures
Total gross expenditures planned over the next five years	\$10,477,307
Less: Benefit to existing development	\$902,361
Less: Post planning period benefit	\$4,581,246
Less: Local services directly provided	\$2,586,208
<b>Net costs to be recovered from development charges</b>	<b>\$2,407,491</b>

This suggests that for the non-D.C. cost over the ten-year D.C. by-laws (benefit to existing development, and local service contributions), \$3.49 million (or an annual amount of \$0.35 million) will need to be contributed from water and sewer rates, and direct contributions from developers. With respect to the post period benefit amount of \$4.58 million, it will be included in subsequent D.C. studies for growth beyond the 2037 projections.

Based on the above table, the Municipality plans to spend \$10.48 million over the next ten years, of which \$2.41 million (23%) is recoverable from D.C.s. Of this net amount, \$1.92 million is recoverable from residential development and \$0.48 million from non-residential development. It is noted also that any exemptions or reductions in the charges would reduce this recovery further.

7. This background study has undertaken a calculation of charges based on future identified needs. The D.C.s have been provided on an area-specific basis, reflecting the availability of water and wastewater services for development within the urban serviced areas only. The detailed calculation of the charges is provided in Chapter 6. Table ES-3 summarizes the calculated schedule of D.C.s by service and development type. For development within the urban serviced areas, the corresponding single detached dwelling unit charge is \$13,410. The



non-residential charge, in the urban serviced area, is \$46.37 per sq.m of building Gross Floor Area (G.F.A.). These rates are submitted to Council for its consideration.

8. The Municipality is undertaking a D.C. public process and anticipates passing two D.C. by-laws, for water and wastewater services respectively, in 2023. The mandatory public meeting has been set for June 13, 2023 with adoption of the by-laws proposed for June 27, 2023.
9. Considerations by Council – The D.C. Background Study represents the increase in need for service arising from the anticipated residential and non-residential development over the urban service area forecast to 2037 for Wastewater Services and Water Services.

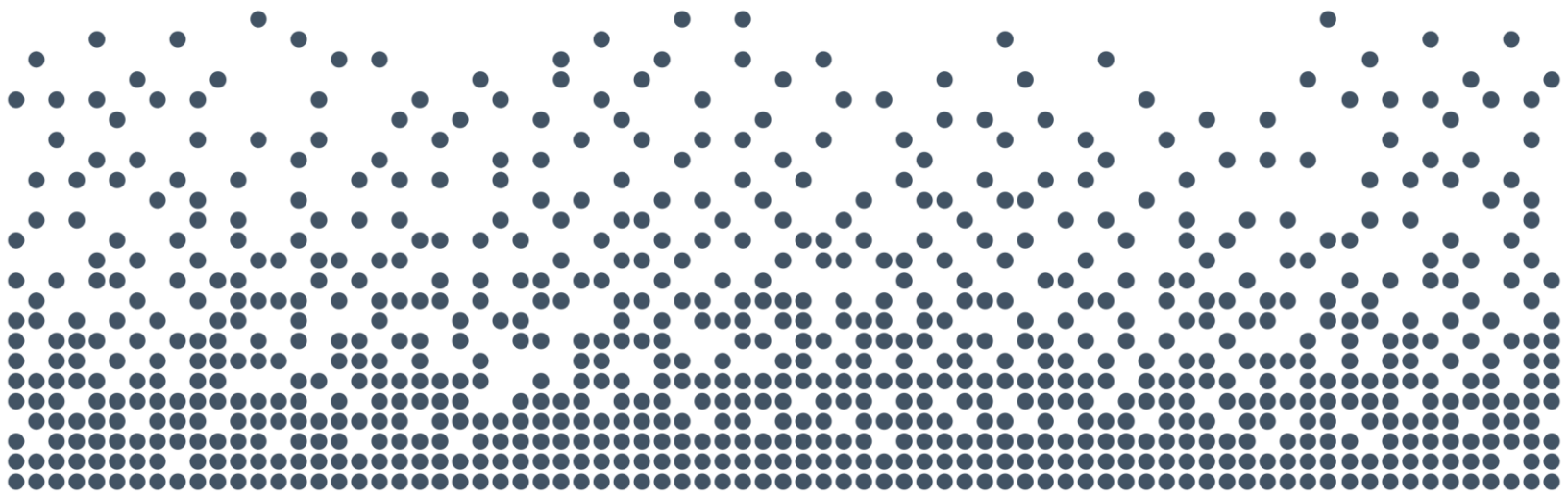
Council will consider the findings and recommendations provided in the D.C. Background Study, in conjunction with public input, and approve such policies and charges that it deems appropriate. These directions will refine the draft D.C. by-laws which are appended in Appendices F and G. These decisions may include:

- Adopting the charges and policies recommended herein;
- Considering additional discretionary exemptions to the by-laws; and/or
- Considering reductions or transitions 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-4  
Summary of Calculated Schedule of Development Charges

Service	Residential				Non-Residential
	Single and Semi-Detached Dwellings	Apartments - 2 Bedrooms and Larger	Apartments - Bachelor and 1 Bedroom	Other Multiples	Per sq.m of G.F.A.
Wastewater Services	\$10,499	\$6,243	\$4,620	\$8,627	\$35.37
Water Services	\$2,911	\$1,731	\$1,281	\$2,392	\$11.00
<b>Total - Water and Wastewater Services</b>	<b>\$13,410</b>	<b>\$7,975</b>	<b>\$5,900</b>	<b>\$11,019</b>	<b>\$46.37</b>



# Report



# Chapter 1

## Introduction



# 1. Introduction

## 1.1 Purpose of this Document

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This background study has been prepared pursuant to the requirements of the *Development Charges Act, 1997*, as amended, (D.C.A.) and, accordingly, recommends development charges (D.C.s) and policies for the Municipality of Casselman (Municipality).

The Municipality of Casselman (Municipality) retained Watson & Associates Economists Ltd. (Watson), to undertake the D.C. study process throughout with completion anticipated in 2023. Watson worked with Municipal staff in preparing the D.C. analysis and policy recommendations.

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

This report has been prepared, in the first instance, to meet the statutory requirements applicable to the Municipality's D.C. background study, as summarized in Chapter 4. The forecast amount, type, and location of development is summarized in Chapter 3, with technical details provided in Appendix A. Chapters 5 and 6 identify the increase in need by service, calculate the D.C. recoverable capital costs, and provide the schedule of calculated charges by type of development. The requirement for "rules" governing the imposition of the D.C. is provided in Chapter 7. The proposed D.C. by-laws, to be made available to the public, as part of the approval process are included as Appendices F and G.

The background study is designed to set out sufficient background on the legislation and the policies underlying the proposed by-laws, to make the exercise understandable to those who are involved. The D.C. background study addresses post-adoption implementation requirements (Chapter 8) which are critical to the successful application of the new policy. The chapters in the report are supported by appendices containing the data required to explain and substantiate the calculation of the charge.



## 1.2 Summary of the Process

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The public meeting required under section 12 of the D.C.A. will be scheduled for June 13, 2023. Its purpose is to present the background study and draft D.C. by-laws to the public and to solicit public input on the matter. The public meeting is also being held to answer any questions regarding the study's purpose, methodology, and the proposed policies contained within the draft D.C. by-laws. In accordance with the legislation requiring that the D.C. background study and draft by-laws be made available the public at least two weeks prior to the public meeting, the D.C. Background Study and proposed D.C. By-laws will be available for public review on April 28, 2023. This timing of release also complies with the legislative requirement that the background study will be available for public review at least 60 days prior to by-law passage. The Municipality anticipates Council consideration of the D.C. By-laws for adoption on June 27, 2023.

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

- Municipality's consideration of responses received prior to, at or immediately following the public meeting;
- Finalization of the D.C. Background Study and By-Laws to address any required changes; and
- Council consideration of the D.C. By-laws, anticipated to occur on June 27, 2023.

Table 1-1 outlines the study process to date and the proposed schedule to be followed with respect to the D.C. by-laws adoption process.



Table 1-1  
Schedule of Key D.C. Process Dates

Process Steps	Dates
1. Data collection, staff review, D.C. calculations and policy work	March, 2023
2. Public release of final D.C. Background study and proposed by-laws	April 28, 2023
3. Public meeting advertisement placed in newspaper(s)	Prior to May 22, 2023
4. Public meeting of Council	June 13, 2023
5. Council considers adoption of background study and passage of by-laws	June 27, 2023
6. Newspaper notice given of by-law(s) passage	By 20 days after passage
7. Last day for by-law(s) appeal	40 days after passage
8. Municipality makes pamphlet available (where by-law(s) not appealed)	By 60 days after in force date

### 1.3 Changes to the Development Charges Act, 1997

Over the past four years, a number of changes to the Development Charges Act, 1997 have been introduced through various legislation including the following:

- *Smart Growth for Our Communities Act, 2015;*
- *More Homes, More Choice Act, 2019;*
- *Plan to Build Ontario Together Act, 2019;*
- *COVID-19 Economic Recovery Act, 2020;*
- *Better for People, Smarter for Business Act, 2020;*
- *More Homes for Everyone Act, 2022;* and
- *More Homes Built Fast Act, 2022.*





The following provides an overview of the amendments to the D.C.A. that each of these pieces of legislation provided.

### **1.3.1 *Smart Growth for Our Communities Act, 2015***

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

#### **1.3.1.1 *Area Rating***

The *Smart Growth for Our Communities Act* 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 that are prescribed and/or for specific municipalities that are to be regulated.
- 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 that must be area-rated. The second item requires Council to consider the use of area rating.

#### **1.3.1.2 *Asset Management Plan for New Infrastructure***

The amended legislation requires that a D.C. background study must include an asset management plan (A.M.P.). The A.M.P. must deal with all assets that are proposed to be funded, in whole or in part, by D.C.s. The current regulations provide very extensive and specific requirements for the A.M.P. related to transit services; however, they are silent with respect to how the A.M.P. is to be provided for all other services. As part of any A.M.P., the examination should be consistent with the municipality's existing assumptions, approaches, and policies on 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 E of this report).

### ***1.3.1.3 60-Day Circulation of D.C. Background Study***

Prior to the amendment, 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(s). No other changes were made to timing requirements for such things as notice of the public meeting and notice of by-law(s) passage.

This D.C. study is being provided to the public on April 28, 2023, to ensure this requirement for release of the study is met.

### ***1.3.1.4 Timing of Collection of D.C.s***

The amendments require that D.C.s are collected at the time of the first building permit. 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 Municipality may enter into a delayed payment agreement in order to capture the full development.

### ***1.3.1.5 Other Changes***

Additional amendments, include changes to the way in which transit D.C. service standards are calculated, the inclusion of waste diversion as an eligible service, and limitations on the ability for collection of additional levies. These amendments do not impact the Municipality's D.C. Background Study.

## ***1.3.2 More Homes, More Choice Act, 2019***

The Province introduced Bill 108, *More Homes, More Choice Act*, which proposed changes to the D.C.A. as part of the province's "*More Homes, More Choice: Ontario's Housing Supply Action Plan.*" The *More Homes, More Choice Act* received Royal Assent on June 6, 2019. At that time many of the amendments to the D.C.A. did not come into effect, awaiting proclamation by the Lieutenant Governor. On January 1, 2020, the following provisions were proclaimed:



- A D.C. for rental housing and institutional developments will pay the charge in six equal annual installments, with the first payment commencing on the date of occupancy. Non-profit housing developments will pay D.C.s in 21 equal annual payments (note, that further changes related to non-profit housing have been made under the *More Homes Built Faster Act*, summarized below). Any unpaid D.C. amounts may be added to the property and collected as taxes.
- For all developments triggering a D.C. within two years of a Site Plan or Zoning By-law Amendment planning approval, the D.C. shall be determined based on the charges in effect on the date the planning application was submitted. These provisions only apply to Site Plan and Zoning By-law Amendment planning applications received on or after January 1, 2020. These amendments do not affect developments approved under other planning application types (e.g., plan of subdivision, minor variance, etc.).
- The removal of the 10% statutory deduction for soft services, (i.e., services limited to a 10-year forecast period).

### **1.3.3 Plan to Build Ontario Together Act, 2019**

The *Plan to Build Ontario Together Act, 2019* provided further amendments to the D.C.A. and *Planning Act*. This Act received Royal Assent on December 10, 2019. Proclamation resulted in the sections related to the D.C.A. (schedule 10) coming into effect on January 1, 2020. The amendments to the D.C.A. included the removal of instalment payments for commercial and industrial developments that were originally included in the *More Homes, More Choice Act*.

### **1.3.4 COVID-19 Economic Recovery Act, 2020**

In response to the global pandemic that began affecting Ontario in early 2020, the Province released Bill 197, *COVID-19 Economic Recovery Act, 2020*, which provided amendments to a number of statutes, including the D.C.A. and *Planning Act*. The *COVID-19 Economic Recovery Act* further revised some of the proposed changes identified in the *More Homes, More Choice Act* and *Plan to Build Ontario Together Act*. The *COVID-19 Economic Recovery Act* received Royal Assent on July 21, 2020, and was proclaimed on September 18, 2020. The following provides a summary of the amendments to the D.C.A.:



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

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

- Water supply services, including distribution and treatment services;
  - Wastewater services, including sewers and treatment services;
  - Storm water drainage and control services;
  - Services related to a highway;
  - Electrical power services;
  - Toronto-York subway extension, as defined in subsection 5.1 (1);
  - Transit services other than the Toronto-York subway extension;
  - Waste diversion services;
  - Policing services;
  - Fire protection services;
  - Ambulance services;
  - Library Services;
  - Long-term care services;
  - Parks and recreation services (excluding the acquisition of land for parks);
  - Public health services;
  - Childcare and early years services;
  - Housing services (Note that as per Bill 23, housing services are no longer eligible);
  - *Provincial Offences Act* services;
  - Services related to emergency preparedness;
  - Services related to airports, but only in the Regional Municipality of Waterloo; and
  - Additional services as prescribed.

#### 1.3.4.2 Classes of D.C. Services

Prior to the amendments, the D.C.A. allowed for categories of services to be grouped together into a minimum of two categories, (i.e., 90% services and 100% services). The amendments repealed these rules and replaced them with the following provisions:



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

#### **1.3.4.3 Statutory Exemptions**

The D.C.A. provides for statutory exemptions from payment of D.C.s related to additional residential units, where the development is creating additional residential dwelling units within prescribed classes of existing residential buildings or structures. This statutory exemption has been expanded to include secondary residential dwelling units, in prescribed classes, that are ancillary to existing residential buildings. Furthermore, additional statutory exemptions are provided for the creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to new dwellings. Note, that further changes related to additional residential units have been made under the *More Homes Built Faster Act*, summarized below.

#### **1.3.5 Better for People, Smarter for Business Act, 2020**

On December 8, 2020, the *Better for People, Smarter for Business Act, 2020* received Royal Assent. One of the changes of this Act amended the *Ministry of Training, Colleges, and Universities Act* by exempting the developments of land intended for use by a university that receives operating funds from the Government from the payment of D.C.s. As a result, this mandatory exemption is included in the Municipality's draft D.C. by-laws.

#### **1.3.6 More Homes for Everyone Act, 2022**

On April 14, 2022, the *More Homes for Everyone Act, 2022* received Royal Assent. One of the D.C.A. amendments, and O. Reg. 438/22, prescribed additional information to be included in the annual Treasurer's Statement on D.C. reserve funds and its publication. The following additional information must be provided for each service for which a D.C. is collected for during the year:



- a) Whether, as of the end of the year, the municipality expects to incur the amount of capital costs that were estimated, in the relevant development charge background study, to be incurred during the term of the applicable development charge by-laws;
- b) If the answer to a) is no, the amount the municipality now expects to incur and a statement as to why this amount is expected; and
- c) If no money was spent from the reserve fund during the year, a statement as to why there was no spending during the year.

These requirements have been further amended to require that the annual Treasurer's Statement be made available to the public on the municipality's website, or in the municipal office.

### **1.3.7 More Homes Built Fast Act, 2022**

The *More Homes Built Fast Act, 2022*, received Royal Assent on November 28, 2022. This Act amends several pieces of legislation including the *Planning Act* and the D.C.A. The following provides a summary of the amendments to the D.C.A.:

#### **1.3.7.1 Additional Residential Unit Exemption**

The rules for these exemptions are now provided in the D.C.A., rather than the regulations and are summarized as follows:

- Exemption for residential units in existing rental residential buildings – For rental residential buildings with four or more residential units, the greater of one unit or 1% of the existing residential units will be exempt from D.C.
- Exemption for additional residential units in existing and new residential buildings – The following developments will be exempt from a D.C.:
  - A second unit in a detached, semi-detached, or rowhouse if all buildings and ancillary structures cumulatively contain no more than one residential unit;
  - A third unit in a detached, semi-detached, or rowhouse if no buildings or ancillary structures contain any residential units; and
  - One residential unit in a building or structure ancillary to a detached, semi-detached, or rowhouse on a parcel of urban land, if the detached, semi-detached, or rowhouse contains no more than two residential



units and no other buildings or ancillary structures contain any residential units.

### *1.3.7.2 Removal of Housing as an Eligible D.C. Service*

Housing services is removed as an eligible service. Municipalities with by-laws that include a charge for housing services can no longer collect for this service.

### *1.3.7.3 New Statutory Exemptions for Affordable Units, Attainable Units, Inclusionary Zoning Units, and Non-Profit Housing developments*

Affordable units, attainable units, inclusionary zoning units and non-profit housing developments are exempt from the payment of D.C.s, as follows:

- Affordable Rental Units: Where rent is no more than 80% of the average market rent as defined by a new bulletin published by the Ministry of Municipal Affairs and Housing.
- Affordable Owned Units: Where the price of the unit is no more than 80% of the average purchase price as defined by a new bulletin published by the Ministry of Municipal Affairs and Housing.
- Attainable Units: Excludes affordable units and rental units; will be defined as prescribed development or class of development and sold to a person who is at “arm’s length” from the seller.
  - Note: for affordable and attainable units, the municipality shall enter into an agreement that ensures the unit remains affordable or attainable for 25 years.
- Inclusionary Zoning Units: Affordable housing units required under inclusionary zoning by-laws are exempt from a D.C.
- Non-Profit Housing: Non-profit housing units are exempt from D.C.s and D.C. instalment payments due after November 28, 2022.

### *1.3.7.4 Historical Level of Service extended to 15-year period instead of the historical 10-year period.*

Prior to Royal Assent, the increase in need for service was limited by the average historical level of service calculated over the 10-year period preceding the preparation of the D.C. background study. This average is now extended to the historical 15-year period.



### *1.3.7.5 Revised Definition of Capital Costs*

The definition of capital costs has been revised to remove studies. Further, the regulations to the Act will prescribe services for which land or an interest in land will be restricted. As at the time of writing, no services have been prescribed.

### *1.3.7.6 Mandatory Phase-in of a D.C.*

For all D.C. by-laws passed after January 1, 2022, the charge must be phased-in annually over the first five years the by-law is in force, as follows:

- Year 1 – 80% of the maximum charge;
- Year 2 – 85% of the maximum charge;
- Year 3 – 90% of the maximum charge;
- Year 4 – 95% of the maximum charge; and
- Year 5 to expiry – 100% of the maximum charge.

### *1.3.7.7 D.C. By-law Expiry*

A D.C. by-law now expires ten years after the day it comes into force unless the by-law provides for an earlier expiry or repeal date. This extends the by-law's life from what used to be a maximum of five years.

### *1.3.7.8 Installment Payments*

Non-profit housing development has been removed from the instalment payment section of the D.C.A. under section 26.1, as these units are now exempt from the payment of a D.C.

### *1.3.7.9 Rental Housing Discount*

The D.C. payable for rental housing development will be reduced based on the number of bedrooms in each unit as follows:

- Three or more bedrooms – 25% reduction;
- Two bedrooms – 20% reduction; and
- All other bedroom quantities – 15% reduction.





### *1.3.7.10 Maximum Interest Rate for Instalments and Determination of Charge for Eligible Site Plan and Zoning By-law Amendment Applications*

No maximum interest rate was previously prescribed, which allowed municipalities to choose the interest rate to impose. As per Bill 23, the maximum interest rate is set at the average prime rate plus 1%. This maximum interest rate provision would apply to all instalment payments and eligible site plan and zoning by-law amendment applications occurring after November 28, 2022.

### *1.3.7.11 Requirement to Allocate Funds Received*

Annually, beginning in 2023, municipalities will be required to spend or allocate at least 60% of the monies in a reserve fund at the beginning of the year for water services, wastewater services, and services related to a highway. Other services may be prescribed by the regulation.



# Chapter 2

## Current Municipality of Casselman Policy



## 2. Current Municipality of Casselman Policy

### 2.1 Schedule of Charges

The Municipality currently imposes water and wastewater D.C.s through By-law 2018-050, under the authority of the D.C.A. The Municipality is undertaking a D.C. public process and anticipates passing a new by-law for water and wastewater services.

By-law 2018-050 imposes D.C.s for residential and non-residential uses related to water and wastewater services. Table 2-1 provides the rates currently in effect for water and wastewater services.

It is noted that By-law 2021-057(as amended by By-law 2022-061) imposes D.C.s for other municipal services, exclusive of water and wastewater services. This D.C. background study and by-laws does not impact the D.C.s for services under By-2021-057.

Table 2-1  
Municipality of Casselman  
Current D.C. Rates  
(January 1, 2023)

Service	Single & Semi-Detached	Other Multiples	Apartments - 2 Bedroom +	Apartments - Bachelor and 1 Bedroom	Non-Residential (per sq.ft. of Gross Floor Area)
<b>Urban Services</b>					
Wastewater Services					
Drainage Area 13	7,968	6,000	3,878	3,574	2.39
Area Excluding Drainage Area 13	8,365	6,298	4,070	3,751	2.51
Water Services	3,208	2,415	1,561	1,438	0.88
<b>Total Urban Services Drainage Area 13</b>	<b>11,176</b>	<b>8,415</b>	<b>5,439</b>	<b>5,012</b>	<b>3.27</b>
<b>Total Urban Services Excluding Drainage Area 13</b>	<b>11,573</b>	<b>8,713</b>	<b>5,631</b>	<b>5,189</b>	<b>3.39</b>



## 2.2 Timing of D.C. Calculation and Payment

---

D.C.s applicable to residential and non-residential development are calculated, payable and collected at the time of building permit issuance, unless the D.C.A. provides otherwise. Early and late payment arrangements are available under the authority of Council when an agreement is entered into between the Municipality and the development landowner.

## 2.3 Indexing

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Rates shall be adjusted annually on the anniversary date of By-law 2018-050, without amendment to the by-law, in accordance with the prescribed index in the Act.

## 2.4 Redevelopment Allowance

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Despite any other provisions of this By-law, where, as a result of the redevelopment of land, a building or structure existing on the same land within 60 months (5 years) prior to the date of payment of development charges in regard to such redevelopment was or is to be demolished in whole or in part, or converted from one principal use to another principal use on the same land in order to facilitate the redevelopment, the development charges otherwise payable with respect to such redevelopment shall be reduced by the following amounts:

- a) in the case of a residential building or structure, or in the case of a mixed-use building or structure, the residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charge under subsection 3.10 by the number, according to type, of dwelling units that have been or will be demolished or converted to another principal use; and
- b) in the case of a non-residential building or structure or, in the case of a mixed-use building or structure, the non-residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charges under section 3.11, by the gross floor area that has been or will be demolished or converted to another principal use;
- c) no credit shall be provided that exceeds, in total, the amount of the development charges otherwise payable with respect to the redevelopment.



## 2.5 Non-Statutory Exemptions

---

The Municipality's existing D.C. By-law 2018-050 includes statutory exemptions as required by the Act as well as the following non-statutory exemptions, from payment of D.C.s with respect to:

- a) The development of a non-residential farm building used for bona fide farm uses;
- b) A cemetery and burial ground exempt from taxation under section 3 of the Assessment Act; and
- c) Development creating or adding an accessory use or structure not exceeding ten square metres of non-residential gross floor area. The development of a non-residential farm building used for bona fide farm uses.



# Chapter 3

## Anticipated Development in the Municipality of Casselman



## 3. Anticipated Development in the Municipality of Casselman

### 3.1 Requirement of the Act

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The growth forecast contained in this chapter (with supplemental tables in Appendix A) provides for the anticipated development for which the Municipality will be required to provide services over a 2023 to 2037 and a longer-term (to 2046) time horizon.

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

### 3.2 Basis of Population, Household and Non-Residential G.F.A. Forecast

---

The D.C. growth forecast has been derived by Watson based on the information sources summarized below. The residential forecast is based on the United Counties of Prescott and Russell (U.C.P.R.) 2022 Growth Management Strategy Update (G.M.S.), while the non-residential forecast has been developed by Watson in accordance with our review of recent non-residential development trends and an assessment of the long-term economic outlook for the Municipality of Casselman. The long-term D.C. growth forecast (2046) is based on the U.C.P.R. G.M.S. which provides the basis for growth regarding the Casselman 2023 Water and Wastewater Infrastructure Master Plan, Phase 1 Report (Draft). The D.C. growth forecast to the year 2037 is based on the population and employment forecast from the Municipality’s 2018 Water and Wastewater Services Development Charges Background Study & Connection Charges Study. In preparing the growth forecast, the following information sources were consulted to assess the residential and non-residential development potential for the Municipality over the forecast period, including:

- United Counties of Prescott and Russell Growth Management Strategy Update, March 30, 2022, Hemson Consulting Ltd.



- Municipality of Casselman 2018 Water and Wastewater Services Development Charges Background Study & Connection Charges Study, April 20, 2018, Watson & Associates Economists Ltd.
- Municipality of Casselman Development Charges Background Study, April 30, 2021, and Addendum to Development Charges Update Study, June 24, 2021, by Watson & Associates Economists Ltd.
- Casselman Water and Wastewater Infrastructure Master Plan, Phase 1 Report (Draft), March 13, 2023, J.L. Richards & Associates Limited;
- 2011, 2016 and 2021 population, household, and employment Census data;
- Historical residential and non-residential building permit data over the 2013 to 2022 period;
- Residential and non-residential supply opportunities as identified by Municipality of Casselman staff; and
- Discussions from Municipal staff regarding anticipated residential and non-residential development in the Municipality of Casselman.

### 3.3 Summary of Growth Forecast

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

As identified in Table 3-1 and Appendix A – Schedule 1, population in the Municipality (excluding census undercount) is anticipated to reach approximately 5,060 by mid-2037 and 5,660 by mid-2046, resulting in an increase of approximately 780 and 1,390 persons, respectively. <sup>[1]</sup> Figure 3-1 is also provided to demonstrate the growth forecast along with the actual growth in residential units over the past 10 years.

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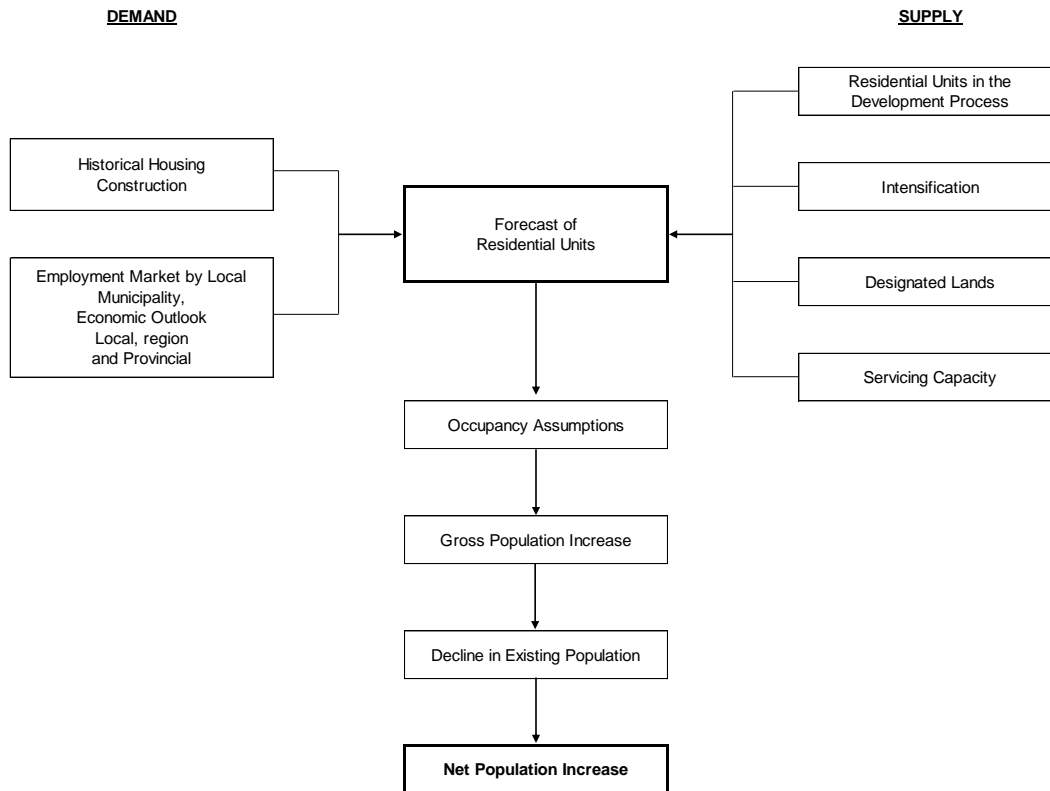
<sup>[1]</sup> The population figures used in the calculation of the 2023 D.C. exclude the net Census undercount, which is estimated at approximately 2.7%.

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Figure 3-1  
Household Formation-based Population and Household Projection Model





**Table 3-1  
Municipality of Casselman  
Residential Growth Forecast Summary**

	Year	Population (Including Census Undercount) <sup>[1]</sup>	Excluding Census Undercount			Housing Units						Person Per Unit (P.P.U.): Total Population/ Total Households
			Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi- Detached	Multiple Dwellings <sup>[2]</sup>	Apartments <sup>[3]</sup>	Other	Total Households	Equivalent Institutional Households	
Historical	Mid 2011	3,730	3,626	126	3,500	1,024	184	224	0	1,432	115	2.532
	Mid 2016	3,650	3,548	113	3,435	1,015	235	175	0	1,425	103	2.490
	Mid 2021	4,070	3,960	175	3,785	1,150	240	190	0	1,580	159	2.506
Forecast	Mid 2023	4,400	4,277	189	4,088	1,260	240	210	0	1,710	172	2.501
	Mid 2037	5,200	5,058	228	4,830	1,571	326	288	0	2,185	207	2.315
	Mid 2046	5,820	5,663	238	5,425	1,703	389	358	0	2,450	216	2.311
Incremental	<b>Mid 2011 - Mid 2016</b>	<b>-80</b>	<b>-78</b>	<b>-13</b>	<b>-65</b>	<b>-9</b>	<b>51</b>	<b>-49</b>	<b>0</b>	<b>-7</b>	<b>-12</b>	
	<b>Mid 2016 - Mid 2021</b>	<b>420</b>	<b>412</b>	<b>62</b>	<b>350</b>	<b>135</b>	<b>5</b>	<b>15</b>	<b>0</b>	<b>155</b>	<b>56</b>	
	<b>Mid 2021 - Mid 2023</b>	<b>330</b>	<b>317</b>	<b>14</b>	<b>303</b>	<b>110</b>	<b>0</b>	<b>20</b>	<b>0</b>	<b>130</b>	<b>13</b>	
	<b>Mid 2023 - Mid 2037</b>	<b>800</b>	<b>781</b>	<b>39</b>	<b>742</b>	<b>311</b>	<b>86</b>	<b>78</b>	<b>0</b>	<b>475</b>	<b>35</b>	
	<b>Mid 2023 - Mid 2046</b>	<b>1,420</b>	<b>1,386</b>	<b>49</b>	<b>1,337</b>	<b>443</b>	<b>149</b>	<b>148</b>	<b>0</b>	<b>740</b>	<b>44</b>	

[1] Population includes the Census undercount estimated at approximately 2.7% and has been rounded.

[2] Includes townhouses and apartments in duplexes.

[3] Includes bachelor, 1-bedroom, and 2-bedroom+ apartment units.

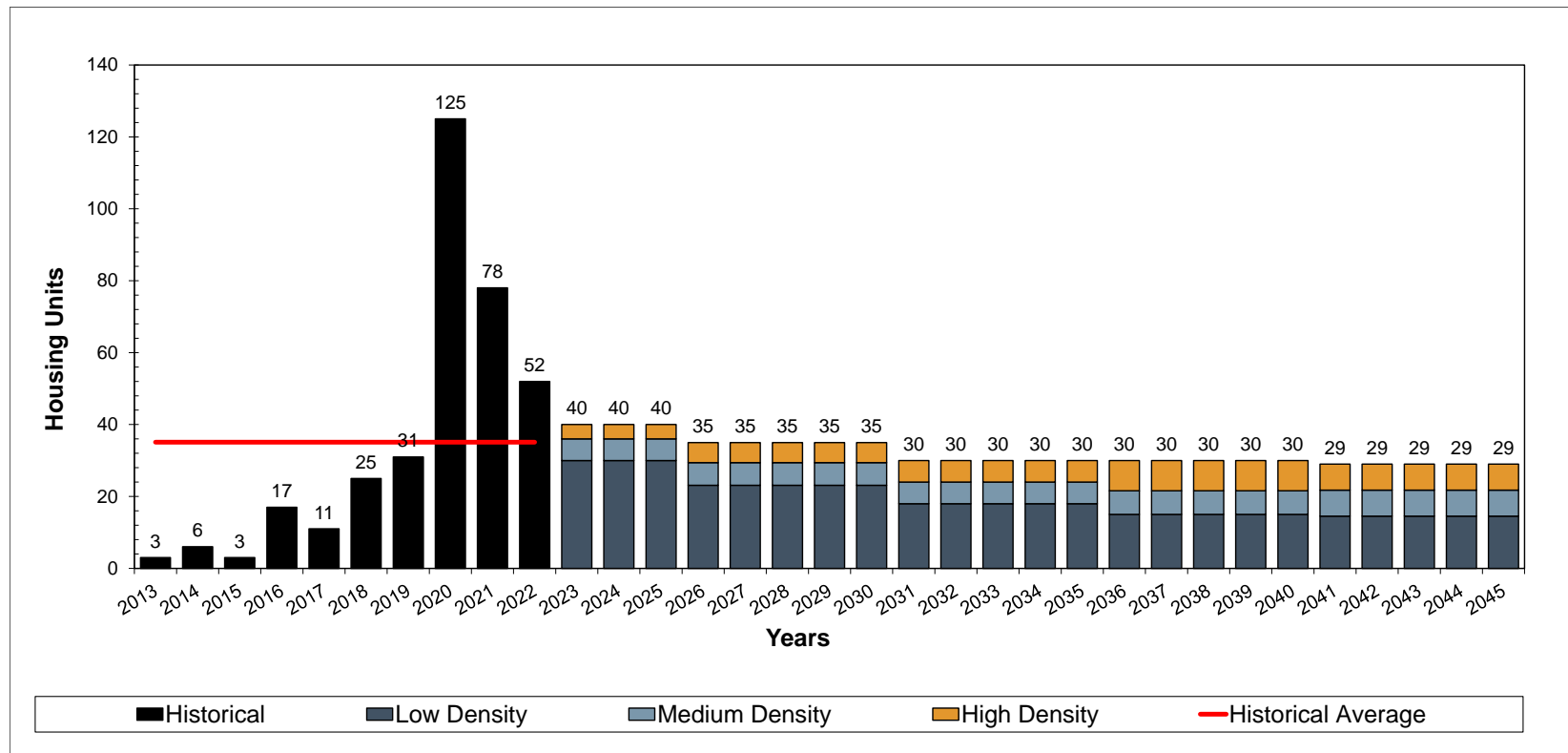
**Notes:**

Numbers may not add due to rounding.

Source: Derived from the United Counties of Prescott and Russell Growth Management Strategy Update, March 30, 2022, Hemson Consulting Ltd., for the Municipality of Casselman and discussions with municipal staff regarding servicing and land supply by Watson & Associates Economists Ltd.



Figure 3-2  
Municipality of Casselman  
Annual Housing Forecast<sup>1</sup>



<sup>[1]</sup> Growth forecast represents calendar year.

Source: Historical 2013 to 2022 housing activity derived from Municipality of Casselman data, by Watson & Associates Economists Ltd.



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

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

- The housing unit mix for the Municipality was derived from a detailed review of historical development activity (as per Schedule 7), as well as active residential development applications (as per Schedule 6) and discussions with municipal staff regarding anticipated development trends for the Municipality.
- Based on the above indicators, the 2023 to 2046 household growth forecast for the Municipality is comprised of a unit mix of 60% low density units (single detached and semi-detached), 20% medium density (multiples except apartments) and 20% high density (bachelor, 1-bedroom and 2-bedroom apartments).

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

- Schedule 2 summarizes the anticipated amount, type, and location of development by area for the Municipality.
- In accordance with forecast demand and available land supply, the amount and percentage of forecast housing growth between 2023 and 2046 by development location is summarized below.

Table 3-2  
Municipality of Casselman  
Residential Growth Forecast by Housing Type  
2022 to 2046

Development Location	Amount of Housing Growth, 2023 to 2046	Percentage of Housing Growth, 2023 to 2046
Northwest Quadrant	340	46%
Outside Northwest Quadrant	400	54%
<b>Municipality of Casselman</b>	<b>740</b>	<b>100%</b>

Note: Figures may not sum precisely due to rounding.



### 3. Planning Period

- Short- and longer-term time horizons are required for the D.C. process. The D.C.A. limits the planning horizon for transit services to a 10-year planning horizon. All other services can utilize a longer planning period if the municipality has identified the growth-related capital infrastructure needs associated with the longer-term growth planning period.

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

- The number of housing units to be constructed by 2046 in the Municipality over the forecast period is presented in Table 3-2. Over the 2023 to 2046 forecast period, the Municipality is anticipated to average approximately 32 new housing units per year.
- Institutional population <sup>[1]</sup> is anticipated to increase by approximately 50 people between 2023 to 2046.
- Population in new units is derived from Schedules 3, 4 and 5, which incorporate historical development activity, anticipated units (see unit mix discussion) and average persons per unit (P.P.U.) by dwelling type for new units.
- Schedule 8a summarizes the average P.P.U. assumed for new housing units by age and type of dwelling based on Statistics Canada 2021 custom Census data for the Municipality. Due to data limitations, medium and high density P.P.U. data was derived from U.C.P.R. data. The total calculated P.P.U. for all density types has been adjusted accordingly to account for the P.P.U. trends which has been recently experienced in both new and older units. Forecasted 25-year average P.P.U.s by dwelling type are as follows:
  - Low density: 2.709
  - Medium density: 2.226
  - High density: 1.527

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

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

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- Existing households for mid-2023 are based on the 2021 Census households, plus estimated residential units constructed between mid-2021 to the beginning of the growth period, assuming a six-month lag between construction and occupancy (see Schedule 3).
- The change in average occupancy levels for existing housing units is calculated in Schedules 3 through 5.<sup>[1]</sup> The forecast population change in existing households over the 2023 to 2046 forecast period is forecast to decline by approximately 420.

## 6. Employment (Appendix A, Schedules 10a, 10b, 10c)

- The employment projections provided herein are largely based on the activity rate method, which is defined as the number of jobs in the Municipality divided by the number of residents. Key employment sectors include primary, industrial, commercial/population-related, institutional, and work at home, which are considered individually below.
- 2016 employment data <sup>[2],[3]</sup> (place of work) for the Municipality is outlined in Schedule 10a. The 2016 employment base is comprised of the following sectors:
  - 30 primary (2%);
  - 55 work at home employment (3%);
  - 208 industrial (12%);
  - 888 commercial/population-related (52%); and
  - 535 institutional (31%).

---

<sup>[1]</sup> Change in occupancy levels for existing households occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.

<sup>[2]</sup> 2016 employment is based on Statistics Canada 2016 Place of Work Employment dataset by Watson & Associates Economists Ltd.

<sup>[3]</sup> Statistics Canada 2021 Census place of work employment data has been reviewed. The 2021 Census employment results have not been utilized due to a significant increase in work at home employment captured due to Census enumeration occurring during the provincial COVID-19 lockdown from April 1, 2021 to June 14, 2021.



- The 2016 employment by usual place of work, including work at home, is 1,715. An additional 190 employees have been identified for the Municipality in 2016 that have no fixed place of work (N.F.P.O.W.).<sup>[1]</sup>
- Total employment, including work at home and N.F.P.O.W. for the Municipality is anticipated to reach approximately 2,720 by mid-2037 and 3,020 by mid-2046. This represents an employment increase of approximately 400 for the 2023 to 2037 period and 710 for the longer-term forecast period.
- Schedule 10b, Appendix A, summarizes the employment forecast, excluding work at home employment and N.F.P.O.W. employment, which is the basis for the D.C. employment forecast. The impact on municipal services from work at home employees has already been included in the population forecast. The need for municipal services related to N.F.P.O.W. employees has largely been included in the employment forecast by usual place of work (i.e., employment and gross floor area generated from N.F.P.O.W. construction employment). Furthermore, since these employees have no fixed work address, they cannot be captured in the non-residential G.F.A. calculation. Accordingly, work at home and N.F.P.O.W. employees have been removed from the D.C.A. employment forecast and calculation.
- Total employment for the Municipality (excluding work at home and N.F.P.O.W. employment) is anticipated to reach approximately 2,160 by mid-2037 and 2,410 by mid-2046. This represents an employment increase of approximately 320 for the 2023 to 2037 period, and 570 for the longer-term forecast period.

#### 7. Non-Residential sq.ft. Estimates (G.F.A.), Appendix A – Schedule 10b)

- Square footage estimates were calculated in Schedule 10b based on the following employee density assumptions:
  - 1,500 sq.ft. per employee for industrial;
  - 550 sq.ft. per employee for commercial/population-related; and
  - 900 sq.ft. per employee for institutional employment.

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<sup>[1]</sup> No fixed place of work is defined by Statistics Canada as "persons who do not go from home to the same workplace location at the beginning of each shift. Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc."



- The Municipality-wide incremental G.F.A. is anticipated to increase 338,100 over the 2023 to 2037 forecast period and 598,900 sq.ft. over the longer-term forecast period.
- In terms of percentage growth, the 2023 to 2046 incremental G.F.A. forecast by sector is broken down as follows:
  - industrial - 71%;
  - commercial/population-related - 22%; and
  - institutional - 7%.

#### 8. Geographic Location of Non-Residential Development (Appendix A, Schedule 10c)

- Schedule 10c summarizes the anticipated amount, type, and location of non-residential development by servicing area for the Municipality of Casselman by area.
- The amount and percentage of forecast total non-residential growth between 2023 and 2046 by development location is summarized below.

Table 3-3  
Municipality of Casselman  
Geographic Location of Non-Residential Development

Development Location	Amount of Non-Residential G.F.A. (sq.ft.), 2023 to 2046	Percentage of Non-Residential G.F.A., 2023 to 2046
Northwest Quadrant	23,000	4%
Outside Northwest Quadrant	575,900	96%
<b>Municipality of Casselman</b>	<b>598,900</b>	<b>100%</b>

Note: Figures may not sum precisely due to rounding





# Chapter 4

## The Approach to the Calculation of the Charge



## 4. The Approach to the Calculation of the Charge

### 4.1 Introduction

---

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

### 4.2 Services Potentially Involved

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Table 3-1 lists the full range of municipal services that are provided within the Municipality.

A number of these services are not listed as eligible services for inclusion in the D.C. by-law as per subsection 2 (4) of the D.C.A. These are shown as “ineligible” on Table 4-1B. Two ineligible costs defined in subsection 5 (3) of the D.C.A. are “computer equipment” and “rolling stock with an estimated useful life of (less than) seven years.” In addition, local roads are covered separately under subdivision agreements and related means (as are other local services). Services which are potentially eligible for inclusion in the Municipality’s D.C. are indicated with a “Yes.”

### 4.3 Increase in the Need for Service

---

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



Figure 4-1  
The Process of Calculating a Development Charge under the Act  
that must be followed

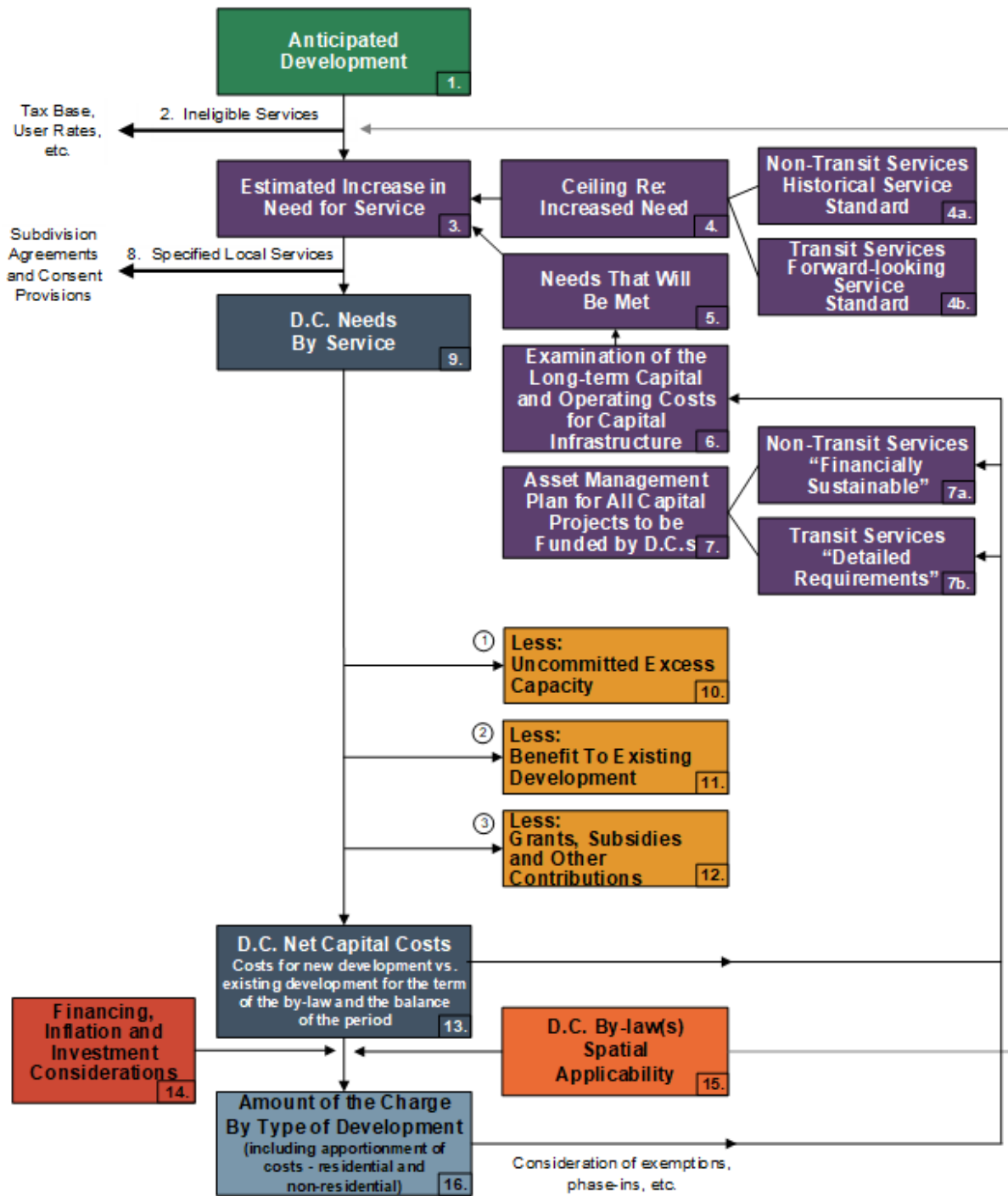




Table 4-1A  
Categories of Municipal Services to be Addressed as Part of the Calculation – Eligibility Legend

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.

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

Categories of Municipal Services	Inclusion in the D.C. Calculation	Service Components
1. Water supply services, including distribution and treatment services	Yes	1.1 Treatment plants
	Yes	1.2 Distribution systems
	No	1.3 Local systems
	No	1.4 Vehicles and equipment <sup>1</sup>
2. Wastewater services, including sewers and treatment services	Yes	2.1 Treatment plants
	Yes	2.2 Sewage trunks
	No	2.3 Local systems
	No	2.4 Vehicles and equipment <sup>1</sup>
3. Stormwater Drainage and Control Services	No	3.1 Main channels and drainage trunks
	No	3.2 Channel connections
	No	3.3 Retention/detention ponds

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<sup>1</sup> with a 7+ year useful life



Categories of Municipal Services	Inclusion in the D.C. Calculation	Service Components
4. Services Related to a Highway	No	4.1 Arterial roads
	No	4.2 Collector roads
	No	4.3 Bridges, Culverts and Roundabouts
	No	4.4 Local municipal roads
	No	4.5 Traffic signals
	No	4.6 Sidewalks and streetlights
	No	4.7 Active Transportation
	No	4.8 Works Yard
	No	4.9 Rolling stock <sup>1</sup>
5. Electrical Power Services	n/a	5.1 Electrical substations
	n/a	5.2 Electrical distribution system
	n/a	5.3 Electrical system rolling stock <sup>1</sup>
6. Transit Services	n/a	6.1 Transit vehicles <sup>1</sup> & facilities
	n/a	6.2 Other transit infrastructure
7. Waste Diversion Services	n/a	7.1 Waste diversion facilities
	n/a	7.2 Waste diversion vehicles and equipment <sup>1</sup>
8. Policing Services	n/a	8.1 Police detachments
	n/a	8.2 Police rolling stock <sup>1</sup>
	n/a	8.3 Small equipment and gear
9. Fire Protection Services	No	9.1 Fire stations
	No	9.2 Fire Vehicles <sup>1</sup>
	No	9.3 Fire Equipment and gear
10. Ambulance Services	No	10.1 Ambulance station space
	No	10.2 Vehicles <sup>1</sup>
11. Services provided by a board within the meaning of the <i>Public Libraries Act</i>	No	11.1 Public library space (incl. furniture and equipment)
	n/a	11.2 Library vehicles <sup>1</sup>
	No	11.3 Library materials
12. Services Related to Long-Term Care	n/a	12.1 Long-Term Care space
	n/a	12.2 Vehicles <sup>1</sup>

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<sup>1</sup> with a 7+ year useful life



Categories of Municipal Services	Inclusion in the D.C. Calculation	Service Components
13. Parks and Recreation Services	Ineligible  No No No  No	13.1 Acquisition of land for parks, woodlots, and E.S.A.s 13.2 Development of municipal parks 13.3 Parks rolling stock <sup>1</sup> and yards 13.4 Facilities, such as arenas, indoor pools, fitness facilities, community centres, etc. 13.5 Recreation vehicles and equipment <sup>1</sup>
14. Services Related to Public Health	n/a n/a	14.1 Public Health department space 14.2 Public Health department vehicles <sup>1</sup>
15. Child Care and Early Years Programs and Services within the meaning of Part VI of the <i>Child Care and Early Years Act, 2014</i> and any related services.	n/a n/a	15.1 Childcare space 15.2 Vehicles <sup>1</sup>
16. Services related to proceedings under the <i>Provincial Offences Act, including by-law enforcement services and municipally administered court services</i>	No  No	16.1 P.O.A. space, including by-law enforcement and municipally administered court services 16.2 Vehicles <sup>1</sup>
17. Services Related to Emergency Preparedness	No No	17.1 Emergency Preparedness Space 17.2 Equipment
18. Services Related to Airports	n/a  Ineligible	18.1 Airports (in the Regional Municipality of Waterloo) 18.2 Other Airports
19. Other	Yes	19.1 Interest on money borrowed to pay for growth-related capital

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<sup>1</sup> with a 7+ year useful life



## 4.4 Local Service Policy

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

## 4.5 Capital Forecast

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

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

The capital costs include:

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

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



## 4.6 Treatment of Credits

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Section 8, paragraph 5, of O. Reg. 82/98 indicates that a D.C. background study must set out “the estimated value of credits that are being carried forward relating to the service.” Subsection 17, paragraph 4, of the same regulation indicates that, “...the value of the credit cannot be recovered from future D.C.s,” if the credit pertains to an ineligible service. This implies that a credit for eligible services can be recovered from future D.C.s. As a result, this provision should be made in the calculation, in order to avoid a funding shortfall with respect to future service needs. Currently there are no outstanding credits to be included in the D.C. calculations.

## 4.7 Classes of Services

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Section 7 of the D.C.A. states that a D.C. by-law may provide for any D.C. eligible service or the capital costs with respect to those services. Further, a class may be composed of any number or combination of services and may include parts or portions of each D.C. eligible services. With respect to growth-related studies, section 7(3) of the D.C.A. states that:

“For greater certainty, a development charge by-law may provide for a class consisting of studies in respect of any service listed in subsection 2 (4) whose capital costs are described in paragraphs 5 and 6 of subsection 5 (3)”.

These provisions allow for services to be grouped together to create a class for the purposes of the D.C. by-law and D.C. reserve funds. The D.C. calculations and draft by-law provided herein do not include a class of service.

## 4.8 Eligible Debt and Committed Excess Capacity

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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.

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 development charges or other similar charges. For example, this may have been done as part of previous development charge processes. As Council passed by-laws intending to recover the capital costs for wastewater services projects Northwest Quadrant Pump Station and Forcemain and Principale St. Sanitary Sewer, this represents a reasonable expression of Council committing this excess capacity for recovery under the development charges by-law.

In this regard, the D.C. capital program contained in Chapter 5 includes debt payments for capital growth needs where financing has and/or will be required to cashflow all or a portion of the costs. These financing costs have been included on a net present value basis to reflect anticipated indexing of the D.C.

## 4.9 Existing Reserve Funds

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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 7 of subsection 5 (1).”

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

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

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



The Municipality's projected D.C. reserve fund balance, by service as of December 31, 2022, is shown below:

Table 4-2  
Projected Development Charge Reserve Fund Balances  
Water and Wastewater Services  
As of December 31, 2022

Reserve Funds	Closing Balance (Dec. 31, 2021)	DC Proceeds	Interest	Transfers Out to Capital	Transfers Out to Operating (Re Debt)	Closing Balance (Dec. 31, 2022)
Wastewater Services	\$1,443,873	\$476,384	\$12,398	\$234,978	\$959,721	\$737,956
Water Services	\$577,618	\$456,715	\$6,678	\$517,991	\$0	\$523,020
<b>Total Urban Wide Services</b>	<b>\$2,021,491</b>	<b>\$933,099</b>	<b>\$19,076</b>	<b>\$752,969</b>	<b>\$959,721</b>	<b>\$1,260,976</b>

## 4.10 Deductions

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

- the level of service ceiling;
- uncommitted excess capacity;
- benefit to existing development; and
- anticipated grants, subsidies, and other contributions.

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

### **4.10.1 Reduction Required by Level of Service Ceiling**

This is designed to ensure that the increase in need included in 3.3 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 15-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."

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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).

It is noted that for water and wastewater services, other legislation dictates the level of service to be provided for new infrastructure, therefore, a historic service standard calculation is not required.

#### ***4.10.2 Reduction for Uncommitted Excess Capacity***

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

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

#### ***4.10.3 Reduction for Benefit to Existing Development***

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

- the 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 service cap in section 3.10.1 is related but is not the identical requirement. Sanitary, storm, and water trunks are highly localized to growth areas and can be more readily allocated in this regard than other services such as services related to a highway, which do not have a fixed service area.

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

In the case of services such as recreation facilities, community parks, libraries, etc., the service is typically provided on a Municipal-wide system basis. For example, facilities of the same type may provide different services (i.e., leisure pool vs. competitive pool), different programs (i.e., hockey vs. figure skating), and different time availability for the same service (i.e., leisure skating available on Wednesdays in one arena and Thursdays 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 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.

#### ***4.10.4 Reduction for Anticipated Grants, Subsidies and Other Contributions***

This step involves reducing the capital costs necessary to provide the increased services by capital grants, subsidies, and other contributions (including direct developer contributions required due to the local service policy) made or anticipated by Council and in accordance with various rules such as the attribution between the share related



to new vs. existing development. That is, some grants and contributions may not specifically be applicable to growth or where Council targets fundraising as a measure to offset impacts on taxes (O. Reg. 82/98, section 6).

## **4.11 Municipal-wide vs. Area Rating**

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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 7.3.8

## **4.12 Allocation of Development**

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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.

## **4.13 Asset Management**

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

## **4.14 Mandatory Phase-in of a D.C.**

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For all D.C. by-laws passed after January 1, 2022, the charge must be phased-in relative to the maximum charge that could be imposed under the by-law. The phase-in for the first 5-years that the by-law is in force, is as follows:



- Year 1 - 80% of the maximum charge;
- Year 2 – 85% of the maximum charge;
- Year 3 – 90% of the maximum charge;
- Year 4 – 95% of the maximum charge; and
- Year 5 to expiry – 100% of the maximum charge.

## 4.15 Mandatory Discount for Rental Housing Development

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For all rental housing developments that are subject to D.C.s, where a by-law is passed after November 28, 2022, the charge is discounted for the rental housing development relative to the maximum charge that could be imposed under the by-law. The amount of the discount is dependant on the number of bedrooms in each unit, as follows:

- Residential units intended for use as a rented residential premises with three (3) or more bedrooms – 25% discount.
- Residential units intended for use as a rented residential premises with two (2) bedrooms – 20% discount.
- Residential units intended for use as a rented residential premises not referred to 1) or 2) above – 15% discount.



# Chapter 5

## Development Charge Eligible Cost Analysis by Service



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

### 5.1 Introduction

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This chapter outlines the basis for calculating eligible costs for the D.C.s for water and wastewater services to be applied on a municipal service area basis. In each case, the required calculation process set out in subsection 5 (1) paragraphs 2 to 7 in the D.C.A. and described in Chapter 4 was followed in determining D.C. eligible costs.

J.L. Richards is currently undertaking a Water and Wastewater Infrastructure Master Plan, of which the Phase 1 Draft Report, dated March 13, 2023, was available at the time of undertaking this D.C. study. The Master Plan analyzes the capacity of the existing communal water and sanitary systems for current and projected growth flows. Phase 2 of the Master Planning process, currently underway, will include modelling the water and wastewater systems to identify needs for future development. As such, the capital needs included in this D.C. study relies on the capital infrastructure identified in the 2018 D.C. background study, which relied on the capital costs contained in the “Water and Sewer System Growth-Related Needs Study” (Needs Study), prepared by Morrison Hershfield Limited. For the purposed of this D.C. background study these needs and capital cost estimates have been updated to reflect actual costs for project undertaken and indexed estimates from the 2018 D.C. background study.

The nature of the capital projects and timing identified in the Chapter reflects Council’s current intention. Over time, however, Municipal projects and Council priorities change; accordingly, Council’s intentions may alter, and different capital projects (and timing) may be necessary to meet the need for services required by new growth. Changes such as these will be identified in the Phase 2 Master Planning process.





## 5.2 Service Levels and Buildout Capital Costs for Water and Wastewater Services D.C. Calculation

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This section evaluates the development-related capital requirements for water and wastewater services within the service areas, over the forecast period (2023-2037).

### 5.2.1 Wastewater Services

In April of 2018, the Needs Study considered the components of the wastewater and sanitary systems affected by system growth over the forecast period therein. These components included sewage treatment lagoons, sewage lift stations and pump stations, and trunk sewers (main sewer run from south of Highway 417 to Pump Station 1, and main sewer run from northwest extent of Village to Pump Station 6). The analysis measured service capacity of these components over the period to 2013, where utilization of linear infrastructure or pumping stations exceed 80% of capacity, upgrades were proposed. This approach ensures that sufficient time is available to design and construct upgrades and maintains a margin of reserve capacity at all times. Upgrades will typically be sized for ultimate flows, unless a smaller upgrade are warranted (e.g., where a very large increase in capacity will ultimately be required). For treatment plants, upgrades were identified with consideration of the forecast rate of flow increase.

Within the capital program, upgrade design expenditures are scheduled to occur in the year in which the need for upgrade is identified. Construction expenditures are scheduled in the following year.

The wastewater services capital program is summarized in Table 5-1. The proposed program is designed to meet the growth-related increase in capital needs to 2037. In determining the D.C. eligible portion of the capital costs, deductions were made for local services, post period benefits, and benefits to existing development. These deductions were determined as follows:

- Local Service: sanitary sewers of 250mm diameter and smaller and pump stations servicing sanitary sewers of 250mm diameter and smaller;
- Post Period Benefit: the percentage of the capacity of an upgrade (or piece of new infrastructure) which will not be utilized until after 2037; and



- **Benefit to Existing:** the portion of the cost of a project which would be required regardless of growth (e.g., asset renewal).

In addition to the capital cost identified in the Needs Study, financing costs related to projects that have been undertaken over the past five years have been included in the D.C. calculations. In total the gross capital costs for wastewater services over the forecast period total approximately \$16.98 million. As project CC1 (Northwest Quadrant Pump Station and Forcemain) has been completed and funded, the area-specific wastewater charge for developments excluding drainage area 13 is no longer required. Therefore, the outstanding capital costs will be charged on an uniform urban service area-wide basis for all remaining developments connecting to the system.

A deduction has been made to the gross cost of the wastewater program in the amount of approximately \$3.97 million as a local service requirement of the developing landowners. In addition, a deduction of \$5.40 million related to costs that will benefit growth in the post 2037 forecast period has been made (i.e., post period benefit). These capital costs will be considered in future D.C. background studies as the anticipated development period evolves. As projects CC2a (Principale St. Sanitary Sewer) and projects 3a and 3b (Sewage Treatment Lagoon Upgrade) have been complete and debenture financing has been secured, the outstanding principal and interest (discounted) have been included in the calculations. In total the D.C. recoverable capital costs for wastewater services total approximately \$7.60 million.

The growth-related costs have been allocated between residential and non-residential development based on design flow requirements, which results in a 84% allocation to residential and a 16% allocation to non-residential.

### **5.2.2 Water Services**

The Needs Study also considered the components of the water systems affected by growth over the forecast period therein. These components include water treatment plant, water storage (elevated tank), and trunk watermains. The analysis measured service capacity of these components over the period to 2013, where utilization of linear infrastructure or pumping stations exceed 80% of capacity, upgrades were proposed. This approach ensures that sufficient time is available to design and construct upgrades and maintains a margin of reserve capacity at all times. Upgrades will typically be sized



for ultimate flows, unless a smaller upgrade are warranted (e.g., where a very large increase in capacity will ultimately be required). For treatment plants, upgrades were identified with consideration of the forecast rate of flow increase.

Within the capital program, upgrade design expenditures are scheduled to occur in the year in which the need for upgrade is identified. Construction expenditures are scheduled in the following year.

The water services capital program is summarized in Table 5-2. The proposed program is designed to meet the growth-related increase in capital needs to 2037. In determining the D.C. eligible portion of the capital costs, deductions were made for local services, post period benefits, and benefits to existing development. These deductions were determined as follows:

- Local Service: watermains of 200mm diameter and smaller;
- Post Period Benefit: the percentage of the capacity of an upgrade (or piece of new infrastructure) which will not be utilized until after mid-2037; and
- Benefit to Existing: the portion of the cost of a project which would be required regardless of growth (e.g., asset renewal).

In total the gross capital costs for water services over the forecast period total approximately \$6.24 million. Approximately \$0.95 million in capital costs have been deducted as a local service to be emplaced directly by the developers in the area as a condition of development agreements. A further \$2.07 million has been deducted as a post period benefit, reflecting the anticipated increase in need from future development beyond 2037. These capital costs will be considered in future D.C. background studies as the anticipated development period evolves. A deduction of approximately \$0.90 million has been applied to the capital program reflecting the benefit to existing arising from the capital program.

In total, approximately \$2.06 million has been included in the D.C. calculations for water services. The growth-related costs have been allocated between residential and non-residential development based on design flow requirements, which results in a 77% allocation to residential and a 23% allocation to non-residential.



**Table 5-1  
Infrastructure Costs Covered in the D.C Calculation – Wastewater Services**

Project No.	Name	Description	Phase	Diameter (mm)	Length (m), Flow (l/s) or Capacity (MI)	Year	Gross Capital Cost (2023\$)	Local Service	Post Period Benefit	Benefit to Existing Development	Subsidies and Other Contributions	Grants	Net D.C. Recoverable Cost	D.C. Recoverable Residential Cost Share	D.C. Recoverable Non-Residential Cost Share
CC2a	Sanitary Sewer (outstanding growth-related debt-principal)	Principale St. - Actual Cost		300		2018-2038	\$1,055,592	\$0	\$949,648	\$0	\$0	\$0	\$105,944	\$88,808	\$17,136
CC2a	Sanitary Sewer (growth-related financing-discounted)					2018-2038	\$269,089	\$0	\$254,112	\$0	\$0	\$0	\$14,977	\$12,554	\$2,422
CC2b	Sanitary Sewer	Sarah, Filion, Martin, Maria, Frances Streets		200		2017	\$1,691,430	\$1,691,430	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3a & 3b	Sewage Treatment Lagoon Upgrade (outstanding growth-related debt-principal)	Actual cost	Design & Construction			2023-2049	\$5,747,304	\$0	\$0	\$0	\$0	\$0	\$5,747,304	\$4,817,716	\$929,588
3a & 3b	Sewage Treatment Lagoon Upgrade (growth-related financing-discounted)		Design & Construction			2023-2049	\$535,442	\$0	\$0	\$0	\$0	\$0	\$535,442	\$448,838	\$86,604
5a	Pump Station 1 Upgrade	Capacity increase (pump station upgrade assumed)	Design			Post 2023	\$12,550	\$0	\$8,534	\$0	\$0	\$0	\$4,016	\$3,366	\$650
5b	Pump Station 1 Upgrade		Construction	154.9		Post 2023	\$132,490	\$0	\$90,093	\$0	\$0	\$0	\$42,397	\$35,539	\$6,857
6a	Forcemain for Pump Station 1	Second forcemain	Design	400	1,900	Post 2023	\$207,810	\$0	\$141,311	\$0	\$0	\$0	\$66,499	\$55,743	\$10,756
6b	Forcemain for Pump Station 1		Construction	400	1,900	Post 2023	\$2,071,100	\$0	\$1,408,348	\$0	\$0	\$0	\$662,752	\$555,556	\$107,196
7a	Sanitary sewer (Brisson-Laurier)	Nation View Village development + oversizing	Design			Post 2023	\$103,210	\$82,289	\$6,695	\$0	\$0	\$0	\$14,226	\$11,925	\$2,301
7b	Sanitary sewer (Brisson-Laurier)		Construction	450	450	Post 2023	\$535,560	\$449,089	\$27,671	\$0	\$0	\$0	\$58,800	\$49,290	\$9,511
7c	Sanitary sewer (Brisson-Laurier)		Construction	375	460	Post 2023	\$496,510	\$461,643	\$11,158	\$0	\$0	\$0	\$23,710	\$19,875	\$3,835
9a	Pump Station 2 Upgrade	Capacity increase (pump station replacement assumed due to large	Design			2027	\$117,150	\$117,150	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9b	Pump Station 2 Upgrade		Construction	38.6		2028	\$1,172,930	\$1,172,930	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10a	Pump Station 5 Upgrade	Capacity increase (installation of new pumps)	Design			2027	\$4,180	\$0	\$3,532	\$0	\$0	\$0	\$648	\$543	\$105
10b	Pump Station 5 Upgrade		Construction	28.9		2028	\$36,260	\$0	\$30,640	\$0	\$0	\$0	\$5,620	\$4,711	\$909
12a	Pump Station 7 Upgrade	New pump station to service development south of Hwy 417	Design			2031	\$164,570	\$0	\$150,088	\$0	\$0	\$0	\$14,482	\$12,140	\$2,342
12b	Pump Station 7 Upgrade		Construction	65		2032	\$1,645,720	\$0	\$1,500,897	\$0	\$0	\$0	\$144,823	\$121,399	\$23,424
13a	Sanitary sewer (Hwy 700)	Servicing development south of Hwy 417	Design			2031	\$82,290	\$0	\$67,478	\$0	\$0	\$0	\$14,812	\$12,416	\$2,396
13b	Sanitary sewer (Hwy 700)		Construction	250	804	2032	\$815,890	\$0	\$669,030	\$0	\$0	\$0	\$146,860	\$123,107	\$23,754
15a	Pump Station 6 Upgrade	Capacity increase (installation of new pumps)	Design			2035	\$8,370	\$0	\$7,985	\$0	\$0	\$0	\$385	\$323	\$62
15b	Pump Station 6 Upgrade		Construction	70		2036	\$79,500	\$0	\$75,843	\$0	\$0	\$0	\$3,657	\$3,066	\$591
<b>TOTAL</b>							<b>\$16,984,947</b>	<b>\$3,974,531</b>	<b>\$5,403,061</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,607,355</b>	<b>\$6,376,916</b>	<b>\$1,230,439</b>



**Table 5-2  
Infrastructure Costs Covered in the D.C Calculation – Water Services**

Project No.	Name	Description	Phase	Diameter (mm)	Length (m), Flow (l/s) or Capacity (MI)	Year	Gross Capital Cost (2023\$)	Local Service	Post Period Benefit	Benefit to Existing Development	Subsidies and Other Contributions	Grants	Net D.C. Recoverable Cost	D.C. Recoverable Residential Cost Share	D.C. Recoverable Non-Residential Cost Share
1	Water distribution network modelling	Water tower upgrade requirement and distribution system capacity	Design			Post 2023	\$69,730	\$0	\$0	\$0	\$0	\$0	\$69,730	\$54,035	\$15,695
2a	Water Tower Capacity Upgrade	Second elevated tank	Design			Post 2023	\$188,280	\$0	\$72,888	\$0	\$0	\$0	\$115,392	\$89,419	\$25,973
2b	Water Tower Capacity Upgrade		Construction		1.1	Post 2023	\$1,884,210	\$0	\$729,424	\$0	\$0	\$0	\$1,154,786	\$894,862	\$259,925
4a	Highlift Pump Upgrade	Installation of additional pump (assumed that electrical/building)	Design			Post 2023	\$29,290	\$0	\$7,323	\$0	\$0	\$0	\$21,968	\$17,023	\$4,945
4b	Highlift Pump Upgrade		Construction		19	Post 2023	\$295,670	\$0	\$73,918	\$0	\$0	\$0	\$221,753	\$171,839	\$49,913
8a	Watermain (Brisson-Laurier)	Nation View Village development + oversizing	Design			Post 2023	\$100,420	\$79,499	\$6,695	\$0	\$0	\$0	\$14,226	\$11,024	\$3,202
8b	Watermain (Brisson-Laurier)		Construction		300	910	Post 2023	\$1,005,560	\$871,671	\$42,844	\$0	\$0	\$0	\$91,044	\$70,552
11a	Water Distribution System Upsizing	Capacity increase for main water distribution system	Design			2028	\$145,050	\$0	\$29,381	\$82,288	\$0	\$0	\$33,381	\$25,868	\$7,514
11b	Water Distribution System Upsizing		Construction		300	600	2029	\$1,450,470	\$0	\$295,107	\$820,073	\$0	\$0	\$335,289	\$259,821
14a	Watermain (South of Hwy 417) (funded)	Servicing development south of Hwy 417	Design			2023	\$255,491	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14b	Watermain (South of Hwy 417) (unfunded growth portion)		Construction		300	1,266	2023	\$817,315	\$0	\$817,315	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>							<b>\$6,241,486</b>	<b>\$951,170</b>	<b>\$2,074,894</b>	<b>\$902,361</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,057,569</b>	<b>\$1,594,442</b>	<b>\$463,127</b>



# Chapter 6

## D.C. Calculation



## 6. D.C. Calculation

Tables 6-1 and 6-2 calculate the proposed D.C.s to be imposed for water and wastewater services, respectively, based on anticipated development in the municipally serviced area over the forecast period to 2037. The D.C. eligible costs for each capital project are provided in Chapter 5 for water and wastewater services.

The calculation for residential development is generated on a per capita basis and is based upon four forms of housing types (single and semi-detached, apartments 2+ bedrooms, bachelor and 1-bedroom apartments, and all other multiples). The total residential cost share for the service is divided by the “gross” (new resident) population to determine the per capita amount. The cost per capita is then multiplied by the average occupancy of the new units (Appendix A) to calculate the charge by dwelling unit type for each service.

The non-residential (e.g., commercial, industrial, and institutional development) D.C.s have been calculated on a per sq.m of G.F.A. basis. The total non-residential cost share for the service is divided by the anticipated non-residential G.F.A. of development over the planning period to calculate a charge per sq.m of G.F.A. for each service.

Table 6-3 summarizes the calculated maximum D.C.s that could be imposed by Council by residential dwelling unit type and sq.m of non-residential G.F.A. Table 6-4 summarizes the gross capital expenditures and sources of revenue for works anticipated to be undertaken during the ten-year life of the D.C. by-law. Tables 6-5 and 6-6 compare the Municipality’s existing D.C.s for water and wastewater services to the charges calculated herein, for a single detached residential unit and per sq.m of G.F.A. for non-residential development, respectively.

The calculated charges for a single detached residential dwelling unit represent an increase of \$1,873, or an increase of 16%. The calculated charges for non-residential development represent an increase of \$9.88 per sq.m of G.F.A., or an increase of 27%. It should be noted that this represents the increase relative to the full calculated amount. The D.C.A. requires the charges to be phased-in over the first 5-years of the by-law. Relative to the first year of the by-law, the calculated charges would represent a reduction for single detached residential of \$845 per unit (i.e. reduction of 7%) and a smaller increase for non-residential of \$0.61 per sq.m (i.e. increase of 2%).



Table 6-1  
Development Charge Calculation  
Water Services

Development Charge Calculation for Water Services	2023\$ D.C.- Eligible Cost - Residential (S.D.U.)	2023\$ D.C.- Eligible Cost - Non-Residential (G.F.A./sq.m)
Total Growth-related Costs	\$1,594,442	\$463,127
Less: 2022 D.C. Reserve Fund Year-End Balance	-\$405,296	-\$117,724
<b>Net Growth-Related Costs</b>	<b>\$1,189,146</b>	<b>\$345,403</b>
Incremental Population/G.F.A. (sq.m)	1,152	31,411
D.C. per Capita	\$1,032	
<b>D.C. per S.D.U./sq.m of G.F.A.</b>	<b>\$2,911</b>	<b>\$11.00</b>

Table 6-2  
Development Charge Calculation  
Wastewater Services

Development Charge Calculation for Wastewater Services	2023\$ D.C.- Eligible Cost - Residential (S.D.U.)	2023\$ D.C.- Eligible Cost - Non-Residential (G.F.A./sq.m)
Total Growth-related Costs	\$6,376,916	\$1,230,439
Less: 2022 D.C. Reserve Fund Year-End Balance	-\$618,597	-\$119,360
<b>Net Growth-Related Costs</b>	<b>\$5,758,319</b>	<b>\$1,111,080</b>
Incremental Population/G.F.A. (sq.m) <sup>1</sup>	1,547	31,411
D.C. per Capita	\$3,723	
<b>D.C. per S.D.U./sq.m of G.F.A.</b>	<b>\$10,499</b>	<b>\$35.37</b>

<sup>1</sup> Incremental population growth includes existing properties currently on private services anticipated to connect to the wastewater system





**Table 6-3**  
**Schedule of Development Charges**  
**Water and Wastewater Services**

Service	Residential				Non-Residential
	Single and Semi-Detached Dwellings	Apartments - 2 Bedrooms and Larger	Apartments - Bachelor and 1 Bedroom	Other Multiples	Per sq.m of G.F.A.
Wastewater Services	\$10,499	\$6,243	\$4,620	\$8,627	\$35.37
Water Services	\$2,911	\$1,731	\$1,281	\$2,392	\$11.00
<b>Total - Water and Wastewater Services</b>	<b>\$13,410</b>	<b>\$7,975</b>	<b>\$5,900</b>	<b>\$11,019</b>	<b>\$46.37</b>

**Table 6-4**  
**Gross Expenditure and Sources of Revenue Summary for Costs to be Incurred over the**  
**Life of the By-law**  
**Water and Wastewater Services**

Service/Class	Total Gross Cost	Sources of Financing					
		Tax Base or Other Non-D.C. Source		Other Funding	Post D.C. Period Benefit	D.C. Reserve Fund	
		Other Deductions	Benefit to Existing			Residential	Non-Residential
1. Wastewater Services							
1.1 Treatment plants & Sewers	\$6,499,680	\$1,952,094	\$0	\$0	\$3,634,698	\$765,235	\$147,654
2. Water Services							
2.1 Treatment, storage and distribution systems	\$3,977,627	\$634,114	\$902,361	\$0	\$946,549	\$1,158,191	\$336,412
<b>Total Expenditures &amp; Revenues</b>	<b>\$10,477,307</b>	<b>\$2,586,208</b>	<b>\$902,361</b>	<b>\$0</b>	<b>\$4,581,246</b>	<b>\$1,923,426</b>	<b>\$484,066</b>

**Table 6-5**  
**Development Charge Rate Comparison**  
**Residential Single Detached Unit**  
**Water and Wastewater Services**

Service	Current D.C.	Full Calculated D.C.	Year 1 of D.C. By-law
<b>Urban Services</b>			
Wastewater Services	\$8,365	\$10,499	\$8,399
Water Services	\$3,208	\$2,911	\$2,329
<b>Total Urban Services</b>	<b>\$11,573</b>	<b>\$13,410</b>	<b>\$10,728</b>
<b>Difference vs. Current (\$)</b>		<b>\$1,837</b>	<b>-\$845</b>
<b>Difference vs. Current (%)</b>		<b>16%</b>	<b>-7%</b>



Table 6-6  
Development Charge Rate Comparison  
Non-Residential per Square Meter of Gross Floor Area  
Water and Wastewater Services

<b>Service</b>	<b>Current D.C.</b>	<b>Full Calculated D.C.</b>	<b>Year 1 of D.C. By-law</b>
<b>Urban Services</b>			
Wastewater Services	\$27.02	\$35.37	\$28.30
Water Services	\$9.47	\$11.00	\$8.80
<b>Total Urban Services</b>	<b>\$36.49</b>	<b>\$46.37</b>	<b>\$37.10</b>
<b>Difference vs. Current (\$)</b>		<b>\$9.88</b>	<b>\$0.61</b>
<b>Difference vs. Current (%)</b>		<b>27%</b>	<b>2%</b>



# Chapter 7

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



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

### 7.1 Introduction

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This chapter outlines the D.C. policy recommendations and by-law rules. The rules provided are based on the existing policies, along with new policies that are required due to recent changes in the D.C.A.

Subsection 5 (1) 9 of the D.C.A. states that rules must be developed:

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

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

Subsection 5 (6) establishes the following restrictions on the rules:

- the total of all D.C.s that would be imposed on anticipated development must not exceed the capital costs determined under subsection 5 (1) 2-7 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;
- 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; and
- with respect to the “rules”, subsection 6 states that a D.C. by-law must expressly address the matters referred to above re s.s.5(1) paragraphs 9 and 10, as well as how the rules apply to the redevelopment of land.



## 7.2 D.C. By-law Structure

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### It is recommended that:

- The Municipality impose a uniform municipal development charge calculation for water and wastewater services, applicable to development within the municipal urban service area; and
- Separate development charge by-laws be adopted for water services and wastewater services, respectively.

## 7.3 D.C. By-law Rules

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

### It is recommended that the following provides 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 subsection 50 (7) of the *Planning Act* applies;
- (d) the approval of a plan of subdivision under section 51 of the *Planning Act*;
- (e) a consent under section 53 of the *Planning Act*;
- (f) the approval of a description under section 9 of the *Condominium Act*, 1998; or
- (g) the issuing of a permit under the *Building Code Act*, 1992 in relation to a building or structure.



### **7.3.2 Determination of the Amount of the Charge**

The following conventions be adopted:

- 1) Costs allocated to residential uses will be assigned to different types of residential units based on the average occupancy for each housing type constructed during the previous decade. Costs allocated to non-residential uses will be assigned based on the amount of square feet of G.F.A. constructed for eligible uses (i.e., industrial, commercial, and institutional).
- 2) Costs allocated to residential and non-residential uses are based upon the conventions summarized in Chapter 5 herein (i.e., design flows), as follows:
  - For Water Services, the costs have been based on a population vs. employment ratio (77%/23%) growth over the urban buildout forecast period; and
  - For Wastewater Services, the costs have been based on a population vs. employment ratio (84%/16%) growth over the urban buildout forecast period.

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

Where, as a result of the redevelopment of land, a building or structure existing on the same land within five years prior to the date of payment of D.C.s in regard to such redevelopment was, or is to be demolished, in whole or in part, or converted from one principal use to another principal use on the same land, in order to facilitate the redevelopment, the D.C.s otherwise payable with respect to such redevelopment shall be reduced by the following amounts:

- 1) the number of dwelling units demolished/converted multiplied by the applicable residential development charge in place at the time the development charge is payable;
- 2) the G.F.A of the building demolished/converted multiplied by the current non-residential development charge in place at the time the development charge is payable.

The demolition/conversion credit is allowed only if the land was improved by occupied structures, and if the demolition permit related to the site was issued less than 60 months (5 years) prior to the issuance of a building permit.



The credit can, in no case, exceed the amount of development charges that would otherwise be payable.

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

a) Statutory exemptions include the following:

- Partial exemption for industrial building additions of up to and including 50% of the existing G.F.A. (defined in O. Reg. 82/98, section 1) of the building; for industrial building additions that exceed 50% of the existing G.F.A., only the portion of the addition in excess of 50% is subject to D.C.s (subsection 4 (3) of the D.C.A.);
- Full exemption for buildings or structures owned by and used for the purposes of any municipality, local board, or Board of Education;
- Full exemption for additional residential development in existing buildings: development that results only in the enlargement of an existing dwelling unit, or that results only in the creation of up to two additional dwelling units (based on prescribed limits set out in section 2 of O. Reg. 82/98);
- Full exemption for additional residential development in new dwellings: development that includes the creation of up to two additional dwelling units (based on prescribed limits set out in section 2 of O. Reg. 82/98); and
- Full exemption for a university in Ontario that receives direct, regular, and ongoing operating funding from the Government of Ontario;
- Full exemption for affordable units, attainable units, affordable inclusionary zoning units, and non-profit housing developments (once proclaimed); and
- Partial exemption through a discount for rental housing units based on bedroom size as prescribed (i.e., three or more bedrooms - 25% discount, two bedrooms - 20% discount, and all others - 15% discount).

b) Non-statutory exemptions included for consideration in the draft by-laws include:

- The development of a non-residential farm building used for Bona Fide Farm Uses;
- A cemetery and burial ground exempt from taxation under section 3 of the Assessment Act; and
- Development creating or adding an accessory use or structure not exceeding 10 square meters of non-residential gross floor area.



### **7.3.5 Phasing in**

As required by the *More Homes Built Faster Act*, the calculated D.C. will be phased-in over a five-year period as follows:

- Year 1 - 80% of the maximum charge;
- Year 2 - 85% of the maximum charge;
- Year 3 - 90% of the maximum charge;
- Year 4 - 95% of the maximum charge; and
- Year 5 to expiry - 100% of the maximum charge.

### **7.3.6 Timing of Collection**

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

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

Installment payments and payments determined at the time of Site Plan or Zoning By-law Amendment application are subject to annual interest charges. The maximum interest rate the Municipality can impose is the average prime rate plus 1%.

### **7.3.7 Indexing**

Indexing of the D.C.s shall be implemented on a mandatory basis annually commencing on anniversary date of the by-law beginning in 2024, and each anniversary date thereafter, in accordance with the Statistics Canada Quarterly, Non-Residential Building Construction Price Index (Table 18-10-0135-01)<sup>1</sup> for the most recent year-over-year period.

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<sup>1</sup> O. Reg. 82/98 referenced “The Statistics Canada Quarterly, Construction Price Statistics, catalogue number 62-007” as the index source. Since implementation,





### **7.3.8 D.C Spatial Applicability**

The D.C.A. historically has provided the opportunity for a municipality to impose municipal-wide charges or area specific charges. Sections 2(7) and 2(8) of the D.C.A. provide that a D.C. by-law may apply to the entire municipality or only part of it and more than one D.C. by-law may apply to the same area. The D.C.A. now require municipalities to consider the application of municipal-wide and area-specific D.C.s. s.10(2)(c.1) requires Council to consider the use of more than one D.C. by-law to reflect different needs from services in different areas. Most municipalities in Ontario have established uniform, municipal-wide D.C.s. When area-specific charges are used, it is generally to underpin master servicing and front-end financing arrangements for more localized capital costs.

The rationale for maintaining a municipal-wide D.C. approach is based, in part, on the following:

- 1) All Municipal services, with the exception of water and wastewater, require that the average 15-year service standard be calculated. This average service standard multiplied by growth in the Municipality, establishes an upper ceiling on the amount of funds that can be collected from all developing landowners. Section 4 (4) of O. Reg. 82/98 provides that “if a development charge by-law applies to a part of the municipality, the level of service and average level of service cannot exceed that which would be determined if the by-law applied to the whole municipality.” Put in layman terms, the average service standard multiplied by the growth within the specific area would establish an area-specific ceiling which would significantly reduce the total revenue recoverable for the Municipality hence potentially resulting in D.C. revenue shortfalls and impacts on property taxes.
- 2) Expanding on item 1, attempting to impose an area charge potentially causes equity issues in transitioning from a Municipal-wide approach to an area-specific approach. For example, if all services were now built (and funded) within Area A (which is 75% built out) and this was funded with some revenues from Areas B and C, moving to an area-rating approach would see Area A contribute no funds

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Statistics Canada has modified this index twice and the above-noted index is the most current. The draft by-laws provided herein refers to O. Reg. 82/98 to ensure traceability should this index continue to be modified over time.

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to the costs of services in Areas B and C. The D.C.s would be lower in Area A (as all services are now funded) and higher in Areas B and C. As well, funding shortfalls may then potentially encourage the municipality to provide less services to Areas B and C due to reduced revenue.

- 3) Many services provided (roads, parks & recreation facilities) are not restricted to one specific area and are often used by all residents. For example, arenas located in different parts of the Municipality will be used by residents from all areas depending on the programming of the facility (i.e., a public skate is available each night, but at a different arena; hence usage of any one facility at any given time is based on programming availability).

Based on the foregoing, the water and wastewater services will continue to be provided on an area-specific basis. The recommendation is to apply urban-wide D.C.s for water and wastewater services.

## 7.4 Other D.C. By-law Provisions

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It is recommended that:

### ***7.4.1 Categories of Services for Reserve Fund and Credit Purposes***

It is recommended that the Municipality's urban area D.C. collections be contributed into two (2) separate reserve funds, including:

- Water Services; and
- Wastewater Services.

### ***7.4.2 By-law In-force Date***

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

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

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



## 7.5 Other Recommendations

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### 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;”

“Adopt the D.C. approach to calculate the water and wastewater charges on an area-specific basis, applicable within the urban service area only;”

“Approve the capital project listing set out in Chapter 5 of the D.C. Background Study dated April 28, 2023, subject to further annual review during the capital budget process;”

“Approve the D.C. Background Study dated April 28, 2023, as amended (if applicable);”

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

“Approve the D.C. By-laws as set out in Appendices F and G.”



# Chapter 8

## By-law Implementation



## 8. By-law Implementation

### 8.1 Public Consultation Process

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#### **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 8.2 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 Ontario Land Tribunal (OLT) (formerly the Local Planning Appeal Tribunal (LPAT)).

#### **8.1.3 Other Consultation Activity**

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

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



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

2. The second public grouping embraces the public at large and includes taxpayer coalition groups and others interested in public policy.
3. The third grouping is the industrial/commercial/institutional/primary 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, institutional buildings, and buildings on agricultural lands. Also involved are organizations such as Industry Associations, the Chamber of Commerce, the Board of Trade, and the Economic Development Agencies, who are all potentially interested in Municipal D.C. policy. Their primary concern is frequently with the quantum of the charge, G.F.A 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

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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 housing prices and can impact project feasibility in some cases (e.g., rental apartments).

On the other hand, D.C.s or other municipal 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

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### 8.3.1 Introduction

Once the Municipality has calculated the charge, prepared the complete background study, carried out the public process and passed a new by-law, the emphasis shifts to implementation matters. These include notices, potential appeals and complaints, credits, front-ending agreements, subdivision agreement conditions and finally the collection of revenues and funding of projects.

The sections that follow present an overview of the requirements in each case.

### 8.3.2 Notice of Passage

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

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

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

### 8.3.3 By-law Pamphlet

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

- a description of the general purpose of the D.C.s;
- the "rules" for determining if a charge is payable in a particular case and for determining the amount of the charge;



- the services to which the D.C.s relate; and
- a description of the general purpose of the Treasurer's statement and where it may be received by the public.

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

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

### **8.3.4 Appeals**

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

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

### **8.3.5 Complaints**

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

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

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





### **8.3.6 Credits**

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

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

### **8.3.7 Front-Ending Agreements**

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

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

### **8.3.8 Severance and Subdivision Agreement Conditions**

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

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

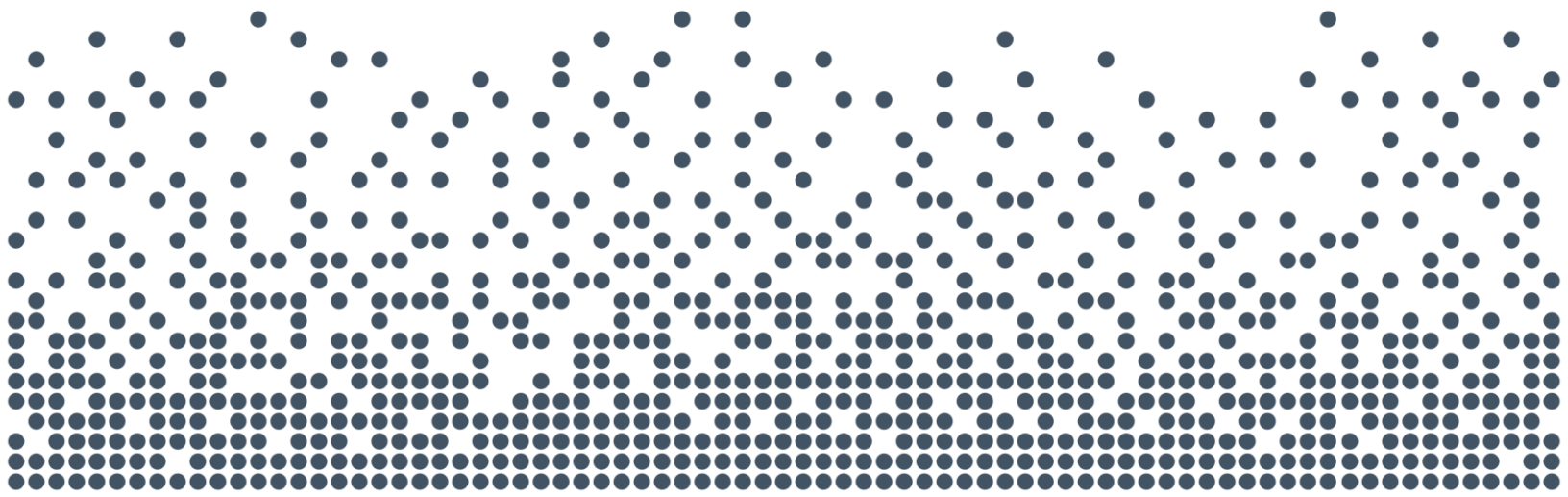


It is also noted that subsection 59 (4) of the D.C.A. requires that the municipal approval authority for a draft plan of subdivision under subsection 51 (31) of the Planning Act, use its power to impose conditions to ensure that the first purchaser of newly subdivided land is informed of all the D.C.s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

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

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

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



# Appendices



# Appendix A

## Background Information on Residential and Non- Residential Growth Forecast



## Schedule 1 Municipality of Casselman Residential Growth Forecast Summary

	Year	Population (Including Census Undercount) <sup>[1]</sup>	Excluding Census Undercount			Housing Units					Person Per Unit (P.P.U.): Total Population/ Total Households	
			Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi- Detached	Multiple Dwellings <sup>[2]</sup>	Apartments <sup>[3]</sup>	Other	Total Households		Equivalent Institutional Households
Historical	Mid 2011	3,730	3,626	126	3,500	1,024	184	224	0	1,432	115	2.532
	Mid 2016	3,650	3,548	113	3,435	1,015	235	175	0	1,425	103	2.490
	Mid 2021	4,070	3,960	175	3,785	1,150	240	190	0	1,580	159	2.506
Forecast	Mid 2023	4,400	4,277	189	4,088	1,260	240	210	0	1,710	172	2.501
	Mid 2037	5,200	5,058	228	4,830	1,571	326	288	0	2,185	207	2.315
	Mid 2046	5,820	5,663	238	5,425	1,703	389	358	0	2,450	216	2.311
Incremental	Mid 2011 - Mid 2016	-80	-78	-13	-65	-9	51	-49	0	-7	-12	
	Mid 2016 - Mid 2021	420	412	62	350	135	5	15	0	155	56	
	Mid 2021 - Mid 2023	330	317	14	303	110	0	20	0	130	13	
	Mid 2023 - Mid 2037	800	781	39	742	311	86	78	0	475	35	
	Mid 2023 - Mid 2046	1,420	1,386	49	1,337	443	149	148	0	740	44	

<sup>[1]</sup> Population includes the Census undercount estimated at approximately 2.7% and has been rounded.

<sup>[2]</sup> Includes townhouses and apartments in duplexes.

<sup>[3]</sup> Includes bachelor, 1-bedroom, and 2-bedroom+ apartment units.

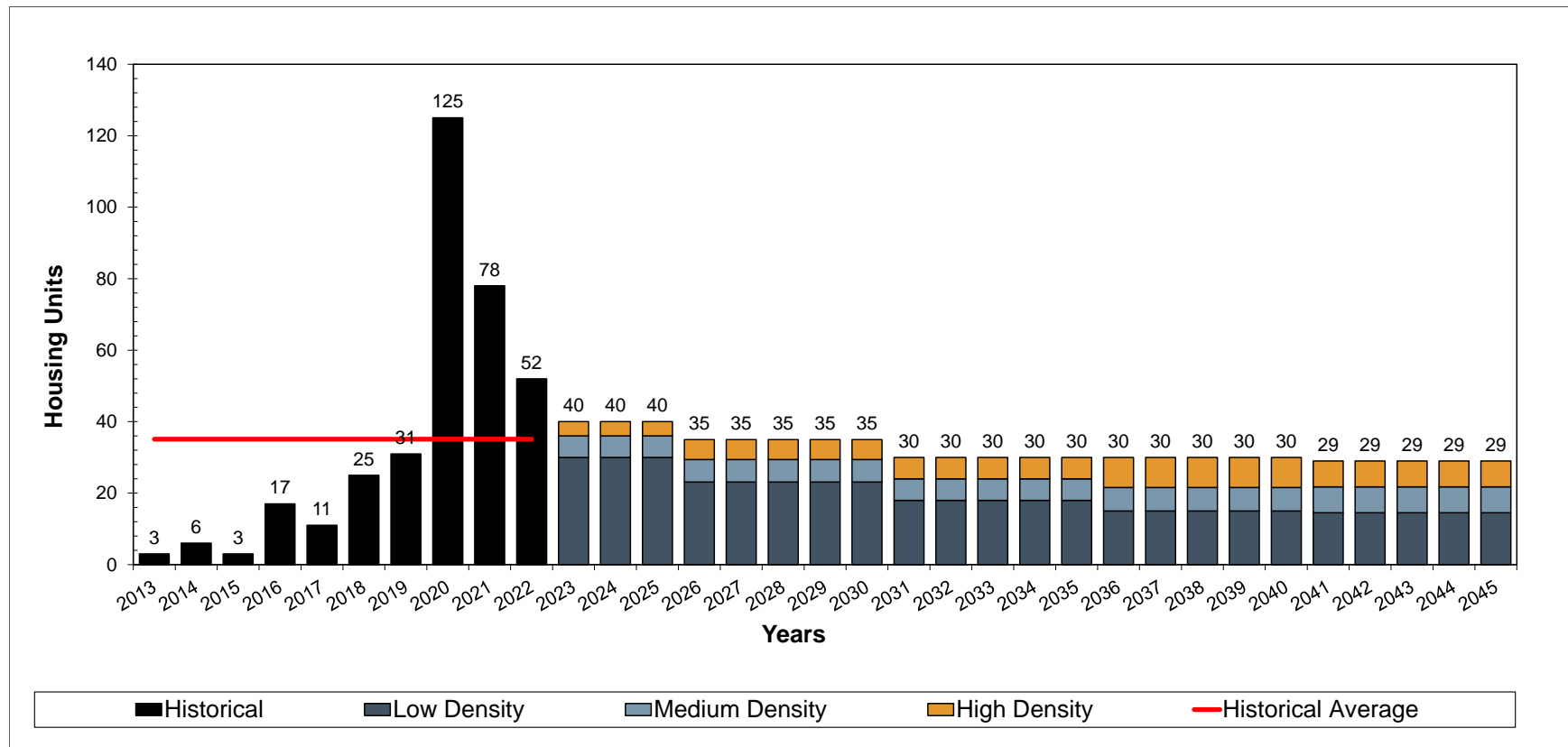
**Notes:**

Numbers may not add precisely due to rounding.

Source: Derived from the United Counties of Prescott and Russell Growth Management Strategy Update, March 30, 2022, Hemson Consulting Ltd., for the Municipality of Casselman and discussions with municipal staff regarding servicing and land supply by Watson & Associates Economists Ltd



Figure A-1  
Municipality of Casselman  
Annual Housing Forecast



[1] Growth forecast represents calendar year.

Source: Historical 2013 to 2022 housing activity derived from Municipality of Casselman data, by Watson & Associates Economists Ltd



**Schedule 2**  
**Municipality of Casselman**  
**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 <sup>[1]</sup>	Apartments <sup>[2]</sup>	Total Residential Units	Gross Population In New Units	Existing Unit Population Change	Net Population Increase, Excluding Institutional	Institutional Population	Net Population Including Institutional
Northwest Quadrant	2023 - 2037	168	28	29	225	562	(31)	531	3	534
	2023 - 2046	236	67	34	337	840	(30)	810	4	814
Outside Northwest Quadrant	2023 - 2037	143	58	49	250	591	(379)	212	36	248
	2023 - 2046	207	82	114	403	917	(390)	527	45	572
Municipality of Casselman	2023 - 2037	311	86	78	475	1,152	(410)	742	39	781
	2023 - 2046	443	149	148	740	1,758	(420)	1,338	49	1,386

<sup>[1]</sup> Includes townhouses and apartments in duplexes.

<sup>[2]</sup> Includes bachelor, 1-bedroom, and 2-bedroom+ apartment units.

Source: Watson & Associates Economists Ltd.



Schedule 3  
Municipality of Casselman  
Current Year Growth Forecast  
Mid 2021 to Mid 2023

		Population
Mid 2021 Population		3,960
Occupants of New Housing Units, Mid 2021 to Mid 2023	<i>Units (2)</i>	130
	<i>multiplied by P.P.U. (3)</i>	2,524
	<i>gross population increase</i>	328
Occupants of New Equivalent Institutional Units, Mid 2021 to Mid 2023	<i>Units</i>	13
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	14
Decline in Housing Unit Occupancy, Mid 2021 to Mid 2023	<i>Units (4)</i>	1,580
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.016
	<i>total decline in population</i>	-25
Population Estimate to Mid 2023		4,277
<i>Net Population Increase, Mid 2021 to Mid 2023</i>		317

- (1) 2021 population based on Statistics Canada Census unadjusted for Census undercount.
- (2) Estimated residential units constructed, Mid-2021 to the beginning of the growth period assuming a six-month lag between construction and occupancy.
- (3) Average number of persons per unit (P.P.U.) is assumed to be:

Structural Type	Persons Per Unit <sup>[1]</sup> (P.P.U.)	% Distribution of Estimated Units <sup>[2]</sup>	Weighted Persons Per Unit Average
<i>Singles &amp; Semi Detached</i>	2.700	85%	2.285
<i>Multiples (6)</i>	2.000	0%	0.000
<i>Apartments (7)</i>	1.554	15%	0.239
Total		100%	2.524

<sup>[1]</sup> Based on 2021 Census custom database

<sup>[2]</sup> Based on building permit/completion activity

- (4) 2021 households taken from Statistics Canada Census.
- (5) Decline occurs due to aging of the population and family life cycle changes, lower fertility rates and changing economic conditions.
- (6) Includes townhouses and apartments in duplexes.
- (7) Includes bachelor, 1-bedroom and 2-bedroom+ apartments.

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





**Schedule 4  
Municipality of Casselman  
Mid 2023 to Mid 2037**

		Population
<b>Mid 2023 Population</b>		<b>4,277</b>
Occupants of New Housing Units, Mid 2023 to Mid 2037	<i>Units (2)</i>	475
	<i>multiplied by P.P.U. (3)</i>	2,426
	<i>gross population increase</i>	1,152
Occupants of New Equivalent Institutional Units, Mid 2023 to Mid 2037	<i>Units</i>	35
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	39
Decline in Housing Unit Occupancy, Mid 2023 to Mid 2037	<i>Units (4)</i>	1,710
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.240
	<i>total decline in population</i>	-410
<b>Population Estimate to Mid 2037</b>		<b>5,058</b>
<i>Net Population Increase, Mid 2023 to Mid 2037</i>		<i>781</i>

(1) Mid 2023 Population based on:

2021 Population (3,960) + Mid 2021 to Mid 2023 estimated housing units to beginning of forecast period (130 x 2.524 = 328) + (13 x 1.1 = 14) + (1,580 x -0.016 = -25) = 4,277

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

(3) Average number of persons per unit (P.P.U.) is assumed to be:

Structural Type	Persons Per Unit <sup>1</sup> (P.P.U.)	% Distribution of Estimated Units <sup>2</sup>	Weighted Persons Per Unit Average
<i>Singles &amp; Semi Detached</i>	2.709	65%	1.771
<i>Multiples (6)</i>	2.226	18%	0.404
<i>Apartments (7)</i>	1.527	17%	0.252
<i>one bedroom or less</i>	1.192		
<i>two bedrooms or more</i>	1.611		
<b>Total</b>		<b>100%</b>	<b>2.426</b>

<sup>1</sup> Persons per unit based on Statistics Canada Custom 2021 Census database.

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

(4) Mid 2023 households based upon 2021 Census (1,580 units) + Mid 2021 to Mid 2023 unit estimate (130 units) = 1,710 units.

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

(6) Includes townhouses and apartments in duplexes.

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

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



**Schedule 5  
Municipality of Casselman  
Mid 2023 to Mid 2046**

		Population
<b>Mid 2023 Population</b>		<b>4,277</b>
Occupants of New Housing Units, Mid 2023 to Mid 2046	<i>Units (2)</i>	740
	<i>multiplied by P.P.U. (3)</i>	2,375
	<i>gross population increase</i>	1,758
Occupants of New Equivalent Institutional Units, Mid 2023 to Mid 2046	<i>Units</i>	44
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	48
Decline in Housing Unit Occupancy, Mid 2023 to Mid 2046	<i>Units (4)</i>	1,710
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.246
	<i>total decline in population</i>	-420
<b>Population Estimate to Mid 2046</b>		<b>5,663</b>
<b>Net Population Increase, Mid 2023 to Mid 2046</b>		<b>1,386</b>

(1) Mid 2023 Population based on:

2021 Population (3,960) + Mid 2021 to Mid 2023 estimated housing units to beginning of forecast period (130 x 2.524 = 328) + (13 x 1.1 = 14) + (1,580 x -0.016 = -25) = 4,277

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

(3) Average number of persons per unit (P.P.U.) is assumed to be:

Structural Type	Persons Per Unit <sup>1</sup> (P.P.U.)	% Distribution of Estimated Units <sup>2</sup>	Weighted Persons Per Unit Average
<i>Singles &amp; Semi Detached</i>	2.709	60%	1.621
<i>Multiples (6)</i>	2.226	20%	0.448
<i>Apartments (7)</i>	1.527	20%	0.305
<i>one bedroom or less</i>	1.192		
<i>two bedrooms or more</i>	1.611		
<b>Total</b>		100%	2.375

<sup>1</sup> Persons per unit based on Statistics Canada Custom 2021 Census database.

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

(4) Mid 2023 households based upon 2021 Census (1,580 units) + Mid 2021 to Mid 2023 unit estimate (130 units) = 1,710 units.

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

(6) Includes townhouses and apartments in duplexes.

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

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



Schedule 6  
Municipality of Casselman  
Summary Of Units in the Development Approvals Process, Vacant Lands Designated  
for Residential, and Additional Intensification Potential.

Stage of Development	Total Units
Registered Not Built	-
<i>% Breakdown</i>	
Draft Plans Approved	<b>458</b>
<i>% Breakdown</i>	<i>100%</i>
Application Under Review	<b>637</b>
<i>% Breakdown</i>	<i>100%</i>
Vacant Lands Designated for Residential	<b>300</b>
<i>% Breakdown</i>	<i>100%</i>
Additional Intensification	<b>131</b>
<i>% Breakdown</i>	<i>100%</i>
<b>Total</b>	<b>1,526</b>
<i>% Breakdown</i>	<i>100%</i>

Source: Derived from data provided by Municipality of Casselman, by Watson & Associates Economists Ltd.



Schedule 7  
Municipality of Casselman  
Historical Residential Building Permits  
Years 2013 to 2022

Year	Residential Building Permits			
	Singles & Semi Detached	Multiples <sup>[1]</sup>	Apartments <sup>[2]</sup>	Total
2013	3	0	0	3
2014	6	0	0	6
2015	3	0	0	3
2016	1	0	16	17
2017	10	0	1	11
Sub-total	23	0	17	40
<b>Average (2013 - 2017)</b>	<b>5</b>	<b>0</b>	<b>3</b>	<b>8</b>
% Breakdown	57.5%	0.0%	42.5%	100.0%
2018	21	4	0	25
2019	26	4	1	31
2020	97	16	12	125
2021	65	0	13	78
2022	45	0	7	52
Sub-total	254	24	33	311
<b>Average (2018 - 2022)</b>	<b>51</b>	<b>5</b>	<b>7</b>	<b>62</b>
% Breakdown	81.7%	7.7%	10.6%	100.0%
2013 - 2022				
Total	277	24	50	351
<b>Average</b>	<b>28</b>	<b>2</b>	<b>5</b>	<b>35</b>
% Breakdown	78.9%	6.8%	14.2%	100.0%

<sup>[1]</sup> Includes townhouses and apartments in duplexes.

<sup>[2]</sup> Includes bachelor, 1-bedroom, and 2-bedroom+ apartment units.

Source: Historical housing activity derived from Statistics Canada building permit data (2007 to 2021), by Watson & Associates Economists Ltd



Schedule 8a  
Municipality of Casselman  
Persons Per Unit by Age and Type of Dwelling  
(2021 Census)

Age of Dwelling	Singles and Semi-Detached					Total	25 Year Average	25 Year Average Adjusted <sup>[1]</sup>
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR			
1-5	-	-	-	2.952	-	<b>2.700</b>		
6-10	-	-	-	-	-	-		
11-15	-	-	-	2.947	-	<b>2.615</b>		
16-20	-	-	-	3.059	-	<b>2.909</b>		
20-25	-	-	-	2.667	-	<b>3.071</b>	2.824	2.709
25-35	-	-	-	2.556	-	<b>2.545</b>		
35+	-	-	2.053	2.754	3.909	<b>2.656</b>		
<b>Total</b>	<b>0.818</b>	<b>-</b>	<b>2.081</b>	<b>2.827</b>	<b>4.235</b>	<b>2.684</b>		

Age of Dwelling	All Density Types					Total
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	
1-5	-	-	-	2.864	-	<b>2.636</b>
6-10	-	-	2.000	-	-	<b>2.471</b>
11-15	-	-	-	2.609	-	<b>2.314</b>
16-20	-	-	-	2.810	-	<b>2.548</b>
20-25	-	-	-	2.357	-	<b>2.684</b>
25-35	-	-	-	2.552	-	<b>2.350</b>
35+	-	1.111	1.810	2.614	3.909	<b>2.275</b>
<b>Total</b>	<b>-</b>	<b>1.273</b>	<b>1.830</b>	<b>2.640</b>	<b>4.235</b>	<b>2.388</b>

<sup>[1]</sup> Adjusted based on historical trends.

Note: Does not include Statistics Canada data classified as "Other."

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



Schedule 8b  
 United Counties of Prescott and Russell  
 Person Per Unit by Age and Type of Dwelling  
 (2021 Census)

Age of Dwelling	Multiples <sup>[1]</sup>					Total	25 Year Average	25 Year Average Adjusted <sup>[3]</sup>
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR			
1-5	-	-	1.542	2.813	-	2.000		
6-10	-	-	2.154	2.800	-	2.593		
11-15	-	-	1.450	2.800	-	2.171		
16-20	-	-	1.654	2.750	-	2.067		
20-25	-	-	1.593	2.667	-	1.796	2.125	2.226
25-35	-	-	1.727	2.773	-	2.094		
35+	0.462	1.346	1.713	2.578	-	1.953		
<b>Total</b>	<b>0.318</b>	<b>1.346</b>	<b>1.684</b>	<b>2.679</b>	<b>4.909</b>	<b>2.035</b>		

Age of Dwelling	Apartments <sup>[2]</sup>					Total	25 Year Average	25 Year Average Adjusted <sup>[3]</sup>
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR			
1-5	-	1.208	1.516	2.667	-	1.554		
6-10	-	-	1.525	-	-	1.507		
11-15	-	1.231	1.407	-	-	1.435		
16-20	-	-	1.674	-	-	1.627		
20-25	-	1.273	1.594	-	-	1.568	1.538	1.527
25-35	-	1.222	1.867	-	-	1.633		
35+	1.364	1.179	1.542	2.262	-	1.448		
<b>Total</b>	<b>1.133</b>	<b>1.198</b>	<b>1.556</b>	<b>2.435</b>	<b>-</b>	<b>1.490</b>		

Age of Dwelling	All Density Types					Total
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	
1-5	-	1.500	1.750	2.897	4.067	2.533
6-10	-	1.294	1.794	3.000	4.906	2.751
11-15	-	1.318	1.726	2.998	3.889	2.694
16-20	-	1.455	1.812	2.886	4.000	2.624
20-25	-	1.379	1.767	2.771	3.941	2.510
25-35	-	1.341	1.842	2.842	4.108	2.625
35+	0.733	1.265	1.749	2.585	3.582	2.300
<b>Total</b>	<b>0.826</b>	<b>1.302</b>	<b>1.762</b>	<b>2.732</b>	<b>3.850</b>	<b>2.444</b>

[1] Includes townhomes and apartments in duplexes.

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

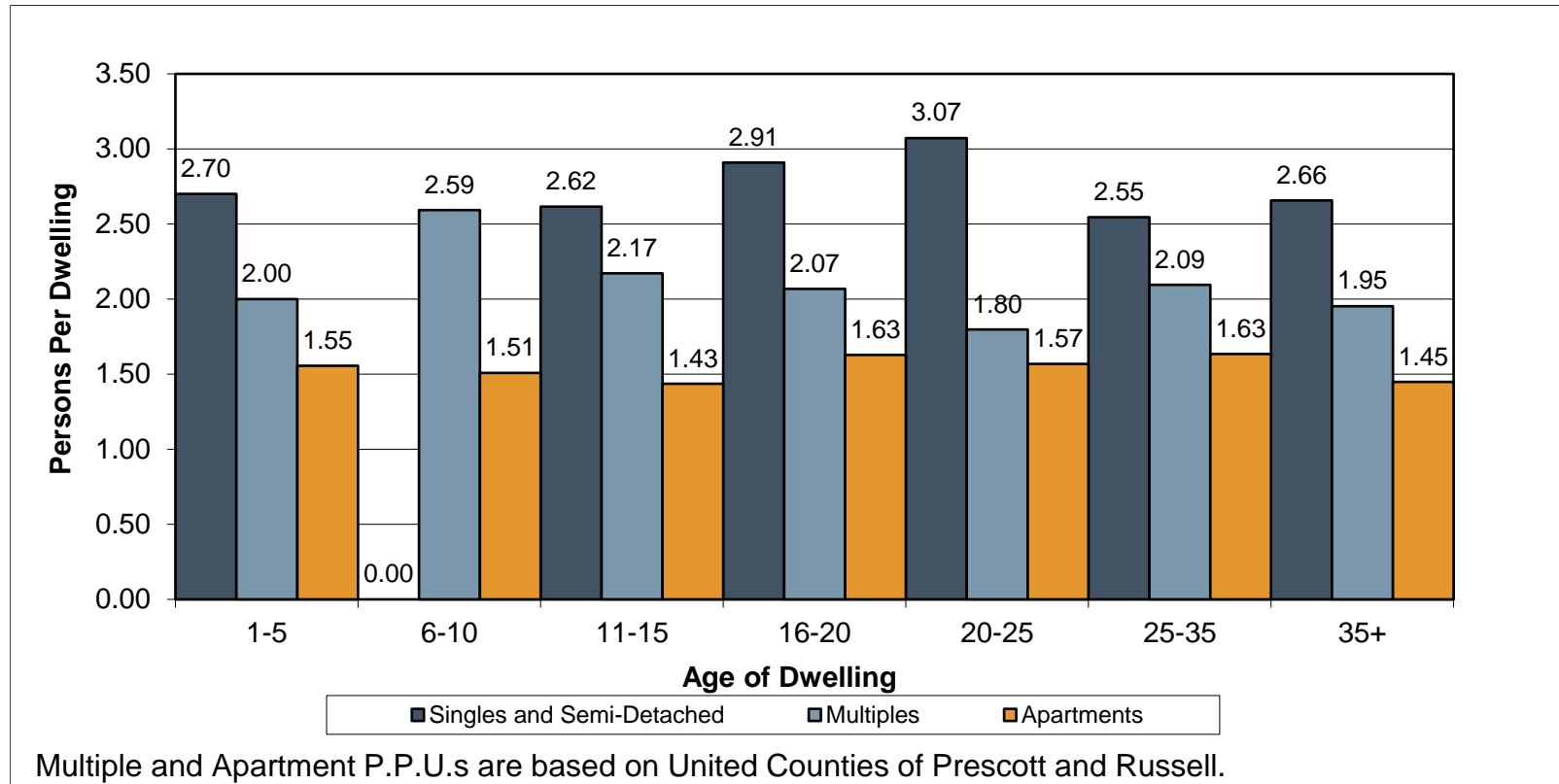
[3] Adjusted based on historical trends.

Note: Does not include Statistics Canada data classified as "Other."

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



Schedule 9  
Municipality of Casselman  
Person Per Unit Structural Type and Age of Dwelling  
(2021 Census)





Schedule 10a  
Municipality of Casselman  
Employment Forecast, 2022 to 2046

Period	Population	Activity Rate								Employment								Employment
		Primary	Work at Home	Industrial	Commercial/Population Related	Institutional	Total	N.F.P.O.W. <sup>[1]</sup>	Total Including N.F.P.O.W.	Primary	Work at Home	Industrial	Commercial/Population Related	Institutional	Total	N.F.P.O.W. <sup>[1]</sup>	Total Employment (Including N.F.P.O.W.)	Total (Excluding Work at Home and N.F.P.O.W.)
Mid 2011	3,626	0.023	0.023	0.088	0.279	0.168	0.582	0.038	0.620	85	85	318	1,013	610	2,110	139	2,249	2,025
Mid 2016	3,548	0.008	0.016	0.058	0.250	0.151	0.483	0.054	0.537	30	55	208	888	535	1,715	190	1,905	1,660
Mid 2023	4,277	0.021	0.057	0.072	0.211	0.127	0.488	0.054	0.542	90	243	307	904	544	2,088	230	2,318	1,845
Mid 2037	5,058	0.018	0.057	0.093	0.205	0.112	0.484	0.054	0.538	90	287	471	1,037	565	2,450	271	2,721	2,163
Mid 2046	5,663	0.016	0.057	0.104	0.202	0.104	0.484	0.054	0.534	90	325	591	1,143	590	2,739	284	3,023	2,414
<b>Incremental Change</b>																		
Mid 2006 - Mid 2011	0	0.000	0.017	-0.003	-0.003	0.000	0.010	-0.029	-0.019	0	60	-13	-13	0	35	-104	-69	-25
Mid 2011 - Mid 2016	-78	-0.015	-0.008	-0.029	-0.029	-0.017	-0.099	0.015	-0.083	-55	-30	-110	-125	-75	-395	51	-344	-365
Mid 2016 - Mid 2023	729	0.013	0.041	0.013	-0.039	-0.024	0.005	0.000	0.005	60	188	100	17	9	373	40	413	185
Mid 2023 - Mid 2037	781	-0.003	0.000	0.021	-0.006	-0.016	-0.004	0.000	-0.004	0	44	164	133	21	362	41	403	318
Mid 2023 - Mid 2046	1,386	-0.005	0.000	0.033	-0.010	-0.023	-0.005	0.000	-0.008	0	82	284	239	46	651	54	705	569
<b>Annual Average</b>																		
Mid 2006 - Mid 2011	0	0.000	0.003	-0.001	-0.001	0.000	0.002	-0.006	-0.004	0	12	-3	-3	0	7	-21	-14	-5
Mid 2011 - Mid 2016	-16	-0.003	-0.002	-0.006	-0.006	-0.003	-0.020	0.003	-0.017	-11	-6	-22	-25	-15	-79	10	-69	-73
Mid 2016 - Mid 2023	104	0.002	0.006	0.002	-0.006	-0.003	0.001	0.000	0.001	9	27	14	2	1	53	6	59	26
Mid 2023 - Mid 2037	56	0.000	0.000	0.002	0.000	-0.001	0.000	0.000	0.000	0	3	12	10	2	26	3	29	23
Mid 2023 - Mid 2046	60	0.000	0.000	0.001	0.000	-0.001	0.000	0.000	0.000	0	4	12	10	2	28	2	31	25

<sup>[1]</sup> 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 workplace location at the beginning of each shift. Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc."

Note: Statistics Canada 2021 Census place of work employment data has been reviewed. The 2021 Census employment results have not been utilized due to a significant increase in work at home employment captured due to Census enumeration occurring during the provincial COVID-19 lockdown from April 1, 2021, to June 14, 2021.

Source: Watson & Associates Economists Ltd





Schedule 10b  
Municipality of Casselman  
Employment and Gross Floor Area (G.F.A.) Forecast, 2022 to 2046

Period	Population	Employment					Gross Floor Area in Square Feet (Estimated) <sup>[1]</sup>			
		Primary	Industrial	Commercial/ Population Related	Institutional	Total	Industrial	Commercial/ Population Related	Institutional	Total
Mid 2011	3,626	85	318	1,013	610	2,025				
Mid 2016	3,548	30	208	888	535	1,660				
Mid 2023	4,277	90	307	904	544	1,845				
Mid 2037	5,058	90	471	1,037	565	2,163				
Mid 2046	5,663	90	591	1,143	590	2,414				
<b>Incremental Change</b>										
Mid 2011 - Mid 2016	-78	-55	-110	-125	-75	-365				
Mid 2016 - Mid 2023	729	60	100	17	9	185				
Mid 2023 - Mid 2037	781	0	164	133	21	318	246,000	73,200	18,900	338,100
Mid 2023 - Mid 2046	1,386	0	284	239	46	569	426,000	131,500	41,400	598,900
<b>Annual Average</b>										
Mid 2011 - Mid 2016	-16	-11	-22	-25	-15	-73				
Mid 2016 - Mid 2023	104	9	14	2	1	26				
Mid 2023 - Mid 2037	56	0	12	10	2	23	17,571	5,229	1,350	24,150
Mid 2023 - Mid 2046	60	0	12	10	2	25	18,522	5,717	1,800	26,039

<sup>[1]</sup> Square Foot Per Employee Assumptions

Industrial	1,500
Commercial/Population-Related	550
Institutional	900

\*Reflects Mid-2023 to Mid-2046 forecast period.

Note: Numbers may not add up precisely due to rounding.

Source: Watson & Associates Economists Ltd.



Schedule 10c  
Municipality of Casselman  
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-Residential	Employment Increase <sup>[2]</sup>
		G.F.A. S.F. <sup>[1]</sup>	G.F.A. S.F. <sup>[1]</sup>	G.F.A. S.F. <sup>[1]</sup>		
Northwest Quadrant	2023 - 2037	7,500	4,400	900	12,800	14
	2023 - 2046	13,500	7,700	1,800	23,000	25
Outside Northwest Quadrant	2023 - 2037	238,500	68,800	18,000	325,300	304
	2023 - 2046	412,500	123,800	39,600	575,900	544
Municipality of Casselman	2023 - 2037	246,000	73,200	18,900	338,100	318
	2023 - 2046	426,000	131,500	41,400	598,900	569

<sup>[1]</sup> Square Foot Per Employee Assumptions

Industrial	1,500
Commercial/Population-Related	550
Institutional	900

<sup>[2]</sup> Employment Increase does not include No Fixed Place of Work.

\*Reflects Mid-2023 to Mid-2046 forecast period.

Note: Numbers may not add up precisely due to rounding.

Source: Watson & Associates Economists Ltd.



# Appendix B

## Long-Term Capital and Operating Cost Examination



## Appendix B: Long-Term Capital and Operating Cost Examination

As a requirement of the D.C.A. under subsection 10 (2) (c), an analysis must be undertaken to assess the long-term capital and operating cost impacts for the capital infrastructure projects identified within the D.C. background study. As part of this analysis, it was deemed necessary to isolate the incremental operating expenditures directly associated with these capital projects, factor in cost saving attributable to economies of scale or cost sharing where applicable and prorate the cost on a per unit basis (i.e., sq.ft. of building space, per vehicle, etc.). This was undertaken through a review of the Municipality's approved 2021 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 lifecycle cost. By definition, lifecycle costs are all the costs that are incurred during the life of a physical asset, from the time its acquisition is first considered, to the time it is taken out of service for disposal or redeployment. The method selected for lifecycle costing is the sinking fund method which provides that money will be contributed annually and invested, so that those funds will grow over time to equal the amount required for future replacement. Annual lifecycle expenditures are based on average life expectancy of assets which are utilized to calculate the annual replacement cost of the capital projects and are based on an annual growth rate of 2% (net of inflation) over the average useful life of the asset.

Table B-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 Municipal program expenditures will increase with growth in population, the costs associated with the new infrastructure (i.e., facilities) would be delayed until the time these works are in place.



Table B-1  
Municipality of Casselman  
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. Water Services	2,057,569	\$133,543	\$37,318	\$170,861
2. Wastewater Services	7,056,936	\$161,810	\$34,136	\$195,946
<b>Total</b>	<b>\$9,114,505</b>	<b>\$295,353</b>	<b>\$71,454</b>	<b>\$366,807</b>



# Appendix C

## D.C. Reserve Fund Policy



# Appendix C: D.C. Reserve Fund Policy

## C.1 Legislative Requirements

The Development Charges Act, 1997 (D.C.A.) requires development charge (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 municipality shall establish a reserve fund for each service to which the D.C. by-law relates; subsection 7 (1), however, allows services to be grouped into categories of services for reserve fund (and credit) purposes and for classes of services to be established.
- The municipality 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 subsection 5 (1) 2 to 8).
- Money may be borrowed from the fund but must be paid back with interest (O. Reg. 82/98, subsection 11 (1) defines this as Bank of Canada rate either on the day the by-law comes into force or, if specified in the by-law, the first business day of each quarter).
- D.C. reserve funds may not be consolidated with other municipal reserve funds for investment purposes and may only be as an interim financing source for capital undertakings for which D.C.s may be spent (section 37).

Annually, the Treasurer of the municipality is required to provide Council with a financial statement related to the D.C. by-law(s) and reserve funds. This statement must be made available to the public and may be requested to be forwarded to the Minister of Municipal Affairs and Housing.

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

- opening balance;
- closing balance;



- description of each service and/or service category for which the reserve fund was established (including a list of services within a service category);
- transactions for the year (e.g. collections, draws) including each assets capital costs to be funded from the D.C. reserve fund and the manner for funding the capital costs not funded under the D.C. by-law (i.e. non-D.C. recoverable cost share and post-period D.C. recoverable cost share);
- for projects financed by D.C.s, the amount spent on the project from the D.C. reserve fund and the amount and source of any other monies spent on the project.
- amounts borrowed, purpose of the borrowing and interest accrued during previous year;
- amount and source of money used by the municipality to repay municipal obligations to the D.C. reserve fund;
- list of credits by service or service category (outstanding at beginning of the year, given in the year, and outstanding at the end of the year by holder);
- for credits granted under section 14 of the previous D.C.A., a schedule identifying the value of credits recognized by the municipality, the service to which it applies and the source of funding used to finance the credit;
- a statement for each service for which a D.C. is collected during the year related to:
  - whether, as of the end of the year, the municipality expects to incur the amount of capital costs that were estimated, in the relevant D.C. background study, to be incurred during the term of the applicable development charge by-law; and
  - if the answer to the item above is no, the amount the municipality now expects to incur and a statement as to why this amount is expected;
- a statement as to compliance with subsection 59 (1) of the D.C.A., whereby the municipality shall not impose, directly or indirectly, a charge related to a development or a requirement to construct a service related to development, except as permitted by the D.C.A. or another Act; and
- for any service for which a D.C. was collected during the year but in respect of which no money from a reserve fund was spent during the year, a statement as to why there was no spending during the year.

Recent changes arising from the *More Homes for Everyone Act, 2022* provide that the Council shall make the statement available to the public by posting the statement on the





municipal website or, if there is no such website exists, in the municipal office, and that other posting requirements may be provided in the regulations. Currently, no regulations have been provided.

Based upon the above, Figure C-1 and Attachments 1 and 2 (see Figures C-2a, C-2b and C-3), set out the format for which annual reporting to Council should be provided.

## **C.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 7 of subsection 5 (1).”

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



Figure C-1  
Municipality of Casselman  
Annual Treasurer's Statement of Development Charge Reserve Funds

Description	Services to which the Development Charge Relates		Total
	Water Services	Wastewater Services	
<b>Opening Balance, January 1, _____</b>			<b>0</b>
<u>Plus:</u>			
Development Charge Collections			0
Accrued Interest			0
Repayment of Monies Borrowed from Fund and Associated Interest <sup>1</sup>			0
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
<u>Less:</u>			
Amount Transferred to Capital (or Other) Funds <sup>2</sup>			0
Amounts Refunded			0
Amounts Loaned to Other D.C. Service Category for Interim Financing			0
Credits <sup>3</sup>			0
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Closing Balance, December 31, _____</b>	<b>0</b>	<b>0</b>	<b>0</b>

<sup>1</sup> Source of funds used to repay the D.C. reserve fund

<sup>2</sup> See Attachment 1 for details

<sup>3</sup> See Attachment 2 for details

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.



**Figure C-2a**  
**Municipality of Casselman**  
**Attachment 1**  
**Annual Treasurer's Statement of Development Charge Reserve Funds**  
**Amount Transferred to Capital (or Other) Funds – Capital Fund Transactions**

Capital Fund Transactions	Gross Capital Cost	D.C. Recoverable Cost Share					Non-D.C. Recoverable Cost Share				
		D.C. Forecast Period		Post D.C. Forecast Period							
		D.C. Reserve Fund Draw	D.C. Debt Financing	Grants, Subsidies Other Contributions	Post-Period Benefit/ Capacity Interim Financing	Grants, Subsidies Other Contributions	Other Reserve/Reserve Fund Draws	Tax Supported Operating Fund Contributions	Rate Supported Operating Fund Contributions	Debt Financing	Grants, Subsidies Other Contributions
<b>Water Services</b>											
Capital Cost A											
Capital Cost B											
Capital Cost C											
<b>Sub-Total - Water Services</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Wastewater Services</b>											
Capital Cost D											
Capital Cost E											
Capital Cost F											
<b>Sub-Total - Wastewater Services</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>



**Figure C-2b**  
**Municipality of Casselman**  
**Attachment 1**  
**Annual Treasurer's Statement of Development Charge Reserve Funds**  
**Amount Transferred to Operating (or Other) Funds - Operating Fund Transactions**

Operating Fund Transactions	Annual Debt Repayment Amount	D.C. Reserve Fund Draw		Post D.C. Forecast Period			Non-D.C. Recoverable Cost Share		
		Principal	Interest	Principal	Interest	Source	Principal	Interest	Source
<u>Water Services</u>									
Capital Cost J									
Capital Cost K									
Capital Cost L									
<b>Sub-Total - Water Services</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>	
<u>Wastewater Services</u>									
Capital Cost M									
Capital Cost N									
Capital Cost O									
<b>Sub-Total - Wastewater Services</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>	



Figure C-3  
Municipality of Casselman  
Attachment 2  
Annual Treasurer's Statement of Development Charge Reserve Funds  
Statement of Credit Holder Transactions

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



# Appendix D

## Local Service Policy



## Appendix D: Local Service Policy

This Appendix sets out the Municipality's General Local Service Policy Guidelines and delineates between Development Charges (D.C.) and local service funding for water and wastewater services.

The guidelines outline, in general terms, the size and nature of engineered infrastructure that is included as an eligible project in the D.C. Background Study, versus infrastructure that is considered as a local service, to be emplaced or funded directly 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 (in the context of subsection 59(2) of the Development Charges Act, 1997 (D.C.A.)), on its own merits having regard to the nature, type and location of the development and municipal services and any existing and proposed development in the surrounding area, amongst other factors.

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

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. For the purposes of determining the D.C. eligible increase in need for services, local services for water and wastewater services are defined as:

- Wastewater Services - sanitary sewers of 250mm diameter and smaller, and pump stations servicing sanitary sewers of 250mm diameter and smaller, are considered to be a local service and recovered directly from developers when internal to a plan of subdivision or within the area to which the plan relates.



- Water Services - watermains of 200mm diameter and smaller are considered to be local service and recovered directly from developers when internal to a plan of subdivision or within the area to which the plan relates.





# Appendix E

## Asset Management Plan



## Appendix E: Asset Management Plan

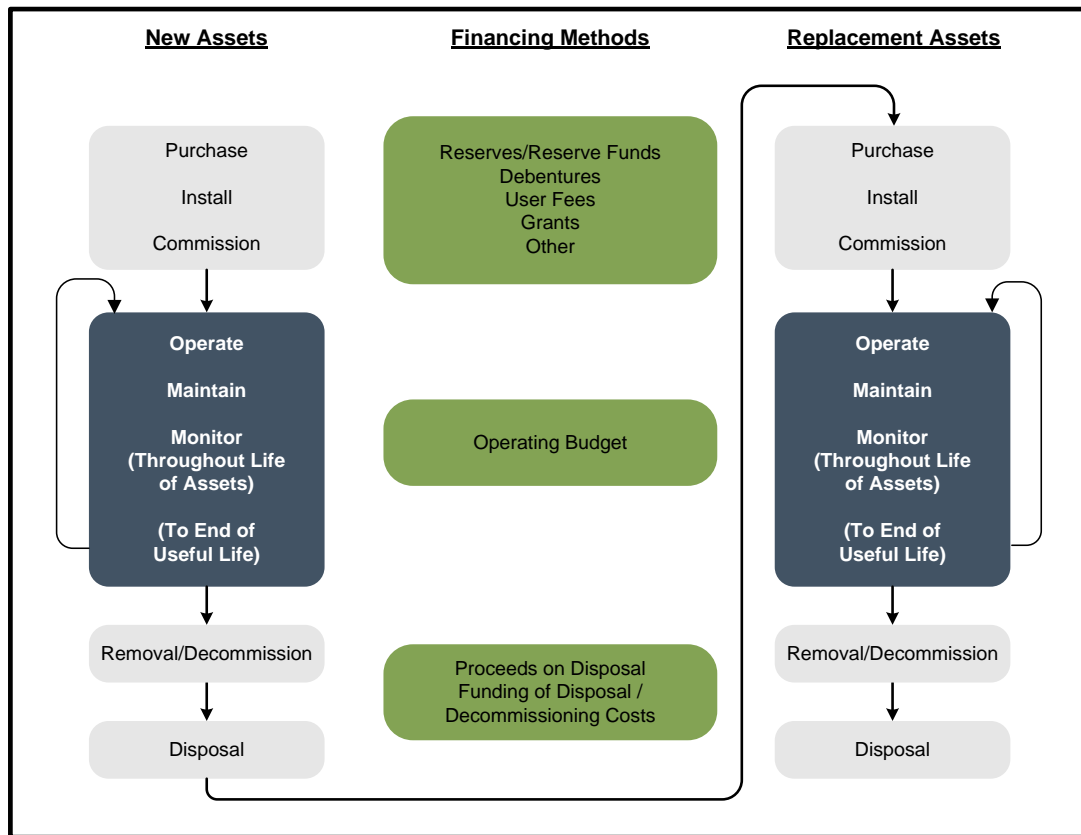
The recent changes to the Development Charges Act, 1997, as amended (D.C.A.) (new subsection 10 (2) (c.2)) require that the background study must include an asset management plan (A.M.P.) related to new infrastructure. Section 10 (3) of the D.C.A. provides:

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

In regard to the above, section 8 of the regulations was amended to include subsections (2), (3), and (4) which set out 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 in the background study.

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

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



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

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

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

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

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



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

Commensurate with the above, the Municipality prepared an A.M.P. in 2021 for its existing core infrastructure assets; however, it did not take into account future growth-related assets. As a result, the asset management requirement for the D.C. must be undertaken in the absence of this information.

In recognition to the schematic above, the following table (presented in 2023\$) has been developed to provide the annualized expenditures and revenues associated with new growth. Note that the D.C.A. does not require an analysis of the non-D.C. capital needs or their associated operating costs so these are omitted from the table below. As well, as all capital costs included in the D.C. eligible capital costs are not included in the Municipality's A.M.P., the present infrastructure gap and associated funding plan have not been considered at this time. Hence the following does not represent a fiscal impact assessment (including future tax/rate increases) but provides insight into the potential affordability of the new assets:

1. The non-D.C. recoverable portion of the projects that will require financing from municipal financial resources (i.e., rates, fees, etc.). This amount has been presented on an annual debt charge amount based on 20-year financing.
2. Lifecycle costs for the 2023 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 approximately \$0.82 million.
5. Consideration was given to the potential new user fee revenue which will be generated as a result of new growth. These revenues will be available to assist in financing the expenditures above. The new operating revenues are \$0.89 million.
6. In consideration of the above, the capital plan is deemed to be financially sustainable.



Table E-1  
Municipality of Casselman  
Asset Management – Future Expenditures and Associated Revenues  
2023\$

	Sub-Total	2036 Total
<b>Expenditures (Annualized)</b>		
Annual Debt Payment on Non-Growth Related Capital <sup>1</sup>		\$46,545
Annual Debt Payment on Post Period Capital <sup>2</sup>		\$409,631
<b>Lifecycle:</b>		
Annual Lifecycle - Water Services	\$133,543	
Annual Lifecycle - Wastewater Services	\$161,810	
Sub-Total - Annual Lifecycle	\$295,353	\$295,353
Incremental Operating Costs (for D.C. Services)		\$71,454
<b>Total Expenditures</b>		<b>\$822,983</b>
<b>Revenue (Annualized)</b>		
Incremental Non-Tax Revenue (User Fees)		\$892,363
<b>Total Revenues</b>		<b>\$892,363</b>
<b>Net Revenues</b>		<b>\$69,380</b>

<sup>1</sup> Non-Growth Related component of projects includes benefit to existing cost share

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

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



# Appendix F

## Proposed D.C. By-law – Water Services



## BY-LAW NO. 2023-XXXX

### A By-law to Establish Development Charges for the Municipality of Casselman for Water Services

**WHEREAS** section 2 (1) of the *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended (the “*Act*”) provides that the council of a municipality may pass By-laws for the imposition of Development Charges against land 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 Municipality of Casselman (the “Municipality”) has given Notice in accordance with section 12 of the *Act* of its intention to pass a By-law under section 2 of the *Act*;

**AND WHEREAS** the Council of the Municipality 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, 2023;

**AND WHEREAS** the Council of the Municipality had before it a report entitled Development Charge Background Study dated April 28, 2023, prepared by Watson & Associates Economists Ltd., wherein it is indicated that the Development of any land within the Municipality will increase the need for Services as defined herein;

**AND WHEREAS** the Council of the Municipality has indicated its intent that the future excess capacity identified in the Study shall be paid for by the Development Charges or other similar charges;

**AND WHEREAS** the Council of the Municipality on June 27, 2023, approved the Development Charge Background Study, dated April 28, 2023, in which certain recommendations were made relating to the establishment of a Development Charge policy for the Municipality pursuant to the *Act*, thereby determining that no further public meetings were required under section 12 of the *Act*.



**NOW, THEREFORE, BE IT RESOLVED THAT THE COUNCIL OF THE CORPORATION OF THE MUNICIPALITY OF CASSELMAN ENACTS AS FOLLOWS:**

**DEFINITIONS**

**1. In this by-law,**

- (a) **“Act”** means the *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended;
- (b) **“Accessory”** means a building that is normally incidental, subordinate, and exclusively devoted to a main building that is located on the same lot therewith and includes a private garage that is not attached to the main building in any way and does not include a fence or a sign;
- (c) **“Ancillary”** will have the same definition as “Accessory”;
- (d) **“Affordable Residential Unit”** means a residential unit that meets the criteria set out in subsection 4.1 of the Act;
- (e) **“Agricultural,”** when used to describe a use or Development means a use or Development that is a bona fide farming operation including, notwithstanding the generality of the foregoing, greenhouses which are not connected to water and wastewater services, sod farms and breeding and boarding of horses including barns, silos and other ancillary Development to such Agricultural Development but excluding any residential, commercial, industrial, or retail Development;
- (f) **“Air-supported Structure”** means a structure consisting of a pliable membrane that achieves and maintains its shape and support by internal air pressure;
- (g) **“Apartment Dwelling”** means a Building containing more than one Dwelling Unit where the units are connected by an interior corridor. Notwithstanding the foregoing, an Apartment Dwelling includes a Stacked Townhouse Dwelling or a Back-to-back Townhouse Dwelling





that is developed on a block approved for Development at a minimum density of sixty (60) units per net hectare pursuant to plans and drawings approved under section 41 of the *Planning Act*,

- (h) “**Attainable Unit**” means a residential unit that that meets the criteria set out in subsection 4.1 of the Act.
- (i) “**Back-to-back Townhouse Dwelling**” means a Building containing four or more Dwelling Units separated vertically by a common wall, including a rear common wall, that do not have rear yards;
- (j) “**Bedroom**” means a habitable room of at least seven (7) square metres, including a den, study, loft, or other similar area, but does not include a living room, dining room, kitchen, or other space;
- (k) “**Board of Education**” means a board defined in subsection 1 (1) of the *Education Act*, R.S.O. 1990, c. E.2, as amended;
- (l) “**Bona Fide Farm Uses**” means the proposed development that will qualify as a far business operation with a valid Farm Business Registration Number issued by the Ontario Ministry of Agriculture, Food and Rural Affairs and be assessed in the Farmland Realty Tax Class by the Ontario Property Assessment Corporation;
- (m) “**Building Code Act**” means the *Building Code Act, 1992*, S.O. 1992, c. 23 as amended;
- (n) “**Building**” means a permanent enclosed structure occupying an area greater than ten square metres (10 m<sup>2</sup>) and, notwithstanding the generality of the foregoing, includes, but is not limited to:
  - i. An above-grade storage tank;
  - ii. An air-supported structure;
  - iii. An industrial tent;
  - iv. A roof-like structure over a gas-bar or service station; and



- v. An area attached to and ancillary to a retail Development delineated by one or more walls or part walls, a roof-like structure, or any one or more of them;
- (o) **"Cannabis"** means:
- i. a Cannabis Plant;
  - ii. any part of a Cannabis Plant, including the phytocannabinoids produced by, or found in, such a plant regardless of whether that part has been processed or not;
  - iii. any substance or mixture of substances that contains or has on it any part of such a plant; and
  - iv. any substance that is identical to any phytocannabinoid produced by, or found in, such a plant, regardless of how the substance was obtained;
- (p) **"Cannabis Plant"** means a plant that belongs to the genus Cannabis;
- (q) **"Cannabis Production Facilities"** means a building, or part thereof, designed, used, or intended to be used for one or more of the following: growing, production, processing, harvesting, testing, alteration, destruction, storage, packaging, shipment, or distribution of Cannabis where a license, permit or authorization has been issued under applicable federal law and does include, but is not limited to such buildings as a greenhouse and agricultural building associated with the use. It does not include a building or part thereof solely designed, used, or intended to be used for retail sales of Cannabis;
- (r) **"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:
- i. to acquire land or an interest in land, including a leasehold interest,



- ii. to improve land,
  - iii. to acquire, lease, construct or improve Buildings and structures,
  - iv. to acquire, lease, construct or improve facilities including (but not limited to),
    - (1) rolling stock with an estimated useful life of seven years or more,
    - (2) furniture and equipment other than computer equipment; and
    - (3) 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; and
  - v. interest on money borrowed to pay for costs in (i) to (iv).
- (s) “**Council**” means the Council of the Corporation of the Municipality of Casselman;
- (t) “**Development**” means the construction, erection or placing of one or more Buildings on land or the making of an addition or alteration to a Building that has the effect of increasing the size thereof, and includes Redevelopment;
- (u) “**Development Charge**” means a charge imposed pursuant to this by-law;
- (v) “**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 culinary and sanitary facilities are provided for the exclusive use of such person or persons, except in the case of a Special Care/Special Need Dwelling, as defined in this By-law, in which case a Dwelling Unit shall mean a room or suite of rooms designated for Residential occupancy with or without exclusive sanitary and/or culinary facilities;



- (w) **“Existing Industrial”** means an Industrial building or buildings existing on a site as of the date of passage of this by-law, or the first building or buildings constructed on a vacant site pursuant to site plan approval under section 41 of the *Planning Act*, R.S.O. 1990, Chap. P.13, as amended, or any successor thereof, subsequent to the passage of this by-law for which full development charges were paid;
- (x) **“Grade”** means the average level of finished ground adjoining a Building or structure at all exterior walls;
- (y) **“Gross Floor Area”** means:
- i. in the case of a residential building or structure, the total area of all floors above grade of a dwelling unit measured between the outside surfaces of exterior walls or between the outside surfaces of exterior walls and the centre line of party walls dividing the dwelling unit from any other dwelling unit or other portion of a building; and
  - ii. in the case of a non-residential building or structure, or in the case of a mixed-use building or structure in respect of the non-residential portion thereof, the total area of all building floors above or below grade measured between the outside surfaces of the exterior walls, or between the outside surfaces of exterior walls and the centre line of party walls dividing a non-residential use and a residential use, except for:
    - (1) a room or enclosed area within the building or structure above or below that is used exclusively for the accommodation of heating, cooling, ventilating, electrical, mechanical or telecommunications equipment that service the building;
    - (2) loading facilities above or below grade; and



- (3) a part of the building or structure below grade that is used for the parking of motor vehicles or for storage or other accessory use;
- (z) **“Hospice”** means a building or portion of a mixed-use building designed and intended to provide palliative care and emotional support to the terminally ill in a home or homelike setting so that the quality of life is maintained, and family members may be active participants in care;
- (aa) **“Industrial”** when used to describe a use or Development, means a use or Development used for, or in connection with,
  - i. manufacturing, producing, processing, storing, or distributing something;
  - ii. research or development in connection with manufacturing, producing, or processing something;
  - iii. retail sales by a manufacturer, producer, or processor of something they manufactured, produced, or processed, if the retail sales are at the site where the manufacturing, production, or processing takes place;
  - iv. office or administrative purposes, if they are,
    - (1) carried out with respect to manufacturing, producing, processing, storage or distributing of something, and
    - (2) in or attached to the Building or structure used for that manufacturing, producing, processing, storage, or distribution;
  - v. does not include self-storage facilities or retail warehouses;
- (bb) **“Institutional”** means development of a building or structure intended for use:



- i. as a long-term care home within the meaning of subsection 2 (1) of the *Long-Term Care Homes Act, 2007*;
  - ii. as a retirement home within the meaning of subsection 2 (1) of the *Retirement Homes Act, 2010*;
  - iii. by any institution of the following post-secondary institutions for the objects of the institution:
    - (1) a university in Ontario that receives direct, regular, and ongoing operation funding from the Government of Ontario;
    - (2) a college or university federated or affiliated with a university described in subclause (1); or
    - (3) an Indigenous Institute prescribed for the purposes of section 6 of the *Indigenous Institute Act, 2017*;
  - iv. as a memorial home, clubhouse, or athletic grounds by an Ontario branch of the Royal Canadian Legion; or
  - v. as a hospice to provide end of life care;
- (cc) **“Local Board”** means a municipal service board, public utility commission, transportation commission, public library board, board of park management, board of health, police services board, planning board, or any other board, commission, committee, body or local authority established or exercising any power or authority under any general or special Act with respect to any of the affairs or purposes of one or more municipalities or parts thereof, other than a board defined in section 1 (1) of the *Education Act* and a conservation authority;
- (dd) **“Local Services”** means those services, facilities or things which are under the jurisdiction of the Municipality and are related to a plan of subdivision or within the area to which the plan relates with respect to the lands under sections 41, 51 or 53 of the Planning Act, R.S.O. 1990, Chap. P.13, as amended, or any successor thereof;



- (ee) **“Long-term care home”** means homes, nursing homes or homes for the aged where the Ministry of Health and Long-Term Care funds the care provided in such homes and application for accommodation is made through a Community Care Access Centre;
- (ff) **“Lot Coverage”** means the Total Floor Area compared with the total lot area;
- (gg) **“Mezzanine”** means an intermediate floor assembly between the floor and ceiling of any room or storey and includes an interior balcony;
- (hh) **“Mixed-Use”** means a building that is used and/or designated to be used for both residential and non-residential purposes;
- (ii) **“Multiple Dwelling”** includes all dwellings other than a Single Detached Dwelling, a Semi-detached Dwelling, and an Apartment Dwelling;
- (jj) **“Municipality”** means The Corporation of the Municipality of Casselman;
- (kk) **“Non-profit housing development”** means development of a building or structure intended for use as residential premises by:
  - i. a corporation to which the *Not-for-Profit Corporations Act, 2010* applies, that is in good standing under that Act and whose primary objective is to provide housing;
  - ii. a corporation without share capital to which the *Canada Not-for-profit Corporations Act* applies, that is in good standing under that Act and whose primary objective is to provide housing; or
  - iii. a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*;
- (ll) **“Non-profit organization”** means:



- i. a "registered charity" as defined in subsection 248(1) of the Income Tax Act, R.S.C. 1985, c. 1 (5th Supp.), as amended;
  - ii. a corporation that is a non-profit organization for the purposes of paragraph 57(1)(b) of the Corporations Tax Act, R.S.O. 1990, c. C.40;
- (mm) **“Non-Residential”** when used to describe a use or Development, means a use or Development consisting of land, Buildings or structures, or portions thereof, used, or designed or intended for a use other than as a Residential Development;
- (nn) **“Official Plan”** means the Official Plan of the Municipality and any amendments thereto;
- (oo) **“Owner”** means the owner of land or a person who has made application for an approval of the Development of land upon which a Development Charge is imposed;
- (pp) **“Planning Act”** means the *Planning Act*, R.S.O. 1990, c. P.13, as amended;
- (qq) **“Regulation”** means any regulation made pursuant to the *Act*;
- (rr) **“Rental housing”** means development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises;
- (ss) **“Residential,”** when used to describe a use or Development, means a use or Development consisting of land, Buildings or structures, or portions thereof, used, or designed or intended for use as a home or residence for one or more individuals, and shall include a Single Detached Dwelling, a Semi-detached Dwelling, a Multiple Dwelling, an Apartment Dwelling, a Special Care/Special Need Dwelling, and the residential portion of a mixed-use Building or structure;





- (tt) **“Row dwelling”** means a building containing three or more attached dwelling units in a single row, each of which dwelling units has an independent entrance from the outside and is vertically separated from any abutting dwelling unit;
- (uu) **“Semi-detached Dwelling”** means a Building, or part of a Building, divided vertically or horizontally into two Dwelling Units each of which has a separate entrance and access to Grade;
- (vv) **“Service” (or “Services”)** means a service designated in Schedule “A” to this By- law;
- (ww) **“Single Detached Dwelling”** means a completely detached Building containing only one Dwelling Unit;
- (xx) **“Stacked Townhouse Dwelling”** means a Building, or part of 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;

## **SCHEDULE OF DEVELOPMENT CHARGES**

2.

- (a) Subject to the provisions of this By-law, the Development Charge relating to Services shall be determined in accordance with the following:
  - i. 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”; and
  - ii. In the case of Residential Development, or the Residential portion of a mixed-use Development, the Development Charge shall be the sum of the products of:
    - (1) the number of Dwelling Units of each type, multiplied by,



(2) the corresponding total dollar amount for such Dwelling Unit as set out in Schedule “B”,

further adjusted by section 13; and

iii. In the case of Non-residential development or the Non-residential portion of a mixed-use Development, the Development Charge shall be the sum of the products of:

(1) the Total Floor Area of the Non-residential Development or portion, multiplied by,

(2) the corresponding total dollar amount per square foot of Total Floor Area as set out in Schedule “B”,

further adjusted by section 13.

### **APPLICABLE LANDS**

3.

(a) Subject to the exceptions and exemptions described in the following subsections, 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 as amended.

(b) This By-law shall not apply to land that is owned by and used for the purposes of:

- i. a Board of Education;
- ii. any municipality or Local Board thereof;
- iii. Non-profit housing.

(c) This By-law shall not be imposed with respect to:

- i. the enlargement to an existing residential dwelling unit;



- ii. one or two additional dwelling units in an existing single detached dwelling;
- iii. one additional dwelling unit in any other existing residential building;
- iv. the creation of additional dwelling units equal to the greater of one or 1% of the existing dwelling units in an existing residential rental building containing four or more dwelling units or prescribed ancillary structure to the existing residential building;
- v. the creation of a second residential unit in an existing detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if all buildings and structures ancillary to the existing detached house, semi-detached house or rowhouse cumulatively contain no more than one residential unit;
- vi. A third residential unit in an existing detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if no building or structure ancillary to the existing detached house, semi-detached house or rowhouse contains any residential units;
- vii. One residential unit in a building or structure ancillary to an existing detached house, semi-detached house or rowhouse on a parcel of urban residential land, if the existing detached house, semi-detached house or rowhouse contains no more than two residential units and no other building or structure ancillary to the existing detached house, semi-detached house or rowhouse contains any residential units;
- viii. A second residential unit in a new detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if all buildings and structures ancillary to the new detached house,



semi-detached house or rowhouse cumulatively will contain no more than one residential unit;

- ix. A third residential unit in a new detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if no building or structure ancillary to the new detached house, semi-detached house or rowhouse contains any residential units;
- x. One residential unit in a building or structure ancillary to a new detached house, semi-detached house or rowhouse on a parcel of urban residential land, if the new detached house, semi-detached house or rowhouse contains no more than two residential units and no other building or structure ancillary to the new detached house, semi-detached house or rowhouse contains any residential units;
- xi. Notwithstanding the above, Development Charges shall be imposed, calculated, and collected in accordance with this By-law where the total Gross Floor Area of the additional Dwelling Units is greater than the total Gross Floor Area of the existing Single Detached Dwelling Unit;
- xii. Notwithstanding the above, Development Charges shall be imposed, calculated, and collected in accordance with this By-law where the additional Dwelling Unit, in a building or structure other than a Single Detached Dwelling Unit, has a Residential Gross Floor Area greater than, the Residential Gross Floor Area of the smallest existing Dwelling Unit.

(d) The exemptions and exceptions respecting Industrial Development that are described in section 4 of the *Act* also apply under this By-law, namely:

- i. If the Gross Floor Area of an Existing Industrial building is enlarged by 50 percent or less the Development Charge in respect of the enlargement is zero;



- ii. If the Gross Floor Area of an Existing Industrial building is enlarged by more than 50 percent, the amount of the Development Charge in respect of the enlargement shall be determined as follows:
  - (1) determine the amount by which the enlargement exceeds 50 percent of the Gross Floor Area before the enlargement;
  - (2) divide the amount determined in (i) by the amount of the enlargement; and
  - (3) multiply the Development Charge otherwise payable without reference to this section by the fraction determined in (ii).
- iii. For greater certainty in applying the exemption in this section, the total floor area of an existing industrial building is enlarged where there is a bona fide increase in the size of the existing industrial building, the enlarged area is attached to the existing industrial building, there is a direct means of ingress and egress from the existing industrial building to and from the enlarged area for persons, goods and equipment and the existing industrial building and the enlarged area are used for or in connection with an industrial purpose as set out in subsection 1 (1) of the Regulation. Without limiting the generality of the foregoing, the exemption in this section shall not apply where the enlarged area is attached to the existing industrial building by means only of a tunnel, bridge, canopy, corridor, or other passageway, or through a shared below-grade connection such as a service tunnel, foundation, footing or a parking facility.
- iv. In particular, for the purposes of applying this exemption, the industrial building is considered existing if it is built, occupied, and assessed for property taxation at the time of the application respecting the enlargement.
- v. Despite paragraph (d), self-service storage facilities and retail warehouses are not considered to be industrial buildings.



- vi. The exemption for an existing industrial building provided by this section shall be applied to a maximum of fifty percent (50%) of the total floor area before the first enlargement for which an exemption from the payment of development charges was granted pursuant to this By-law or any previous development charges by-law of the municipality made pursuant to the *Act*, as amended or its predecessor legislation.

(e) Discounts for Rental Housing:

The Development Charge payable for Rental Housing developments will be reduced based on the number of bedrooms in each unit as follows:

- i. Three or more bedrooms – 25% reduction;
- ii. Two bedrooms – 20% reduction; and
- iii. All other bedroom quantities – 15% reduction.

(f) Other Residential Exemptions:

Once proclaimed, the following shall be exempt from payment of the Development Charges:

- i. Affordable Housing; and
- ii. Attainable Housing.

(g) Other Exemptions:

- i. The development of a non-residential farm building used for Bona Fide Farm Uses;
- ii. A cemetery and burial ground exempt from taxation under section 3 of the *Assessment Act*; and



- iii. Development creating or adding an accessory use or structure not exceeding 10 square meters of non-residential gross floor area.
- iv. Land vested in or leased to a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education is exempt from development charges imposed under the Development Charges Act, 1997 if the development in respect of which development charges would otherwise be payable is intended to be occupied and used by the university.

### **AMOUNT OF CHARGES**

#### 4.

##### (a) Residential

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

##### (b) Non-residential

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



## **APPROVALS FOR DEVELOPMENT**

5.

- (a) Development Charges shall be imposed on all lands, buildings or structures that are developed for residential or non-residential uses if the development requires:
- i. the passing of a zoning by-law or an amendment thereto under section 34 of the *Planning Act*;
  - ii. the approval of a minor variance under section 45 of the *Planning Act*;
  - iii. a conveyance of land to which a by-law passed under section 50 (7) of the *Planning Act* applies;
  - iv. the approval of a plan of subdivision under section 51 of the *Planning Act*;
  - v. a consent under section 53 of the *Planning Act*;
  - vi. the approval of a description under section 9 of the *Condominium Act, 1998*, S.O. 1998, c. 19, as amended; or
  - vii. the issuing of a permit under the *Building Code Act*, in relation to a Building or structure.
- (b) Where a Development requires an approval described in section 5 (a) after the issuance of a building permit and no Development Charge has been paid, then the Development Charge shall be paid prior to the granting of the approval required under section 5 (a).
- (c) If a Development does not require a building permit but does require one or more of the approvals described in section 5 (a), then, notwithstanding section 9, the Development Charge shall nonetheless be payable in respect of any increased, additional, or different Development permitted by any such approval that is required for the increased, additional, or different Development.





## **LOCAL SERVICE INSTALLATION**

6. 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 their own expense, shall install or pay for such local Services, as Council may require.

## **MULTIPLE CHARGES**

7.
  - (a) Where two or more of the actions described in section 5 (a) 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.
  - (b) Notwithstanding section 7 (a), if two or more of the actions described in section 5 (a) 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 based on the number of any additional Residential units and on any increased Non-residential Total Floor Area, shall be calculated and collected in accordance with the provisions of this By-law.

## **SERVICES IN LIEU**

8.
  - (a) 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 of accordance with the agreement, Council shall give to the Owner a credit against the Development Charge in accordance with the provisions of the agreement 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 which exceeds the total



Development Charge payable by an Owner to the municipality in respect of the Development to which the agreement relates.

- (b) In any agreement under section 8 (a), 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.
- (c) The credit provided for in section 8 (b) shall not be charged to any Development Charge reserve fund.

### **REDUCTION OF DEVELOPMENT CHARGES FOR REDEVELOPMENT**

9. Despite any other provisions of this By-law, where, as a result of the redevelopment of land, a building or structure existing on the same land within 60 months (5 years) prior to the date of payment of development charges in regard to such redevelopment was or is to be demolished in whole or in part, or converted from one principal use to another principal use on the same land in order to facilitate the redevelopment, the development charges otherwise payable with respect to such redevelopment shall be reduced by the following amounts:

- (a) in the case of a residential building or structure, or in the case of a mixed-use building or structure, the residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charge under subsection 4 (a) by the number, according to type, of dwelling units that have been or will be demolished or converted to another principal use; and
- (b) in the case of a non-residential building or structure or, in the case of a mixed-use building or structure, the non-residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charges under section 4 (b), by the gross floor area that has been or will be demolished or converted to another principal use;

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



## **TIMING OF CALCULATION AND PAYMENT**

10.

- (a) A Development Charge shall be calculated and payable in full in money or by provision of Services as may be agreed upon, or by credit granted pursuant to the *Act* or this By-law, on the date the first building permit is issued in relation to a Building or structure on land to which a Development Charge applies unless a “Conditional” Building Permit is issued in which case the Development Charges should be calculated and payable when the conditions to the Building Permit have been satisfied.
- (b) Notwithstanding subsection 10 (a), Development Charges for rental housing and institutional developments are due and payable in six (6) installments commencing with the first installment payable on the date of occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.
- (c) Where the development of land results from the approval of a Site Plan or Zoning By-law Amendment on or after January 1, 2020, and the building permit was issued within 2 years of the approval, the Development Charges shall be calculated based on the charges in effect on the date of the Site Plan or Zoning By-law Amendment application.
- (d) Payment of a Development Charge may be deferred subject to terms and conditions of an agreement entered into with the Municipality under section 27 of the Act.

## **RESERVE FUNDS**

11.

- (a) Monies received from payment of Development Charges shall be maintained in a separate reserve fund for each service categories set out in Schedule “A”.
- (b) Monies received for the payment of Development Charges shall be used only in accordance with the provisions of section 35 of the Act.



- (c) Council directs the Municipality's Treasurer to divide the reserve funds created hereunder into separate sub-accounts in accordance with the Service categories set out in Schedule "A" to which the Development Charge payments, together with interest earned thereon, shall be credited.
- (d) Where any Development Charge, or part thereof, remains unpaid after the due date, the amount unpaid shall be added to the tax roll for the property on which the Development or Redevelopment occurred and shall be collected in the same manner as taxes.
- (e) Where any unpaid Development Charges are collected as taxes under section 10 (d), the monies so collected shall be credited to the Development Charge reserve funds referred to in section 11 (a).
- (f) The Municipality's Treasurer shall, each 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 REPEAL**

12.

- (a) Where this By-law or any Development Charge prescribed hereunder is amended or repealed either by order of the Ontario Land 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.
- (b) Refunds that are required to be paid under section 12 (a) shall be paid with interest to be calculated as follows:
  - i. Interest shall be calculated from the date on which the overpayment was collected to the date on which the refund is paid;
  - ii. The Bank of Canada interest rate in effect on the date of enactment of this By-law shall be used.



- (c) Refunds that are required to be paid under section 12 (a) shall include the interest owed under this section.

### **BY-LAW INDEXING**

13. The Development Charges set out in Schedule “B” to this By-law shall be adjusted annually on the anniversary date of the by-law, without amendment to this By-law, in accordance with the most recent twelve-month change in the Statistics Canada Quarterly, “Construction Price Statistics.”

### **MANDATORY PHASE-IN**

14. The amount of the Development Charges described in Schedule B to this by-law shall be reduced as follows, in accordance with section 5(6) of the Act:
- (a) the first year that the by-law is in force - no more than 80 per cent of the maximum Development Charge that could otherwise be charged;
  - (b) the second year that the by-law is in force - no more than 85 per cent of the maximum Development Charge that could otherwise be charged;
  - (c) the third year that the by-law is in force - no more than 90 per cent of the maximum Development Charge that could otherwise be charged; and
  - (d) the fourth year that the by-law is in force - no more than 95 per cent of the maximum Development Charge that could otherwise be charged.

### **BY-LAW ADMINISTRATION**

15. This By-law shall be administered by the Municipality’s Treasurer.

### **SCHEDULES TO THE BY-LAW**

16. The following Schedules to this By-law form an integral part of this By-law:

Schedule A – Schedule of Municipal Services

Schedule B – Schedule of Development Charges



## **CONFLICTS**

17.

- (a) Where the Municipality and an owner or former owner have entered into an agreement with respect to land within the area to which this By-law applies, and a conflict exists between the provisions of this By-law and such agreement, the provisions of the agreement shall prevail to the extent that there is a conflict.
- (b) notwithstanding section 17 (a), where a development which is the subject of an agreement to which section 17 (a) applies, is subsequently the subject of one or more of the actions described in subsection 5 (a), an additional Development Charge in respect of the development permitted by the action shall be calculated, payable and collected in accordance with the provisions of this By-law if the development has the effect of increasing the need for services, unless such agreement provides otherwise.

## **SEVERABILITY**

18. In the event any provision or part thereof, of this By-law is found, by a court of competent jurisdiction, to be void, voidable, unenforceable, or *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.

## **DATE BY-LAW IN FORCE AND EFFECT**

20. This By-law shall come into force and effect on June 27, 2023.



### **DATE BY-LAW EXPIRES**

21. This By-law will expire as per section 9 of the Act unless it is repealed by Council at an earlier date.

### **SHORT TITLE**

22. This By-law may be cited as the “Municipality of Casselman Water Development Charge By-law, 2023.”

By-law read and passed by the Council for the Municipality of Casselman, this 27th day of June 2023.

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**MAYOR – Geneviève Lajoie**

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**INTERIM CLERK – Lise Labelle**



## **SCHEDULE “A”**

### **DESIGNATED MUNICIPAL SERVICES UNDER THIS BY-LAW**

#### **Urban Service**

1. Water Services





**SCHEDULE "B"**  
**SCHEDULE OF DEVELOPMENT CHARGES**

Service	Residential			Non-Residential	
	Single and Semi-Detached Dwellings	Apartments - 2 Bedrooms and Larger	Apartments - Bachelor and 1 Bedroom	Other Multiples	Per sq.m of G.F.A.
Water Services	\$2,911	\$1,731	\$1,281	\$2,392	\$11.00



# Appendix G

## Proposed D.C. By-law – Wastewater Services



## BY-LAW NO. 2023-XXXX

### **A By-law to Establish Development Charges for the Municipality of Casselman for Wastewater Services**

**WHEREAS** section 2 (1) of the *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended (the “*Act*”) provides that the council of a municipality may pass By-laws for the imposition of Development Charges against land 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 Municipality of Casselman (the “Municipality”) has given Notice in accordance with section 12 of the *Act* of its intention to pass a By-law under section 2 of the *Act*;

**AND WHEREAS** the Council of the Municipality 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, 2023;

**AND WHEREAS** the Council of the Municipality had before it a report entitled Development Charge Background Study dated April 28, 2023, prepared by Watson & Associates Economists Ltd., wherein it is indicated that the Development of any land within the Municipality will increase the need for Services as defined herein;

**AND WHEREAS** the Council of the Municipality has indicated its intent that the future excess capacity identified in the Study shall be paid for by the Development Charges or other similar charges;

**AND WHEREAS** the Council of the Municipality on June 27, 2023, approved the Development Charge Background Study, dated April 28, 2023, in which certain recommendations were made relating to the establishment of a Development Charge policy for the Municipality pursuant to the *Act*, thereby determining that no further public meetings were required under section 12 of the *Act*.



**NOW, THEREFORE, BE IT RESOLVED THAT THE COUNCIL OF THE CORPORATION OF THE MUNICIPALITY OF CASSELMAN ENACTS AS FOLLOWS:**

**DEFINITIONS**

**1. In this by-law,**

- (a) **“Act”** means the *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended;
- (b) **“Accessory”** means a building that is normally incidental, subordinate, and exclusively devoted to a main building that is located on the same lot therewith and includes a private garage that is not attached to the main building in any way and does not include a fence or a sign;
- (c) **“Ancillary”** will have the same definition as “Accessory”;
- (d) **“Affordable Residential Unit”** means a residential unit that meets the criteria set out in subsection 4.1 of the Act;
- (e) **“Agricultural,”** when used to describe a use or Development means a use or Development that is a bona fide farming operation including, notwithstanding the generality of the foregoing, greenhouses which are not connected to water and wastewater services, sod farms and breeding and boarding of horses including barns, silos and other ancillary Development to such Agricultural Development but excluding any residential, commercial, industrial, or retail Development;
- (f) **“Air-supported Structure”** means a structure consisting of a pliable membrane that achieves and maintains its shape and support by internal air pressure;
- (g) **“Apartment Dwelling”** means a Building containing more than one Dwelling Unit where the units are connected by an interior corridor. Notwithstanding the foregoing, an Apartment Dwelling includes a Stacked Townhouse Dwelling or a Back-to-back Townhouse Dwelling



that is developed on a block approved for Development at a minimum density of sixty (60) units per net hectare pursuant to plans and drawings approved under section 41 of the *Planning Act*,

- (h) “**Attainable Unit**” means a residential unit that meets the criteria set out in subsection 4.1 of the Act.
- (i) “**Back-to-back Townhouse Dwelling**” means a Building containing four or more Dwelling Units separated vertically by a common wall, including a rear common wall, that do not have rear yards;
- (j) “**Bedroom**” means a habitable room of at least seven (7) square metres, including a den, study, loft, or other similar area, but does not include a living room, dining room, kitchen, or other space;
- (k) “**Board of Education**” means a board defined in subsection 1 (1) of the *Education Act*, R.S.O. 1990, c. E.2, as amended;
- (l) “**Bona Fide Farm Uses**” means the proposed development that will qualify as a far business operation with a valid Farm Business Registration Number issued by the Ontario Ministry of Agriculture, Food and Rural Affairs and be assessed in the Farmland Realty Tax Class by the Ontario Property Assessment Corporation;
- (m) “**Building Code Act**” means the *Building Code Act, 1992*, S.O. 1992, c. 23 as amended;
- (n) “**Building**” means a permanent enclosed structure occupying an area greater than ten square metres (10 m<sup>2</sup>) and, notwithstanding the generality of the foregoing, includes, but is not limited to:
  - i. An above-grade storage tank;
  - ii. An air-supported structure;
  - iii. An industrial tent;
  - iv. A roof-like structure over a gas-bar or service station; and



- v. An area attached to and ancillary to a retail Development delineated by one or more walls or part walls, a roof-like structure, or any one or more of them;
- (o) **"Cannabis"** means:
- i. a Cannabis Plant;
  - ii. any part of a Cannabis Plant, including the phytocannabinoids produced by, or found in, such a plant regardless of whether that part has been processed or not;
  - iii. any substance or mixture of substances that contains or has on it any part of such a plant; and
  - iv. any substance that is identical to any phytocannabinoid produced by, or found in, such a plant, regardless of how the substance was obtained;
- (p) **"Cannabis Plant"** means a plant that belongs to the genus Cannabis;
- (q) **"Cannabis Production Facilities"** means a building, or part thereof, designed, used, or intended to be used for one or more of the following: growing, production, processing, harvesting, testing, alteration, destruction, storage, packaging, shipment, or distribution of Cannabis where a license, permit or authorization has been issued under applicable federal law and does include, but is not limited to such buildings as a greenhouse and agricultural building associated with the use. It does not include a building or part thereof solely designed, used, or intended to be used for retail sales of Cannabis;
- (r) **"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:
- i. to acquire land or an interest in land, including a leasehold interest,



- ii. to improve land,
  - iii. to acquire, lease, construct or improve Buildings and structures,
  - iv. to acquire, lease, construct or improve facilities including (but not limited to),
    - (4) rolling stock with an estimated useful life of seven years or more,
    - (5) furniture and equipment other than computer equipment; and
    - (6) 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; and
  - v. interest on money borrowed to pay for costs in (i) to (iv).
- (z) “**Council**” means the Council of the Corporation of the Municipality of Casselman;
- (aa) “**Development**” means the construction, erection or placing of one or more Buildings on land or the making of an addition or alteration to a Building that has the effect of increasing the size thereof, and includes Redevelopment;
- (bb) “**Development Charge**” means a charge imposed pursuant to this by-law;
- (cc) “**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 culinary and sanitary facilities are provided for the exclusive use of such person or persons, except in the case of a Special Care/Special Need Dwelling, as defined in this By-law, in which case a Dwelling Unit shall mean a room or suite of rooms designated for Residential occupancy with or without exclusive sanitary and/or culinary facilities;



- (dd) “**Existing Industrial**” means an Industrial building or buildings existing on a site as of the date of passage of this by-law, or the first building or buildings constructed on a vacant site pursuant to site plan approval under section 41 of the *Planning Act*, , R.S.O. 1990, Chap. P.13, as amended, or any successor thereof, subsequent to the passage of this by-law for which full development charges were paid;
- (ee) “**Grade**” means the average level of finished ground adjoining a Building or structure at all exterior walls;
- (ff) “**Gross Floor Area**” means:
- i. in the case of a residential building or structure, the total area of all floors above grade of a dwelling unit measured between the outside surfaces of exterior walls or between the outside surfaces of exterior walls and the centre line of party walls dividing the dwelling unit from any other dwelling unit or other portion of a building; and
  - ii. in the case of a non-residential building or structure, or in the case of a mixed-use building or structure in respect of the non-residential portion thereof, the total area of all building floors above or below grade measured between the outside surfaces of the exterior walls, or between the outside surfaces of exterior walls and the centre line of party walls dividing a non-residential use and a residential use, except for:
    - (1) a room or enclosed area within the building or structure above or below that is used exclusively for the accommodation of heating, cooling, ventilating, electrical, mechanical or telecommunications equipment that service the building;
    - (2) loading facilities above or below grade; and





- (3) a part of the building or structure below grade that is used for the parking of motor vehicles or for storage or other accessory use;
- (z) **“Hospice”** means a building or portion of a mixed-use building designed and intended to provide palliative care and emotional support to the terminally ill in a home or homelike setting so that the quality of life is maintained, and family members may be active participants in care;
- (aa) **“Industrial”** when used to describe a use or Development, means a use or Development used for, or in connection with,
  - i. manufacturing, producing, processing, storing, or distributing something;
  - ii. research or development in connection with manufacturing, producing, or processing something;
  - iii. retail sales by a manufacturer, producer, or processor of something they manufactured, produced, or processed, if the retail sales are at the site where the manufacturing, production, or processing takes place;
  - iv. office or administrative purposes, if they are,
    - (3) carried out with respect to manufacturing, producing, processing, storage or distributing of something, and
    - (4) in or attached to the Building or structure used for that manufacturing, producing, processing, storage, or distribution;
  - v. does not include self-storage facilities or retail warehouses;
- (bb) **“Institutional”** means development of a building or structure intended for use:



- i. as a long-term care home within the meaning of subsection 2 (1) of the *Long-Term Care Homes Act, 2007*;
  - ii. as a retirement home within the meaning of subsection 2 (1) of the *Retirement Homes Act, 2010*;
  - iii. by any institution of the following post-secondary institutions for the objects of the institution:
    - (1) a university in Ontario that receives direct, regular, and ongoing operation funding from the Government of Ontario;
    - (2) a college or university federated or affiliated with a university described in subclause (1); or
    - (3) an Indigenous Institute prescribed for the purposes of section 6 of the *Indigenous Institute Act, 2017*;
  - iv. as a memorial home, clubhouse, or athletic grounds by an Ontario branch of the Royal Canadian Legion; or
  - v. as a hospice to provide end of life care;
- (cc) **“Local Board”** means a municipal service board, public utility commission, transportation commission, public library board, board of park management, board of health, police services board, planning board, or any other board, commission, committee, body or local authority established or exercising any power or authority under any general or special Act with respect to any of the affairs or purposes of one or more municipalities or parts thereof, other than a board defined in section 1 (1) of the *Education Act* and a conservation authority;
- (dd) **“Local Services”** means those services, facilities or things which are under the jurisdiction of the Municipality and are related to a plan of subdivision or within the area to which the plan relates with respect to the lands under sections 41, 51 or 53 of the Planning Act, R.S.O. 1990, Chap. P.13, as amended, or any successor thereof;



- (ee) **“Long-term care home”** means homes, nursing homes or homes for the aged where the Ministry of Health and Long-Term Care funds the care provided in such homes and application for accommodation is made through a Community Care Access Centre;
- (ff) **“Lot Coverage”** means the Total Floor Area compared with the total lot area;
- (gg) **“Mezzanine”** means an intermediate floor assembly between the floor and ceiling of any room or storey and includes an interior balcony;
- (hh) **“Mixed-Use”** means a building that is used and/or designated to be used for both residential and non-residential purposes;
- (ii) **“Multiple Dwelling”** includes all dwellings other than a Single Detached Dwelling, a Semi-detached Dwelling, and an Apartment Dwelling;
- (jj) **“Municipality”** means The Corporation of the Municipality of Casselman;
- (kk) **“Non-profit housing development”** means development of a building or structure intended for use as residential premises by:
  - i. a corporation to which the *Not-for-Profit Corporations Act, 2010* applies, that is in good standing under that Act and whose primary objective is to provide housing;
  - ii. a corporation without share capital to which the *Canada Not-for-profit Corporations Act* applies, that is in good standing under that Act and whose primary objective is to provide housing; or
  - iii. a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*;
- (ll) **“Non-profit organization”** means:



- i. a "registered charity" as defined in subsection 248(1) of the Income Tax Act, R.S.C. 1985, c. 1 (5th Supp.), as amended;
  - ii. a corporation that is a non-profit organization for the purposes of paragraph 57(1)(b) of the Corporations Tax Act, R.S.O. 1990, c. C.40;
- (mm) **“Non-Residential”** when used to describe a use or Development, means a use or Development consisting of land, Buildings or structures, or portions thereof, used, or designed or intended for a use other than as a Residential Development;
- (nn) **“Official Plan”** means the Official Plan of the Municipality and any amendments thereto;
- (oo) **“Owner”** means the owner of land or a person who has made application for an approval of the Development of land upon which a Development Charge is imposed;
- (pp) **“Planning Act”** means the *Planning Act*, R.S.O. 1990, c. P.13, as amended;
- (qq) **“Regulation”** means any regulation made pursuant to the *Act*;
- (rr) **“Rental housing”** means development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises;
- (ss) **“Residential,”** when used to describe a use or Development, means a use or Development consisting of land, Buildings or structures, or portions thereof, used, or designed or intended for use as a home or residence for one or more individuals, and shall include a Single Detached Dwelling, a Semi-detached Dwelling, a Multiple Dwelling, an Apartment Dwelling, a Special Care/Special Need Dwelling, and the residential portion of a mixed-use Building or structure;



- (tt) **“Row dwelling”** means a building containing three or more attached dwelling units in a single row, each of which dwelling units has an independent entrance from the outside and is vertically separated from any abutting dwelling unit;
- (uu) **“Semi-detached Dwelling”** means a Building, or part of a Building, divided vertically or horizontally into two Dwelling Units each of which has a separate entrance and access to Grade;
- (vv) **“Service” (or “Services”)** means a service designated in Schedule “A” to this By- law;
- (ww) **“Single Detached Dwelling”** means a completely detached Building containing only one Dwelling Unit;
- (xx) **“Stacked Townhouse Dwelling”** means a Building, or part of 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;

## **SCHEDULE OF DEVELOPMENT CHARGES**

2.

- (a) Subject to the provisions of this By-law, the Development Charge relating to Services shall be determined in accordance with the following:
  - i. 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”; and
  - ii. In the case of Residential Development, or the Residential portion of a mixed-use Development, the Development Charge shall be the sum of the products of:
    - (1) the number of Dwelling Units of each type, multiplied by,



(2) the corresponding total dollar amount for such Dwelling Unit as set out in Schedule “B”,

further adjusted by section 13; and

iii. In the case of Non-residential development or the Non-residential portion of a mixed-use Development, the Development Charge shall be the sum of the products of:

(1) the Total Floor Area of the Non-residential Development or portion, multiplied by,

(2) the corresponding total dollar amount per square foot of Total Floor Area as set out in Schedule “B”,

further adjusted by section 13.

### **APPLICABLE LANDS**

3.

(a) Subject to the exceptions and exemptions described in the following subsections, 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 as amended.

(b) This By-law shall not apply to land that is owned by and used for the purposes of:

- i. a Board of Education;
- ii. any municipality or Local Board thereof;
- iii. Non-profit housing.

(c) This By-law shall not be imposed with respect to:

- i. the enlargement to an existing residential dwelling unit;



- ii. one or two additional dwelling units in an existing single detached dwelling;
- iii. one additional dwelling unit in any other existing residential building;
- iv. the creation of additional dwelling units equal to the greater of one or 1% of the existing dwelling units in an existing residential rental building containing four or more dwelling units or prescribed ancillary structure to the existing residential building;
- v. the creation of a second residential unit in an existing detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if all buildings and structures ancillary to the existing detached house, semi-detached house or rowhouse cumulatively contain no more than one residential unit;
- vi. A third residential unit in an existing detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if no building or structure ancillary to the existing detached house, semi-detached house or rowhouse contains any residential units;
- vii. One residential unit in a building or structure ancillary to an existing detached house, semi-detached house or rowhouse on a parcel of urban residential land, if the existing detached house, semi-detached house or rowhouse contains no more than two residential units and no other building or structure ancillary to the existing detached house, semi-detached house or rowhouse contains any residential units;
- viii. A second residential unit in a new detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if all buildings and structures ancillary to the new detached house,



semi-detached house or rowhouse cumulatively will contain no more than one residential unit;

- ix. A third residential unit in a new detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if no building or structure ancillary to the new detached house, semi-detached house or rowhouse contains any residential units;
- x. One residential unit in a building or structure ancillary to a new detached house, semi-detached house or rowhouse on a parcel of urban residential land, if the new detached house, semi-detached house or rowhouse contains no more than two residential units and no other building or structure ancillary to the new detached house, semi-detached house or rowhouse contains any residential units;
- xi. Notwithstanding the above, Development Charges shall be imposed, calculated, and collected in accordance with this By-law where the total Gross Floor Area of the additional Dwelling Units is greater than the total Gross Floor Area of the existing Single Detached Dwelling Unit;
- xii. Notwithstanding the above, Development Charges shall be imposed, calculated, and collected in accordance with this By-law where the additional Dwelling Unit, in a building or structure other than a Single Detached Dwelling Unit, has a Residential Gross Floor Area greater than, the Residential Gross Floor Area of the smallest existing Dwelling Unit.

(d) The exemptions and exceptions respecting Industrial Development that are described in section 4 of the *Act* also apply under this By-law, namely:

- i. If the Gross Floor Area of an Existing Industrial building is enlarged by 50 percent or less the Development Charge in respect of the enlargement is zero;





- ii. If the Gross Floor Area of an Existing Industrial building is enlarged by more than 50 percent, the amount of the Development Charge in respect of the enlargement shall be determined as follows:
  - (1) determine the amount by which the enlargement exceeds 50 percent of the Gross Floor Area before the enlargement;
  - (2) divide the amount determined in (i) by the amount of the enlargement; and
  - (3) multiply the Development Charge otherwise payable without reference to this section by the fraction determined in (ii).
- iii. For greater certainty in applying the exemption in this section, the total floor area of an existing industrial building is enlarged where there is a bona fide increase in the size of the existing industrial building, the enlarged area is attached to the existing industrial building, there is a direct means of ingress and egress from the existing industrial building to and from the enlarged area for persons, goods and equipment and the existing industrial building and the enlarged area are used for or in connection with an industrial purpose as set out in subsection 1 (1) of the Regulation. Without limiting the generality of the foregoing, the exemption in this section shall not apply where the enlarged area is attached to the existing industrial building by means only of a tunnel, bridge, canopy, corridor, or other passageway, or through a shared below-grade connection such as a service tunnel, foundation, footing or a parking facility.
- iv. In particular, for the purposes of applying this exemption, the industrial building is considered existing if it is built, occupied, and assessed for property taxation at the time of the application respecting the enlargement.
- v. Despite paragraph (d), self-service storage facilities and retail warehouses are not considered to be industrial buildings.



- vi. The exemption for an existing industrial building provided by this section shall be applied to a maximum of fifty percent (50%) of the total floor area before the first enlargement for which an exemption from the payment of development charges was granted pursuant to this By-law or any previous development charges by-law of the municipality made pursuant to the *Act*, as amended or its predecessor legislation.

(e) Discounts for Rental Housing:

The Development Charge payable for Rental Housing developments will be reduced based on the number of bedrooms in each unit as follows:

- i. Three or more bedrooms – 25% reduction;
- ii. Two bedrooms – 20% reduction; and
- iii. All other bedroom quantities – 15% reduction.

(f) Other Residential Exemptions:

Once proclaimed, the following shall be exempt from payment of the Development Charges:

- i. Affordable Housing; and
- ii. Attainable Housing.

(g) Other Exemptions:

- i. The development of a non-residential farm building used for Bona Fide Farm Uses;
- ii. A cemetery and burial ground exempt from taxation under section 3 of the *Assessment Act*; and



- iii. Development creating or adding an accessory use or structure not exceeding 10 square meters of non-residential gross floor area.
- iv. Land vested in or leased to a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education is exempt from development charges imposed under the Development Charges Act, 1997 if the development in respect of which development charges would otherwise be payable is intended to be occupied and used by the university.

#### **AMOUNT OF CHARGES**

4.

(a) Residential

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

(b) Non-residential

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



## **APPROVALS FOR DEVELOPMENT**

5.

- (a) Development Charges shall be imposed on all lands, buildings or structures that are developed for residential or non-residential uses if the development requires:
- i. the passing of a zoning by-law or an amendment thereto under section 34 of the *Planning Act*;
  - ii. the approval of a minor variance under section 45 of the *Planning Act*;
  - iii. a conveyance of land to which a by-law passed under section 50 (7) of the *Planning Act* applies;
  - iv. the approval of a plan of subdivision under section 51 of the *Planning Act*;
  - v. a consent under section 53 of the *Planning Act*;
  - vi. the approval of a description under section 9 of the *Condominium Act, 1998*, S.O. 1998, c. 19, as amended; or
  - vii. the issuing of a permit under the *Building Code Act*, in relation to a Building or structure.
- (b) Where a Development requires an approval described in section 5 (a) after the issuance of a building permit and no Development Charge has been paid, then the Development Charge shall be paid prior to the granting of the approval required under section 5 (a).
- (c) If a Development does not require a building permit but does require one or more of the approvals described in section 5 (a), then, notwithstanding section 9, the Development Charge shall nonetheless be payable in respect of any increased, additional, or different Development permitted by any such approval that is required for the increased, additional, or different Development.



## **LOCAL SERVICE INSTALLATION**

6. 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 their own expense, shall install or pay for such local Services, as Council may require.

## **MULTIPLE CHARGES**

7.
  - (a) Where two or more of the actions described in section 5 (a) 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.
  - (b) Notwithstanding section 7 (a), if two or more of the actions described in section 5 (a) 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 based on the number of any additional Residential units and on any increased Non-residential Total Floor Area, shall be calculated and collected in accordance with the provisions of this By-law.

## **SERVICES IN LIEU**

8.
  - (a) 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 of accordance with the agreement, Council shall give to the Owner a credit against the Development Charge in accordance with the provisions of the agreement 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 which exceeds the total



Development Charge payable by an Owner to the municipality in respect of the Development to which the agreement relates.

- (b) In any agreement under section 8 (a), 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.
- (c) The credit provided for in section 8 (b) shall not be charged to any Development Charge reserve fund.

### **REDUCTION OF DEVELOPMENT CHARGES FOR REDEVELOPMENT**

9. Despite any other provisions of this By-law, where, as a result of the redevelopment of land, a building or structure existing on the same land within 60 months (5 years) prior to the date of payment of development charges in regard to such redevelopment was or is to be demolished in whole or in part, or converted from one principal use to another principal use on the same land in order to facilitate the redevelopment, the development charges otherwise payable with respect to such redevelopment shall be reduced by the following amounts:

- (a) in the case of a residential building or structure, or in the case of a mixed-use building or structure, the residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charge under subsection 4 (a) by the number, according to type, of dwelling units that have been or will be demolished or converted to another principal use; and
- (b) in the case of a non-residential building or structure or, in the case of a mixed-use building or structure, the non-residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charges under section 4 (b), by the gross floor area that has been or will be demolished or converted to another principal use;

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



## **TIMING OF CALCULATION AND PAYMENT**

10.

- (a) A Development Charge shall be calculated and payable in full in money or by provision of Services as may be agreed upon, or by credit granted pursuant to the *Act* or this By-law, on the date the first building permit is issued in relation to a Building or structure on land to which a Development Charge applies unless a “Conditional” Building Permit is issued in which case the Development Charges should be calculated and payable when the conditions to the Building Permit have been satisfied.
- (b) Notwithstanding subsection 10 (a), Development Charges for rental housing and institutional developments are due and payable in six (6) installments commencing with the first installment payable on the date of occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.
- (c) Where the development of land results from the approval of a Site Plan or Zoning By-law Amendment on or after January 1, 2020, and the building permit was issued within 2 years of the approval, the Development Charges shall be calculated based on the charges in effect on the date of the Site Plan or Zoning By-law Amendment application.
- (d) Payment of a Development Charge may be deferred subject to terms and conditions of an agreement entered into with the Municipality under section 27 of the Act.

## **RESERVE FUNDS**

11.

- (a) Monies received from payment of Development Charges shall be maintained in a separate reserve fund for each service categories set out in Schedule “A”.
- (b) Monies received for the payment of Development Charges shall be used only in accordance with the provisions of section 35 of the Act.



- (c) Council directs the Municipality's Treasurer to divide the reserve funds created hereunder into separate sub-accounts in accordance with the Service categories set out in Schedule "A" to which the Development Charge payments, together with interest earned thereon, shall be credited.
- (d) Where any Development Charge, or part thereof, remains unpaid after the due date, the amount unpaid shall be added to the tax roll for the property on which the Development or Redevelopment occurred and shall be collected in the same manner as taxes.
- (e) Where any unpaid Development Charges are collected as taxes under section 10 (d), the monies so collected shall be credited to the Development Charge reserve funds referred to in section 11 (a).
- (f) The Municipality's Treasurer shall, each 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 REPEAL**

12.

- (a) Where this By-law or any Development Charge prescribed hereunder is amended or repealed either by order of the Ontario Land 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.
- (b) Refunds that are required to be paid under section 12 (a) shall be paid with interest to be calculated as follows:
  - i. Interest shall be calculated from the date on which the overpayment was collected to the date on which the refund is paid;
  - ii. The Bank of Canada interest rate in effect on the date of enactment of this By-law shall be used.





- (c) Refunds that are required to be paid under section 12 (a) shall include the interest owed under this section.

### **BY-LAW INDEXING**

13. The Development Charges set out in Schedule “B” to this By-law shall be adjusted annually on the anniversary date of the by-law, without amendment to this By-law, in accordance with the most recent twelve-month change in the Statistics Canada Quarterly, “Construction Price Statistics.”

### **MANDATORY PHASE-IN**

14. The amount of the Development Charges described in Schedule B to this by-law shall be reduced as follows, in accordance with section 5(6) of the Act:
- (a) the first year that the by-law is in force - no more than 80 per cent of the maximum Development Charge that could otherwise be charged;
  - (b) the second year that the by-law is in force - no more than 85 per cent of the maximum Development Charge that could otherwise be charged;
  - (c) the third year that the by-law is in force - no more than 90 per cent of the maximum Development Charge that could otherwise be charged; and
  - (d) the fourth year that the by-law is in force - no more than 95 per cent of the maximum Development Charge that could otherwise be charged.

### **BY-LAW ADMINISTRATION**

15. This By-law shall be administered by the Municipality’s Treasurer.

### **SCHEDULES TO THE BY-LAW**

16. The following Schedules to this By-law form an integral part of this By-law:

Schedule A – Schedule of Municipal Services

Schedule B – Schedule of Development Charges



## **CONFLICTS**

17.

- (a) Where the Municipality and an owner or former owner have entered into an agreement with respect to land within the area to which this By-law applies, and a conflict exists between the provisions of this By-law and such agreement, the provisions of the agreement shall prevail to the extent that there is a conflict.
- (b) notwithstanding section 17 (a), where a development which is the subject of an agreement to which section 17 (a) applies, is subsequently the subject of one or more of the actions described in subsection 5 (a), an additional Development Charge in respect of the development permitted by the action shall be calculated, payable and collected in accordance with the provisions of this By-law if the development has the effect of increasing the need for services, unless such agreement provides otherwise.

## **SEVERABILITY**

18. In the event any provision or part thereof, of this By-law is found, by a court of competent jurisdiction, to be void, voidable, unenforceable, or *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.

## **DATE BY-LAW IN FORCE AND EFFECT**

20. This By-law shall come into force and effect on June 27, 2023.



### **DATE BY-LAW EXPIRES**

21. This By-law will expire as per section 9 of the Act unless it is repealed by Council at an earlier date.

### **SHORT TITLE**

22. This By-law may be cited as the “Municipality of Casselman Wastewater Development Charge By-law, 2023.”

By-law read and passed by the Council for the Municipality of Casselman, this 27th day of June, 2023.

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**MAYOR – Geneviève Lajoie**

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**INTERIM CLERK – Lise Labelle**



## **SCHEDULE “A”**

### **DESIGNATED MUNICIPAL SERVICES UNDER THIS BY-LAW**

#### **Urban Service**

1. Wastewater Services





**SCHEDULE "B"**  
**SCHEDULE OF DEVELOPMENT CHARGES**

Service	Residential			Non-Residential	
	Single and Semi-Detached Dwellings	Apartments - 2 Bedrooms and Larger	Apartments - Bachelor and 1 Bedroom	Other Multiples	Per sq.m of G.F.A.
Wastewater Services	\$10,499	\$6,243	\$4,620	\$8,627	\$35.37