



2024 Development Charges Background Study

Township of Wellesley

For Public Circulation and Comment

September 26, 2024

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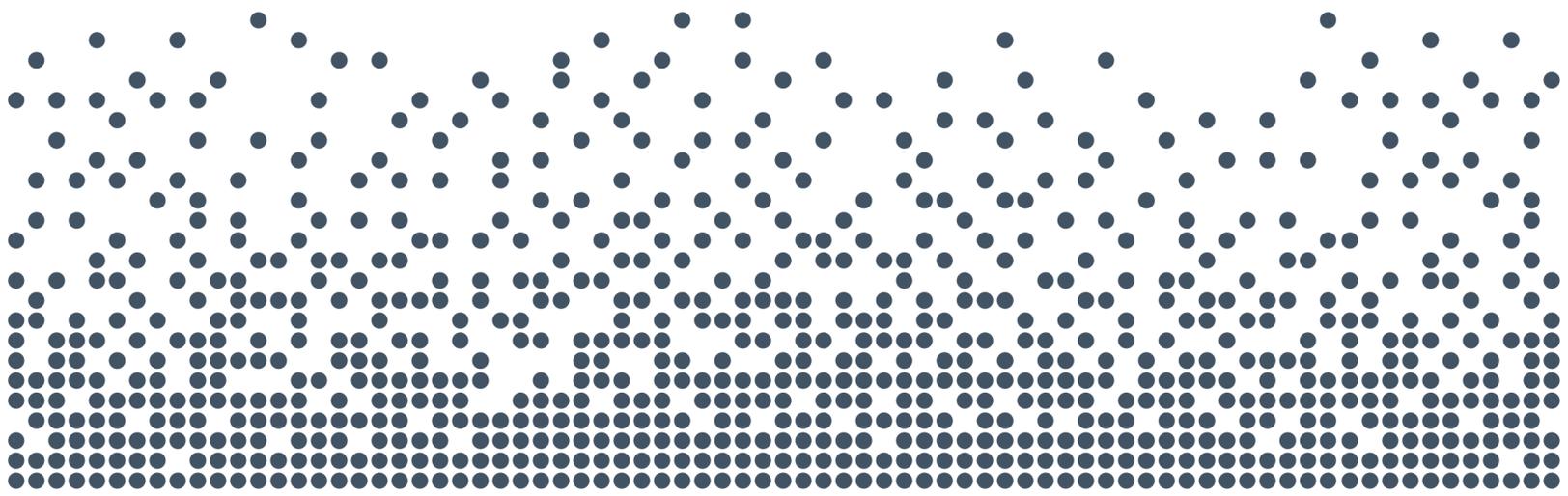
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List of Acronyms and Abbreviations

Acronym	Full Description of Acronym
D.C.	Development charge
D.C.A.	<i>Development Charges Act</i> , 1997 as amended
G.F.A.	Gross floor area
LPAT	Local Planning Appeal Tribunal
N.F.P.O.W.	No Fixed Place of Work
OLT	Ontario Land Tribunal
O. Reg.	Ontario Regulation
P.O.A.	<i>Provincial Offences Act</i>
P.P.U.	Persons per unit
s.s.	Subsection
sq.m.	square metre
sq.ft.	square foot/feet
km	kilometer(s)



Executive Summary



Executive Summary

1. The report provided herein represents the Development Charges (D.C.) Background Study for the Township of Wellesley (Township) required by the *Development Charges Act, 1997* (D.C.A.). This report has been prepared in accordance with the methodology required under the D.C.A. The contents include the following:
 - Chapter 1 – Introduction and overview of the legislative requirements of the D.C.A.;
 - Chapter 2 – Current Township D.C. policy
 - Chapter 3 – Summary of the residential and non-residential growth forecasts for the Township;
 - Chapter 4 – Approach to calculating the D.C.;
 - Chapter 5 – Review of historical service standards and identification of D.C. recoverable capital costs to service growth;
 - Chapter 6 – Calculation of the D.C.s;
 - Chapter 7 – D.C. policy recommendations and D.C. by-law rules;
 - Chapter 8 – Asset management plan requirements of the D.C.A.; and
 - Chapter 9 – By-law implementation.

2. D.C.s provide for the recovery of growth-related capital expenditures from new development. The D.C.A. is the statutory basis to recover these charges. The methodology is detailed in Chapter 4; a simplified summary is provided below:
 - 1) Identify amount, type and location of growth;
 - 2) Identify servicing needs to accommodate growth;
 - 3) Identify capital costs to provide services to meet the needs;
 - 4) Deduct:
 - Grants, subsidies and other contributions;
 - Benefit to existing development;
 - Amounts in excess of 15-year historical service calculation;
 - D.C. reserve funds;



- 5) Net costs are then allocated between residential and non-residential benefit; and
 - 6) Net costs divided by growth to provide the D.C. calculation.
3. Changes to the D.C.A. were introduced through five bills passed in the Ontario legislature since the Township's last D.C. by-law amendment: Bills 109, 23, 97, 134, and 185. The following provides a brief summary of the recent changes.

Bill 109: *More Homes for Everyone Act, 2022*

On April 14, 2022, Bill 109 received Royal Assent. One of the changes of the Bill and Ontario Regulation (O. Reg.) 438/22 that took effect upon Royal Assent included amending the D.C.A. and O. Reg. 82/98 related to the requirements for the information which is to be included in the annual Treasurer's statement on D.C. reserve funds and the requirement for publication of the statement. Further information is provided in subsection 1.3.1.

Bill 23: *More Homes Built Faster Act, 2022*

On November 28, 2022, Bill 23 received Royal Assent. This Act amends a number of pieces of legislation including the *Planning Act* and the D.C.A. Subsequently, further amendments to these provisions were made through Bills 97 and 134. The following provides a summary of the changes to the D.C.A. (further details are provided in subsection 1.3.2 of this report):

- Additional residential unit exemption: Allowance of a third unit to be exempt from D.C.s in existing and new residential dwellings;
- Removal of housing as an eligible D.C. service;
- New statutory exemptions for affordable units, attainable units (to be in effect upon proclamation by the Lieutenant Governor);
- New statutory exemptions for inclusionary zoning units, and non-profit housing developments;
- Historical level of service extended to 15-year period instead of the prior 10-year period;
- Capital cost definition may be revised to prescribe services for which land or an interest in land will be restricted;
- Capital cost definition has been revised to remove studies;



- Mandatory reduction for new D.C. by-laws passed after November 28, 2022, 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.
- D.C. by-law expiry will be 10 years after the date the by-law comes into force (unless repealed earlier);
- D.C. for rental housing developments to receive a discount as follows:
 - Three or more bedrooms – 25% reduction;
 - Two bedrooms – 20% reduction; and
 - All other bedroom quantities – 15% reduction.
- Maximum interest rate for installments and determination of charge for eligible site plan and zoning by-law amendment applications to be set at the average prime rate plus 1%; and
- Requirement to allocate funds received– municipalities will be required to spend or allocate at least 60% of their reserve fund at the beginning of the year for water, wastewater, and services related to a highway.

Bill 185: *Cutting Red Tap to Build More Homes Act, 2024* (Bill 185)

On June, 6, 2024, Bill 185 received Royal Assent and includes the following changes to the D.C.A.

- The removal of the Mandatory Phase-in for D.C. by-laws passed after Bill 185 comes into effect;
- A reduction to the D.C. rate freeze timelines for developments proceeding through site plan and zoning by-law amendment applications under the Planning Act. Charges are currently held at rates in place on the date the application is made until building permit issuance, provided the building permit is issued within two (2) years of the approval of the application. This time period is proposed to be reduced to 18 months under Bill 185 (note that the two (2) year timeline will still apply to applications received prior to Bill 185 receiving Royal Assent);



- Inclusion of growth-related studies, including the D.C. background study, as a D.C.-eligible costs;
 - Provide a provision of the D.C. by-law specifying the date the by-law expires or to amend the provision to extend the expiry date;
 - To allow minor amendments related to the imposition of studies, removal of the mandatory phase-in, and extension of by-law expiry dates (subject to the 10-year limitations provided in the D.C.A.) to be undertaken for by-laws passed after November 28, 2022 and before Bill 185 takes effect; and
 - To modernize public notice requirements.
4. The Township is undertaking a D.C. public process and anticipates passing a new by-law for the eligible services. The mandatory public meeting has been set for October 22, 2024 with adoption of the by-law anticipated for November 26, 2024, with an effective date of January 1, 2025 to replace the current by-law that expires on January 1, 2025.
5. The growth forecast (Chapter 3) on which the D.C. is based, projects the following population, housing and non-residential floor area for the 10-year (2025 to 2034) period.



Table ES-1
Summary of Growth Forecast by Planning Period

Measure	10 Year 2025 to 2034
(Net) Population Increase	717
Residential Unit Increase	320
Non-Residential – Gross Floor Area Increase (sq.ft.)	418,900

Source: Watson & Associates Economists Ltd. forecast 2024.

6. Chapter 5 herein provides, in detail and by service area, the gross capital costs for the increase in need to service new development and the respective deductions that have been made to arrive at the D.C. recoverable costs included in the calculation of the charge. The following Township-wide services are calculated based on a 10-year forecast:

- Fire Protection Services;
- Services Related to a Highway;
- Parks and Recreation Services;
- Library Services; and
- Growth-Related Studies.

A summary of the total growth-related costs is provided below in Table ES-2.

Table ES-2
Summary of Expenditures Anticipated Over the Respective Forecast Periods

Summary of Expenditures Anticipated Over the Life of the By-law	Expenditure Amount
Total Gross Capital Costs	19,429,000
Less: Benefit to Existing Development	10,403,000
Less: Other Deductions	24,000
Less: Post Period Benefit Deductions	1,335,000
Less: Existing D.C. Reserve Funds	1,379,000
Net Costs to be Recovered from Development Charges	6,288,000



Based on the above table, the total growth related costs are \$19.4 million over the 10 years of which \$6.3 million (32%) is recoverable from D.C.s. Of the net \$6.3 million included in the calculation, \$5.4 million is recoverable from residential development and \$0.9 million from non-residential development. It is noted also that any exemptions or reductions in the charges would reduce this recovery further. This suggests that non-D.C. costs over the forecast period will total \$13.1 million.

This report has undertaken a calculation of charges based on the anticipated development summarized in Table ES-1 and the future identified needs presented in Table ES-2. Charges have been provided on a Township-wide basis. The corresponding single detached unit charge is \$20,779. The non-residential charge is \$23.32 per square metre of building area. The calculated schedule of charges is presented in Table ES-3. The charges presented in Table ES-3 will be indexed for inclusion in the proposed D.C. by-law based on the last year over year change in the prescribed index.



Table ES-3
Calculated Schedule of Development Charges

Service/Class of Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	(per sq.m. of Gross Floor Area)
Municipal Wide Services/Classes:					
Fire Protection Services	1,920	1,318	1,116	723	6.01
Services Related to a Highway	3,766	2,584	2,189	1,418	11.79
Parks and Recreation Services	13,642	9,362	7,928	5,137	4.78
Library Services	1,150	789	668	433	0.40
Growth-Related Studies	301	207	175	113	0.34
Total Municipal Wide Services/Classes	20,779	14,260	12,076	7,824	23.32

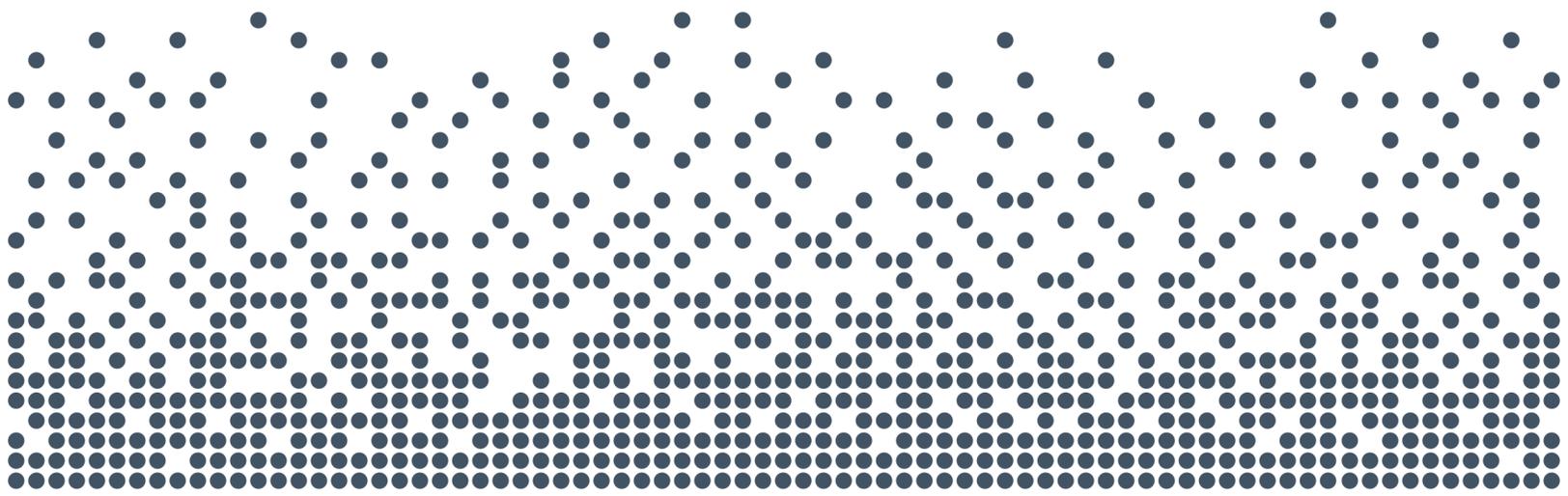


7. Chapter 7 outlines the D.C. by-law policy recommendations and rules as summarized below:

- Timing of Collection:
 - D.C.s to be calculated and payable at the time of building permit issuance
 - D.C.s for developments proceeding through Site Plan or Zoning By-law Amendment applications will be determined based on the charges in effect on the day of the application (charges to be frozen for a maximum period of 18 months after planning application approval)
 - Rental housing and institutional developments would pay D.C.s in six equal annual payments, commencing from the date of occupancy
- Statutory D.C. Exemptions:
 - Upper/Lower Tier Governments and School Boards
 - Development of lands intended for use by a university that received operating funds from the Government
 - Existing industrial building expansions (may expand by 50% with no D.C.)
 - Additional residential units in existing and new residential buildings
 - May add up to two apartments for a single detached, semi-detached or row house (only one unit can be in an ancillary structure)
 - One additional unit or 1% of the units in an existing rental residential building with four or more residential units
 - Non-profit housing
 - Inclusionary zoning affordable units
 - Affordable housing
- D.C. discounts for rental housing development based on dwelling unit type:
 - >2 bedrooms - 25% discount
 - 2 bedrooms - 20% discount
 - <2 bedrooms - 15% discount



- Non-Statutory Deductions:
 - A temporary use permitted under a zoning By-law enacted under section 39 of the *Planning Act*;
 - Accessory use;
 - Home occupation;
 - A farm building for agricultural use; and
 - Temporary buildings.
 - Redevelopment credits provided where building permit issuance occurs within five years for conversion or demolitions of existing structures
 - Charges to be indexed annually on December 1st, in accordance with the D.C.A.
8. Council will consider the findings and recommendations provided in the report and, in conjunction with public input, approve such policies and rates it deems appropriate. These directions will refine the draft D.C. by-law which is appended in Appendix E. These decisions may include:
- adopting the charges and policies recommended herein;
 - considering additional exemptions to the by-law; and
 - considering reductions in the charge by class of development (e.g., obtained by removing certain services on which the charge is based and/or by a general reduction in the charge).



Development Charge Background Study



Chapter 1

Introduction



1. Introduction

1.1 Purpose of this Document

This background study has been prepared pursuant to the requirements of the *Development Charges Act 1997* (s.10), and accordingly, recommends new Development Charges (D.C.s) and policies for the Township of Wellesley (Township).

The Township retained Watson & Associates Economists Ltd. (Watson) to undertake the D.C. study process. Watson worked with senior staff of the Township in preparing this D.C. analysis and the policy recommendations.

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

This report has been prepared, in the first instance, to meet the statutory requirements applicable to the Township's D.C. background study, as summarized in Chapter 4. It also addresses the forecast amount, type, and location of growth (Chapter 3), the requirement for "rules" governing the imposition of the charges (Chapter 7), and the proposed by-law to be made available as part of the approval process (Appendix E).

In addition, the report is designed to set out sufficient background on the legislation and the policies underlying the proposed by-law, to make the exercise understandable to interested parties. Finally, the D.C. background study addresses post-adoption implementation requirements (Chapter 9) which are critical to the successful application of the new policy.

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



1.2 Summary of the Process

A public meeting required under Section 12 of the D.C.A. has been scheduled for October 22, 2024, at least two weeks after the posting of the D.C. background study and draft D.C. by-law on the Township’s website. Its purpose is to present the background study and draft D.C. by-law 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 D.C. by-law for the Township.

In accordance with the legislation, the background study and proposed D.C. by-law will be available for public review at least 60 days prior to by-law passage.

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

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

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

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

Process Steps	Dates
1. Project initiation meeting with staff	May 16, 2024
2. Data collection, staff interviews, and review of draft findings with Township staff	May to September 2024
3. D.C. Background Study and draft D.C. by-law available to public	September 26, 2024
4. Public Meeting of Council	October 22, 2024
5. D.C. By-law passage (anticipated)	November 26, 2024



Process Steps	Dates
6. D.C. By-Law effective date	January 1, 2025
7. Newspaper notice given of by-law passage	By 20 days after passage
8. Last day for by-law appeal	40 days after passage
9. Municipality makes available D.C. pamphlet	by 60 days after in force date

1.3 Changes to the Development Charges Act, 1997

Since 2020, when the Township last amended their D.C. by-law, a number of changes to the *Development Charges Act, 1997* have been introduced through various legislation including the following:

- *More Homes for Everyone Act, 2022* (Bill 109);
- *More Homes Built Fast Act, 2022* (Bill 23);
- *Helping Homebuyers, Protecting Tenants Act, 2023* (Bill 97);
- *Affordable Homes and Good Jobs Act, 2023* (Bill 134); and
- *Cutting Red Tape to Build More Homes Act, 2024* (Bill 185).

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

1.3.1 *More Homes for Everyone Act, 2022 (Bill 109)*

On April 14, 2022, Bill 109 received Royal Assent. One of the changes of the Bill and Ontario Regulation (O. Reg.) 438/22 that took effect upon Royal Assent included amending the D.C.A. and O. Reg. 82/98 related to the requirements for the information which is to be included in the annual Treasurer's statement on D.C. reserve funds and the requirement for publication of the statement. The following additional information must be provided for each D.C. service being 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-law;
- 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.

The changes to the D.C.A. has also been amended to now require that the annual Treasurer's statement be made available to the public on the website of the municipality or, if there is no such website, in the municipal office.

1.3.2 More Homes Built Fast Act, 2022 (Bill 23)

On November 28, 2022, Bill 23 received Royal Assent. This Act amends a number of pieces of legislation including the *Planning Act* and the D.C.A. Subsequently the additional residential unit exemptions were amended through Bill 97 and exemptions for affordable units were further amended through Bill 134. The following provides a summary of the changes to the D.C.A.:

1.3.2.1 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 ancillary buildings or 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 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.

- Bill 97 (*The Helping Homebuyers, Protecting Tenants Act*), extended the mandatory exemption from payment of D.C.s for addition residential units new residential buildings or in existing houses to all lands versus just urban lands.

1.3.2.2 *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.

1.3.2.3 *New Statutory Exemptions for Affordable Units, Attainable Units, and Inclusionary Zoning Units*

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

- Affordable Rental Units:
 - The rent is no greater than the lesser of,
 - the income-based affordable rent for the residential unit set out in the Affordable Residential Units bulletin, as identified by the Minister of Municipal Affairs and Housing in accordance with subsection (5), and
 - the average market rent identified for the residential unit set out in the Affordable Residential Units bulletin.
- Affordable Owned Units:
 - The price of the residential unit is no greater than the lesser of,
 - the income-based affordable purchase price for the residential unit set out in the Affordable Residential Units bulletin, as identified by the Minister of Municipal Affairs and Housing in accordance with subsection (6), and
 - 90 per cent of the average purchase price identified for the residential unit set out in the Affordable Residential Units bulletin.
- 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. Also exemptions for affordable and attainable units will come into effect on a day to be named by proclamation of the Lieutenant Governor.
- Inclusionary Zoning Units: Affordable housing units required under inclusionary zoning by-laws are exempt from a D.C.

1.3.2.4 New Statutory Exemption for Non-Profit Housing

Non-profit housing development has been removed from the instalment payment section of the Act (section 26.1), as these units are now exempt from the payment of D.C.s.

1.3.2.5 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.

1.3.2.6 Historical Level of Service extended to 15-year period instead of the historical 10-year period

Prior to Royal Assent of Bill 23, 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 historical level of service is now extended to the historical 15-year period.

1.3.2.7 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 for this purpose.



1.3.2.8 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.

1.3.2.9 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 date). This extends the by-law's maximum life from what was previously five years.

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

The Act allows interest to be charged on D.C.s calculated at the time of Site Plan or Zoning By-law Amendment applications (S.26.2 of the Act) and for mandatory installment payments (S. 26.1 of the Act). 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.

1.3.2.11 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.



1.3.3 Cutting Red Tape to Build More Homes Act, 2024 (Bill 185)

On June, 6, 2024, Bill 185 received Royal Assent and includes the following changes to the D.C.A.

- The removal of the Mandatory Phase-in for D.C. by-laws passed after Bill 185 comes into effect;
- A reduction to the D.C. rate freeze timelines for developments proceeding through site plan and zoning by-law amendment applications under the Planning Act. Charges are currently held at rates in place on the date the application is made until building permit issuance, provided the building permit is issued within two (2) years of the approval of the application. This time period is proposed to be reduced to 18 months under Bill 185 (note that the two (2) year timeline will still apply to applications received prior to Bill 185 receiving Royal Assent);
- Inclusion of growth-related studies, including the D.C. background study, as a D.C.-eligible costs;
- Provide a provision of the D.C. by-law specifying the date the by-law expires or to amend the provision to extend the expiry date;
- To allow minor amendments related to the imposition of studies, removal of the mandatory phase-in, and extension of by-law expiry dates (subject to the 10-year limitations provided in the D.C.A.) to be undertaken for by-laws passed after November 28, 2022 and before Bill 185 takes effect; and
- To modernize public notice requirements.



Chapter 2

Current Township D.C. Policy



2. Current Township D.C. Policy

2.1 By-law Enactment

The Township adopted By-law number 55/2019 on December 3, 2019, coming into effect January 1, 2020, which provides for D.C.s to be imposed. By-law 55/2019 was amended by By-law 12/2021 on March 2, 2021. By-law 55/2019, as amended, will expire on January 1, 2025, and the following sections review the current D.C. policies within the by-law (or as required through the D.C.A.).

2.2 Services Covered

The following services are included under By-law 55/2019, as amended:

- Roads and related services;
- Fire protection services;
- Parks and recreation services; and
- Growth-related studies.

2.3 Timing of D.C. Calculation and Payment

Calculation and payment of D.C.s are due and payable at the time of building permit issuance for the development. The by-law also allows the Township to enter into alternative payment agreements with owners.

2.4 Indexing

The by-law provides for annual indexing of the charges on December 1 of each year. Table 2-1 provides the charges currently in effect as of December 1, 2023, for residential and non-residential development types, as well as the breakdown of the charges by service.



Table 2-1
2024 Development Charges

Service/Class of Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	(per sq.m. of Gross Floor Area)
Municipal Wide Services/Classes:					
Fire Protection Services	583	426	374	233	3.70
Services Related to a Highway	5,205	3,811	3,332	2,062	32.74
Parks and Recreation Services	7,029	5,148	4,500	2,783	4.99
Growth-Related Studies	734	537	470	290	1.97
Total Municipal Wide Services/Classes	13,551	9,922	8,676	5,368	43.40

2.5 Redevelopment Credits

D.C. credits for residential and non-residential redevelopments, are provided for demolitions/conversions of development that pre-exists five years prior to the date of payment of the D.C.

2.6 Area to Which the By-law Applies and Exemptions

- Upper/Lower Tier Governments and School Boards
- Development of lands intended for use by a university that received operating funds from the Government
- Existing industrial building expansions (may expand by 50% with no D.C.)
- Additional residential units in existing and new residential buildings
 - May add up to two apartments for a single detached, semi-detached or row house (only one unit can be in an ancillary structure)
 - One additional unit or 1% of the units in an existing rental residential building with four or more residential units
- Non-profit housing
- Inclusionary zoning affordable units
- Affordable housing
- D.C. Discounts for rental housing development based on dwelling unit type:
 - >2 bedrooms - 25% discount
 - 2 bedrooms - 20% discount
 - <2 bedrooms - 15% discount



The D.C. by-law also provides non-statutory exemptions from payment of D.C.s with respect to:

- A temporary use permitted under a zoning By-law enacted under section 39 of the *Planning Act*;
- Accessory use;
- Home occupation;
- Agricultural use; and
- Temporary buildings.



Chapter 3

Anticipated Development in the Township



3. Anticipated Development in the Township

3.1 Requirement of the Act

The growth forecast contained in this chapter (with supplemental tables in Appendix A) provides for the anticipated development for which the Township will be required to provide services over a 10-year (2024 to 2034) 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 Gross Floor Area Forecast

The D.C. growth forecast has been derived by Watson in consultation with the Township of Wellesley. In preparing the growth forecast, the following information sources were consulted to assess the residential and non-residential development potential for the Township over the forecast period, including:

- Region of Waterloo Official Plan, including Amendment No. 6 to Regional Official Plan; and the technical background work to establish the planning framework for accommodating the Region of Waterloo’s forecasted population and employment growth to 2051;
- Township of Wellesley 2019 Development Charges Background Study, April 25, 2019, and Addendum Report, June 3, 2019, by Watson & Associates Economists Ltd.
- 2011, 2016 and 2021 population, household and employment Census data;
- Historical residential and non-residential building permit data over the 2014 to 2023 period;
- Residential and non-residential supply opportunities as identified by Township of Wellesley staff; and
- Discussions with Township staff regarding anticipated residential and non-residential development in the Township of Wellesley.

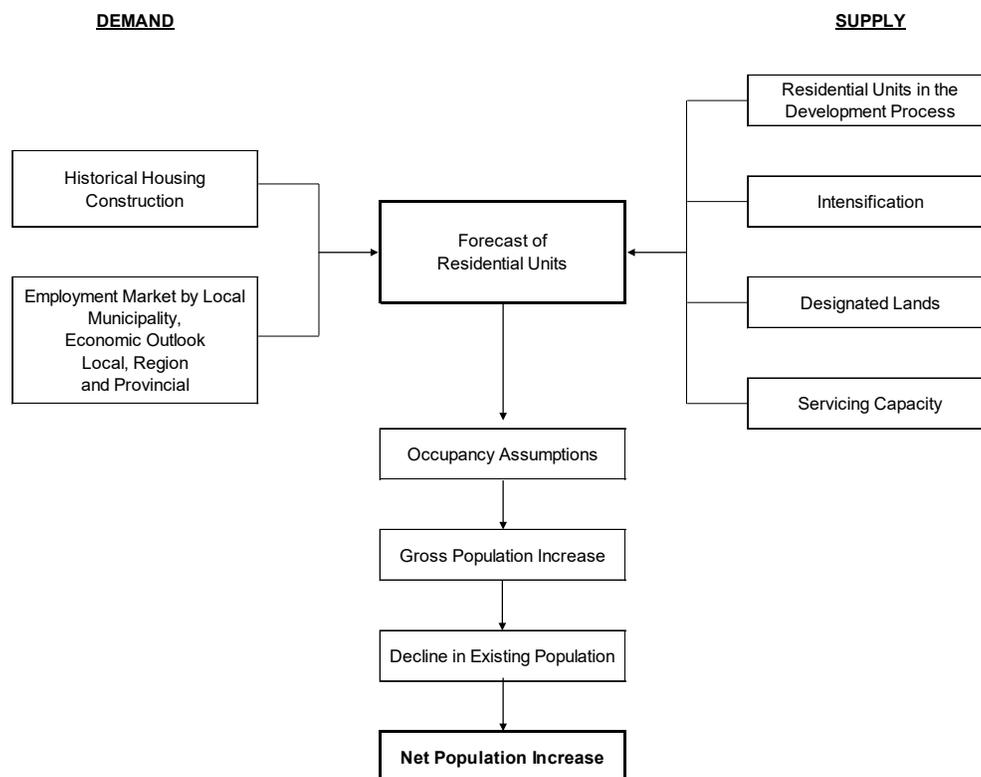


3.3 Summary of Growth Forecast

A detailed analysis of the residential and non-residential growth forecasts is provided in Appendix A and the methodology employed is illustrated in Figure 3-1. The discussion provided herein summarizes the anticipated growth for the Township 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 Township (excluding census undercount) is anticipated to reach approximately 12,110 by mid-2034, resulting in an increase of approximately 720 persons. ^[1]

Figure 3-1
Population and Household Forecast Model



^[1] The population figures used in the calculation of the 2024 D.C. exclude the net Census undercount, which is estimated at approximately 4.0%. Population figures presented herein have been rounded.



**Table 3-1
Township of Wellesley
Residential Growth Forecast Summary**

	Year	Population (Including Census Undercount) ^[1]	Excluding Census Undercount			Housing Units						Person Per Unit (P.P.U.): Total Population/ Total Households
			Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi- Detached	Multiple Dwellings ^[2]	Apartments ^[3]	Other	Total Households	Equivalent Institutional Households	
Historical	<i>Mid 2011</i>	11,140	10,713	3	10,710	2,967	68	94	14	3,143	3	3.409
	<i>Mid 2016</i>	11,710	11,260	0	11,260	3,145	70	115	5	3,335	0	3.376
	<i>Mid 2021</i>	11,770	11,318	0	11,318	3,175	70	115	15	3,375	0	3.353
Forecast	<i>Mid 2024</i>	11,840	11,388	0	11,388	3,207	70	124	15	3,416	0	3.334
	<i>Mid 2034</i>	12,590	12,105	0	12,105	3,367	170	184	15	3,736	0	3.240
Incremental	Mid 2011 - Mid 2016	570	547	-3	550	178	2	21	-9	192	-3	
	Mid 2016 - Mid 2021	60	58	0	58	30	0	0	10	40	0	
	Mid 2021 - Mid 2024	70	70	0	70	32	0	9	0	41	0	
	Mid 2024 - Mid 2034	750	717	0	717	160	100	60	0	320	0	

[1] Population includes the Census undercount estimated at approximately 4.0% and has been rounded.

[2] Includes townhouses and apartments in duplexes.

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

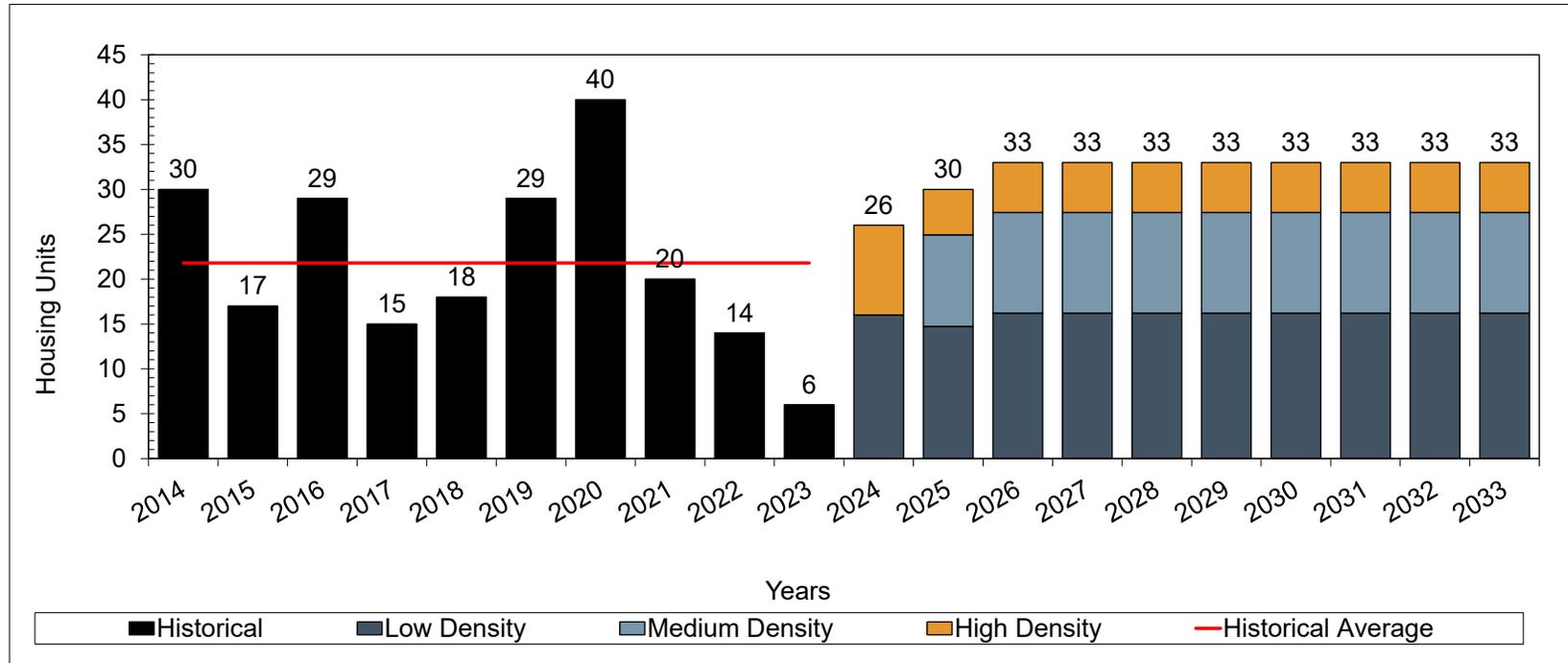
Notes:

Numbers may not add due to rounding.

Source: Derived by Watson & Associates Economists Ltd.



Figure 3-2
Township of Wellesley
Annual Housing Forecast ^[1]



^[1] Growth forecast represents calendar year.
Source: Historical housing activity derived from Township of Wellesley building permit data, 2014 to 2023.



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

1. Unit Mix (Appendix A – Schedules 1 and 4)

- The housing unit mix for the Township was derived from a detailed review of historical development activity (as per Schedule 4), as well as active residential development applications and discussions with Township staff regarding anticipated development trends for the Township of Wellesley.
- Based on the above indicators, the 2024 to 2034 household growth forecast for the Township is comprised of a unit mix of 50% low density units (single detached and semi-detached), 31% medium density (multiples except apartments) and 19% high density (bachelor, 1-bedroom and 2-bedroom apartments).

2. Planning Period

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

3. Population in New Units (Appendix A – Schedules 2 and 3)

- The number of housing units to be constructed by 2034 in the Township of Wellesley over the forecast period is presented in Table 3-1. Over the 2024 to 2034 forecast period, the Township is anticipated to average approximately 32 new housing units per year.
- Institutional population ^[1] is not anticipated to grow between 2024 to 2034.
- Population in new units is derived from Schedules 2 and 3, 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.

^[1] 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.



- Schedule 5a 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 Township of Wellesley. Due to data limitations medium and high density P.P.U. data was derived from the Region of Waterloo which includes the Township of Wellesley, and is outlined in Schedule 5b. 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 15-year average P.P.U.s by dwelling type are as follows:
 - Low density: 3.758
 - Medium density: 2.579
 - High density: 1.887

4. Existing Units and Population Change (Appendix A – Schedules 2 and 3)

- Existing households for mid-2024 are based on the 2021 Census households, plus estimated residential units constructed between mid-2021 to the beginning of the growth period, assuming a minimum six-month lag between construction and occupancy (see Schedule 2).
- The change in average occupancy levels for existing housing units is calculated in Schedules 2 and 3.^[1] The forecast population change in existing households over the 2024 to 2034 forecast period is forecast to decline by approximately 260.

5. Employment (Appendix A – Schedules 7a and 7b)

- The employment projections provided herein are largely based on the activity rate method, which is defined as the number of jobs in the Township divided by the number of residents. Key employment sectors include primary, industrial, commercial/population-related, institutional, and work at home, which are considered individually below.

^[1] 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.



- 2016 employment data ^{[1],[2]} (place of work) for the Township of Wellesley is outlined in Schedule 7a. The 2016 employment base is comprised of the following sectors:
 - 135 primary (3%);
 - 1,540 work at home employment (38%);
 - 1,530 industrial (38%);
 - 625 commercial/population-related (15%); and
 - 240 institutional (6%).
- The 2016 employment by usual place of work, including work at home, is 4,070. An additional 730 employees have been identified for the Township of Wellesley in 2016 that have no fixed place of work (N.F.P.O.W.).^[3]
- Total employment, including work at home and N.F.P.O.W. for the Township of Wellesley is anticipated to reach approximately 6,130 by mid-2034. This represents an employment increase of approximately 570 for the 10-year forecast period.
- Schedule 7b, 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 Township services from work at home employees has already been included in the population forecast. The need for Township 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

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

^[2] 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.

^[3] 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."



home and N.F.P.O.W. employees have been removed from the D.C.A. employment forecast and calculation.

- Total employment for the Township of Wellesley (excluding work at home and N.F.P.O.W. employment) is anticipated to reach approximately 3,360 by mid-2034. This represents an employment increase of approximately 340 for the 10-year forecast period.

6. Non-Residential Sq.ft. Estimates (G.F.A.), Appendix A – Schedule 7b)

- Square footage estimates were calculated in Schedule 7b based on the following employee density assumptions:
 - 1,675 sq.ft. per employee for industrial;
 - 530 sq.ft. per employee for commercial/population-related; and
 - 700 sq.ft. per employee for institutional employment.
- The Township-wide incremental G.F.A. is anticipated to increase by 418,900 sq.ft. over the 10-year forecast period.
- In terms of percentage growth, the 2024 to 2034 incremental G.F.A. forecast by sector is broken down as follows:
 - industrial – 80%;
 - commercial/population-related – 10%; and
 - institutional – 10%.



Chapter 4

The Approach to the Calculation of the Charge



4. The Approach to the Calculation of the Charge

4.1 Introduction

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

4.2 Services Potentially Involved

Table 4-2 lists the full range of municipal services that are provided by the Township.

A number of these services are not listed as eligible services for inclusion in a D.C. by-law as per subsection 2 (4) of the D.C.A. These are shown as “ineligible” on Table 4-2. 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 Township’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 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

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

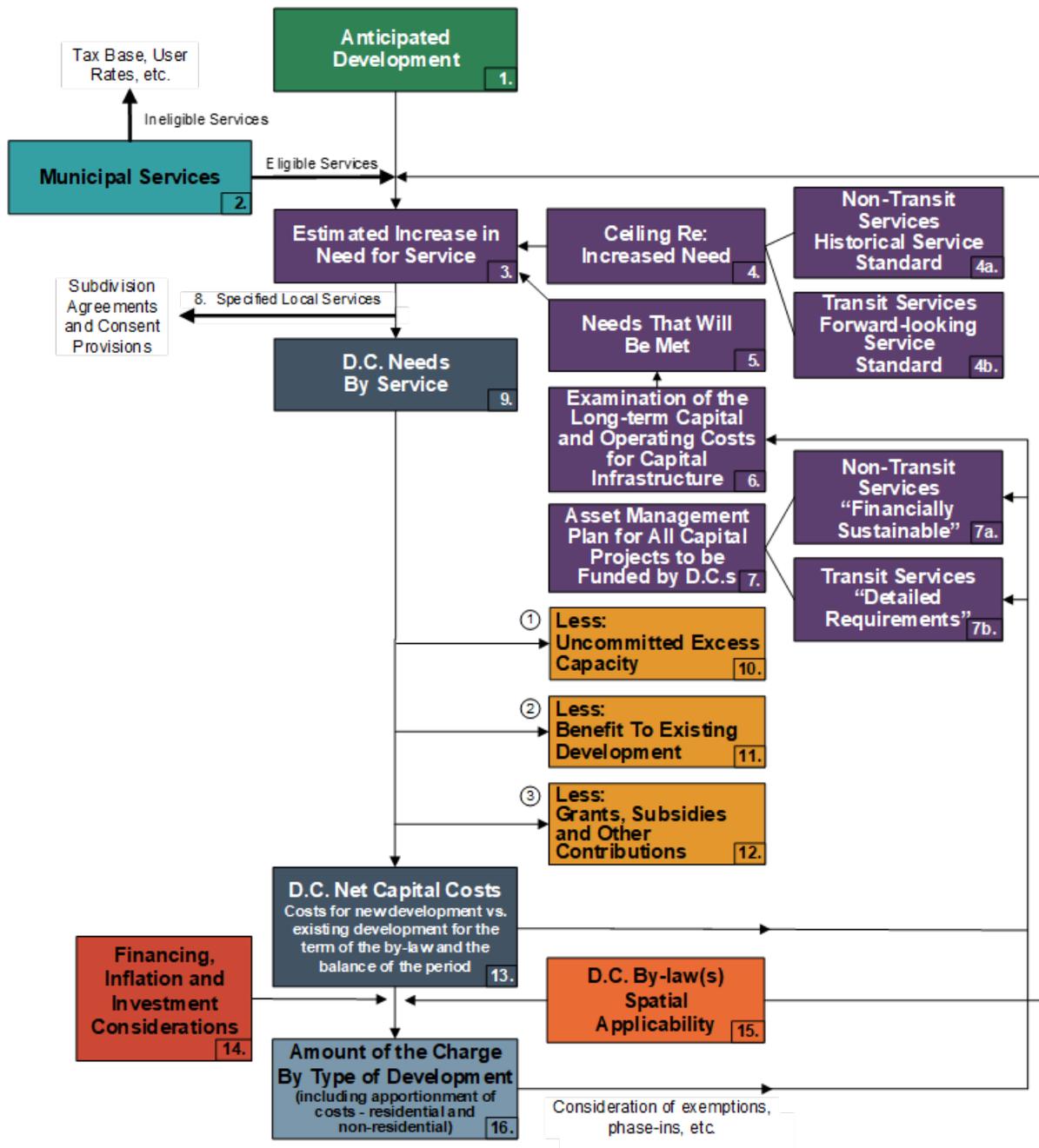




Table 4-1
Categories of Municipal Services to be Addressed as Part of the Calculation – Eligibility Legend

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 4-2
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	n/a n/a n/a n/a	1.1 Treatment plants 1.2 Distribution systems 1.3 Local systems 1.4 Vehicles and equipment ¹
2. Wastewater services, including sewers and treatment services	n/a n/a n/a n/a	2.1 Treatment plants 2.2 Sewage trunks 2.3 Local systems 2.4 Vehicles and equipment ¹
3. Stormwater Drainage and Control Services	No No No	3.1 Main channels and drainage trunks 3.2 Channel connections 3.3 Retention/detention ponds

¹ with a 7+ year useful life



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

¹ with a 7+ year useful life



Categories of Municipal Services	Inclusion in the D.C. Calculation	Service Components
13. Parks and Recreation Services	Ineligible Yes Yes Yes Yes	13.1 Acquisition of land for parks, woodlots and E.S.A.s 13.2 Development of municipal parks 13.3 Parks rolling stock ¹ and yards 13.4 Facilities, such as arenas, indoor pools, fitness facilities, community centres, etc. 13.5 Recreation vehicles and equipment ¹
14. Services Related to Public Health	n/a n/a	14.1 Public Health department space 14.2 Public Health department vehicles ¹
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 ¹
16. Services related to proceedings under the <i>Provincial Offences Act, including by-law enforcement services and municipally administered court services</i>	n/a n/a	16.1 P.O.A. space, including by-law enforcement and municipally administered court services 16.2 Vehicles ¹
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

¹ with a 7+ year useful life



Categories of Municipal Services	Inclusion in the D.C. Calculation	Service Components
19. Other	Yes	19.1 Interest on money borrowed to pay for growth-related capital 19.2 Studies in connection with acquiring buildings, rolling stock, materials and equipment, and improving land [2] and facilities, including the D.C. background study cost

[2] same percentage as service component to which it pertains

4.4 Local Service Policy

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

4.5 Capital Forecast

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

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

The capital costs include:

- a) costs to acquire land or an interest therein (including a leasehold interest);
- b) costs to improve land;
- c) costs to acquire, lease, construct or improve buildings and structures;
- d) costs to acquire, lease or improve facilities, including rolling stock (with a useful life of 7 or more years), furniture and equipment (other than computer



equipment), materials acquired for library circulation, reference, or information purposes;

- e) interest on money borrowed to pay for the above-referenced costs;
- f) costs to undertake studies in connection with the above-referenced matters; and
- g) costs of the D.C. background study.

In order for an increase in need for service to be included in the D.C. calculation, 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 Township’s approved and proposed capital budgets and master servicing/needs studies.

4.6 Treatment of Credits

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

4.7 Eligible Debt and Committed Excess Capacity

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

In order for such costs to be eligible, two conditions must apply. First, they must have funded excess capacity which is able to meet service needs attributable to the anticipated development. Second, the excess capacity must be “committed,” that is, either before or at the time it was created, Council must have expressed a clear



intention that it would be paid for by D.C.s or other similar charges. For example, this may have been done as part of previous D.C. processes.

4.8 Existing Reserve Funds

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

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

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

The Township’s D.C. Reserve Funds balances, by service and class of service, are presented in Table 4-3 below. 2023 year-end reserve fund balances have been adjusted to account the anticipated 2024 D.C. collections and for eligible and actual reserve fund draws and commitments occurring over the 2020 to 2024 period. These balances have been applied against future spending requirements for all services.

Table 4-3
Estimated D.C. Reserve Funds Balances

Service/Class of Service	Estimated 2024 Year End Balance
Fire Protection Services	96,274
Services Related to a Highway	1,096,358
Parks and Recreation Services	(1,168,180)
Library Services	-
Growth-Related Studies	186,244
Total	210,696

4.9 Deductions

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:

4.9.1 Reduction Required by Level of Service Ceiling

This is designed to ensure that the increase in need included in 4.3 does “...not include an increase that would result in the level of service (for the additional development increment) exceeding the average level of the service provided in the Municipality over the 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.”

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 factors are multiplied together, they produce a measure of the level of service which meets the requirements of the Act, i.e., cost per unit.

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

4.9.2 Reduction for Uncommitted Excess Capacity

Paragraph 5 of 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.

4.9.3 Reduction for Benefit to Existing Development

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

- the 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 4.9.1 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 very limited (or no) benefit as a result. On the other hand, where a clear existing service problem is to be remedied, a deduction should be made accordingly.

In the case of services such as recreation facilities, community parks, libraries, etc., the service is typically provided on a Municipal-wide system basis. For example, facilities of the same type may provide different services (i.e., leisure pool vs. competitive pool), different programs (i.e., hockey vs. figure skating), and different time availability for the same service (i.e., leisure skating available on 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 very limited benefit to existing development. Further, where an increase in demand is not met for a number of years, a negative service impact to existing development is involved for a portion of the planning period.

4.9.4 Reduction for Anticipated Grants, Subsidies and Other Contributions

This step involves reducing the capital costs necessary to provide the increased services by capital grants, subsidies, and other contributions (including direct developer contributions required due to the local service policy) made or anticipated by Council and in accordance with various rules such as the attribution between the share related to new vs. existing development. That is, some grants and contributions may not specifically be applicable to growth or where Council targets fundraising as a measure to offset impacts on taxes (O. Reg. 82/98, section 6).

4.10 Municipal-Wide vs. Area Rating

This step involves determining whether all 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 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.

4.11 Allocation of Development

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



Chapter 5

D.C.-Eligible Cost Analysis by Service



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

5.1 Introduction

This chapter outlines the basis for calculating eligible costs for the D.C.s to be applied on a uniform Township-wide 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.

The nature of the capital projects and timing identified in this chapter reflects Council's current intention. Over time, however, Township projects and Council priorities change; and 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.

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

This section evaluates the development-related capital requirements for select services over the 10-year planning period (2025 to 2034). Each service is evaluated on two format sheets: the average historical 15-year level of service calculation (see Appendix B), which "caps" the D.C. amounts; and the infrastructure cost calculation, which determines the potential D.C. recoverable cost.

5.2.1 Fire Protection Services

The Township currently provides Fire Protection Services through the use of three facilities (16,900 sq.ft.), 12 vehicles, and various pieces of equipment. This level of investment over the 15-year historical period results in an average per capita level of service of \$2,002. When this historical level of investment is applied to the anticipated 10-year population growth of 717, a maximum D.C.-eligible cost of \$1.4 million could be included in the calculation of the charge.

To provide service to new development over the forecast period, \$840,000 in gross capital costs have been identified, including a provision for additional facility space. After deducting \$12,500 for the benefit to existing development and \$96,300 to account for the estimated D.C. reserve fund balance, \$731,000 is included in the calculation of the charge.



These D.C. eligible costs are then attributed 68% to residential development and 32% to non-residential development based on the relationship of population to employment growth anticipated over the forecast period (i.e., 717 population and 339 employment). These growth-related projects and costs are detailed in Table 5-1.

5.2.2 Services Related to a Highway

Services Related to a Highway are provided utilizing an inventory of 204.7 km of asphalt and gravel roads, 81.1 equivalent bridges and culverts, 32.4 km of sidewalks and multi-use trails, 572 streetlight fixtures, 263 streetlight poles and 4 stop sign warning lights. Only the Township's share of roads, bridges and culverts have been included. The services are also managed through the use of 22,900 sq.ft. of facility space, one fuel depot/station, and 22 vehicle and equipment items. This historical level of investment results in an average level of service of \$20,435 per capita over the past 15-years. When applied against the anticipated population growth over the 10-year forecast period (i.e., 717 persons), this historical level of service results in a maximum D.C. eligible amount of \$14.7 million that could be included in the calculation of the charge.

The capital needs, which have been factored into the calculation of the charge over the forecast period, were determined through review of the Township's 2019 D.C. background study, 10-year capital plan, and discussions with staff. In total, \$7.8 million in gross capital costs of growth-related projects have been identified. \$5.3 million has been deducted as a benefit to existing development and \$1.1 million has been deducted to account for the current D.C. reserve fund balance, resulting in \$1.4 million of D.C. recoverable costs being included in the calculation of the charge.

These D.C. eligible costs are then attributed 68% to residential development and 32% to non-residential development based on the relationship of population to employment growth anticipated over the forecast period (i.e., 717 population and 339 employment). These growth-related projects and costs are detailed in Table 5-2.

5.2.3 Parks and Recreation Services

The Township currently provides Parks and Recreation Services through the utilization of 57 parkland amenities on the 15.31 hectares of parkland that are maintained through the use of 42 vehicle and equipment items. Recreation services are provided through 131,791 sq.ft. of facility space provided by the Township. This total historical level of investment results in an average level of service of \$4,885 per capita over the past 15-



years. When applied against the anticipated population growth over the forecast period (i.e., 717 persons), this historical level of investment results in a maximum D.C. eligible amount of \$3.5 million that could be included in the calculation of the charge.

To provide service to new development over the 10-year forecast period, \$8.9 million in gross capital costs of growth-related projects have been identified. The majority of these costs related to the remaining funding commitments for the Wellesley Recreation Complex. \$1.3 million has been deducted for the growth related capital costs benefitting growth beyond the 10-year forecast period and \$5.0 million has been deducted as a benefit to existing development. After adding \$1.2 million to account for the estimated D.C. reserve fund deficit, \$3.7 million has been included in the calculation of the charge.

These D.C.-eligible costs are then attributed 95% to residential development as they are the primary uses of Parks and Recreation Services. These growth-related projects and costs are detailed in Table 5-3.

5.2.4 Library Services

Library services is provided in the Township through three branches, totalling 5,433 sq.ft. The Township is responsible for maintaining the facilities while the Region of Waterloo is responsible for all furniture, equipment and library collection materials within the three branches.

The capital needs, which have been factored into the calculation of the charge over the forecast period, were based on the Region of Waterloo's standard library facility space requirement of one sq.ft. per capita, as well as discussions with staff. As such, a provision of \$313,500 for additional facility space has been included in the calculation of the charge based on the historical level of service that has been provided.

These D.C.-eligible costs are then attributed 95% to residential development as they are the primary uses of Library Services. These growth-related projects and costs are detailed in Table 5-4.

5.2.5 Growth-Related Studies

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 include a class for growth-related studies. This class is comprised of the following municipal-wide services:

- Fire Protection Services;
- Services Related to a Highway;
- Parks and Recreation Services; and
- Library Services.

The following provides a list of the studies that have been identified for the 2024 to 2034 forecast period:

- Official Plan Review (2025);
- Zoning By-law Update (2027);
- Wellesley Settlement Area Secondary Plan (2025); and
- Development Charges Background Studies (2029 & 2034).

For planning related studies, a deduction of 10% of the growth-related costs have been applied to recognize the extent to which the studies relate to non-D.C.-eligible services. Planning related studies and future D.C. background studies have been allocated to the services in the following manner:

- Fire Protection Services – 11.8%
- Services Related to a Highway – 23.1%
- Parks and Recreation Services – 60.0%
- Library Services – 5.1%

The total cost of these studies is \$434,900 of which \$133,500 is a benefit to existing development. A deduction of \$24,140 has been made to recognize the portion of



planning studies related to D.C.-ineligible services, as mentioned above. The estimated reserve fund balance of \$186,000 has also been deducted, resulting in a net D.C.-eligible cost of \$91,000 over the 10-year forecast period as presented in Table 5-5 below.

The allocation of the net growth-related costs between residential and non-residential development is based on the residential and non-residential allocations for each service area and are presented in Table 5-6 below (i.e. 86% residential and 14% non-residential).



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

Proj. No.	Increased Service Needs Attributable to Anticipated Development 2025 to 2034	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 68%	Non-Residential Share 32%
1	Utility Vehicle	2025	43,000		43,000	-		43,000	29,240	13,760
2	Provision for Facility Space	2025-2034	747,000	-	747,000	-		747,000	507,960	239,040
3	Fire Master Plan	2025-2034	50,000	-	50,000	12,500		37,500	25,500	12,000
			-	-	-	-		-	-	-
	Reserve Fund Adjustment		-	-	-	-		(96,274)	(65,466)	(30,808)
	Total		840,000	-	840,000	12,500	-	731,226	497,234	233,992



Table 5-2
Infrastructure Costs Covered in the D.C. Calculation – Services Related to a Highway

Proj. No.	Increased Service Needs Attributable to Anticipated Development 2025 to 2034	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 68%	Non-Residential Share 32%
	Roadwork - Gravel to Asphalt		-	-	-	-		-	-	-
1	Lavery Road - Ament Line to Line 86	2027-2028	1,300,000	-	1,300,000	1,027,400		272,600	185,368	87,232
2	Hutchison - William Hastings Line to Ament Line	2030	1,000,000	-	1,000,000	790,300		209,700	142,596	67,104
3	Buehler Line - Manser Road to Lavery Road	2034	500,000	-	500,000	395,100		104,900	71,332	33,568
4	Boomer Line - Hutchison Road to Hackbart Road	2030	500,000	-	500,000	395,100		104,900	71,332	33,568
5	Boomer Line - Hackbart Road to West End of Concrete Bridge	2030	500,000	-	500,000	395,100		104,900	71,332	33,568
6	Schummer Line - Lichty Road to Manser Road	2027-2028	500,000	-	500,000	395,100		104,900	71,332	33,568
7	Schummer Line - Manser Road to Hutchinson Road	2026-2027	500,000	-	500,000	395,100		104,900	71,332	33,568
8	Road 116 - Perth Line to 105m South of Deborah Glaister Line	2032	300,000	-	300,000	237,100		62,900	42,772	20,128
9	Road 116 - 250m N of Deborah Glaister Line to 75m S of Streicher Line	2032	300,000	-	300,000	237,100		62,900	42,772	20,128
10	Road 116 - 400m North of Streicher Line to William Hastings Line	2032	300,000	-	300,000	237,100		62,900	42,772	20,128
	New Sidewalk Development		-	-	-	-		-	-	-
11	Gerber - Lawrence to Strohnvest Lands	2025-2034	51,900	-	51,900	-		51,900	35,292	16,608
	Fleet and Equipment		-	-	-	-		-	-	-
12	Sidewalk Plow	2025-2034	225,000	-	225,000	-		225,000	153,000	72,000
13	2 Ton Pickup	2025-2034	130,000	-	130,000	-		130,000	88,400	41,600
14	Tandem Roll-Off Truck	2025	525,000	-	525,000	423,000		102,000	69,360	32,640
	Signals and Traffic Lights		-	-	-	-		-	-	-
15	Stop Sign Warning Lights	2025-2034	21,000	-	21,000	19,800		1,200	816	384
	Trails and Bridges		-	-	-	-		-	-	-
16	Gerber Road Multi-Use Trail and Pedestrian Bridge	2030-2034	300,000	-	300,000	282,200		17,800	12,104	5,696
	Facilities		-	-	-	-		-	-	-
17	Provision for Additional Facility Space	2025-2034	732,000	-	732,000	-		732,000	497,760	234,240
	Studies		-	-	-	-		-	-	-
18	Transportation Master Plan	2025	100,000	-	100,000	25,000		75,000	51,000	24,000
	Reserve Fund Adjustment		-	-	-	-		(1,096,358)	(745,523)	(350,835)
	Total		7,784,900	-	7,784,900	5,254,500	-	1,434,042	975,149	458,893



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

Proj. No.	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	2025 to 2034								95%	5%
	Facilities		-	-	-	-		-	-	-
1	Wellesley Township Recreation Complex (Outstanding Principal Payments)	2025-2042	7,400,000	1,246,414	6,153,586	4,343,400		1,810,186	1,719,677	90,509
2	Wellesley Township Recreation Complex (NPV of Outstanding Debt Payments)	2025-2042	528,702	89,052	439,650	310,300		129,350	122,883	6,468
3	Outdoor washrooms in Wellesley	2026	200,000	-	200,000	188,200		11,800	11,210	590
	Outdoor Recreation		-	-	-	-		-	-	-
4	Dog Park (2)	2025-2034	40,000	-	40,000	37,600		2,400	2,280	120
5	St. Clements Trail system	2026	100,000	-	100,000	94,100		5,900	5,605	295
6	New Park Development	2025-2034	424,000	-	424,000	-		424,000	402,800	21,200
	Vehicles and Equipment		-	-	-	-		-	-	-
7	Utility Tractor/Mower	2025-2034	50,000	-	50,000	-		50,000	47,500	2,500
8	4x4 Side by Side	2025	30,000	-	30,000	-		30,000	28,500	1,500
	Studies		-	-	-	-		-	-	-
9	Parks Master Plan	2025-2034	25,000	-	25,000	6,300		18,700	17,765	935
10	Feasibility and Needs Study	2025-2034	25,000	-	25,000	6,300		18,700	17,765	935
11	Parks and Recreation Master Plan	2034	65,000	-	65,000	16,300		48,700	46,265	2,435
			-	-	-	-		-	-	-
	Reserve Fund Adjustment		-	-	-	-		1,168,180	1,109,771	58,409
			-	-	-	-		-	-	-
	Total		8,887,702	1,335,465	7,552,236	5,002,500	-	3,717,916	3,532,021	185,896



**Table 5-4
Infrastructure Costs Covered in the D.C. Calculation – Library Services**

Proj. No.	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	2025 to 2034								95%	5%
1	Provision for Additional Facility Space	2025-2034	313,500		313,500	-		313,500	297,825	15,675
			-	-	-	-		-	-	-
	Reserve Fund Adjustment		-	-	-	-		-	-	-
	Total		313,500	-	313,500	-	-	313,500	297,825	15,675



**Table 5-5
Infrastructure Costs Covered in the D.C. Calculation – Growth Related Studies**

Proj. No.	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions (to recognize benefit to non-D.C. services)	Net Capital Cost	Less:		Potential D.C. Recoverable Cost
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	
	2025 to 2034								
1	Development Charges Study	2029	30,000	-		30,000	-		30,000
2	Development Charges Study	2034	30,000	-		30,000	-		30,000
3	Wellesley Settlement Area Secondary Plan	2025	216,300	-	16,220	200,080	54,100		145,980
4	Official Plan Review	2025	100,900	-	5,040	95,860	50,500		45,360
5	Zoning By-law Update	2027	57,700	-	2,880	54,820	28,900		25,920
			-	-		-	-		-
	Reserve Fund Adjustment		-	-		-	-		(186,244)
				-		-	-		-
	Total		434,900	-	24,140	410,760	133,500	-	91,016



Table 5-6
Infrastructure Costs Covered in the D.C. Calculation – Growth-Related Studies – Residential/Non-Residential Shares

Service	Total	Residential Share	Non-Residential Share
Fire Protection Services	10,740	7,303	3,437
Services Related to a Highway	21,063	14,323	6,740
Parks and Recreation Services	54,608	51,878	2,730
Library Services	4,605	4,374	230
Total	91,016	77,878	13,138
Residential/Non-Residential Share		86%	14%



Chapter 6

D.C. Calculation



6. D.C. Calculation

Table 6-1 presents the calculation of the D.C.s to be imposed for Fire Protection Services, Services Related to a Highway, Parks and Recreation Services, Library Services, and Growth-Related Studies in the Township over the 10-year forecast period.

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, apartment's bachelor and 1 bedroom, and all other multiples). The non-residential is calculated D.C. based on a per sq.m. of G.F.A. basis.

Table 6-2 summarizes the recommended schedule of charges in 2024\$, reflecting the maximum D.C.s by residential dwelling type, and the per sq.m. of G.F.A. for non-residential development. Table 6-3 provides the same information indexed to 2025\$, using the Non-Residential Building Construction Price Index, based on the most recent 2nd quarter year-over-year change in the index.

Table 6-4 compares the Township's existing charges, to the charges proposed in Table 6-2, for a single detached residential dwelling unit and per sq.m. of G.F.A. for non-residential development.

The calculated Township-wide charge is \$20,779 for a single detached residential dwelling unit and \$23.32 per sq.m. of non-residential G.F.A. The residential charges for a single detached dwelling unit represent a 53% increase (+\$7,228) over the current charges of \$13,551. The non-residential charges per sq.m. of G.F.A. represent a 46% decrease (-\$20,08) from the current charges of \$43.40 per sq.m. of G.F.A.

As identified in Section 7.3.4, agricultural uses are proposed to continue to be exempt from the payment of D.C.s. For the purposes of funding the revenue foregone associated with this exemption, a lower agricultural D.C. has been calculated based on a higher floor space per worker assumption for agricultural development compared with industrial, commercial, and institutional development. Based on the estimated increased in agricultural employment (captured within work at home employment) and the increase in agricultural G.F.A. over the 2020 to 2024 period, a floor space per worker assumption of 25,000 sq.ft. has been used. This results in an agricultural D.C. calculation of \$1.15 per sq.m.



**Table 6-1
Township-wide Services D.C. Calculation
2024 2034**

SERVICE/CLASS	2025\$ D.C.-Eligible Cost		2025\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.m.
	\$	\$	\$	\$
1. Fire Protection Services	497,234	233,992	1,920	6.01
2. Services Related to a Highway	975,149	458,893	3,766	11.79
3. Parks and Recreation Services	3,532,021	185,896	13,642	4.78
4. Library Services	297,825	15,675	1,150	0.40
5. Growth-Related Studies	77,878	13,138	301	0.34
TOTAL	\$5,380,106	\$907,594	\$20,779	23.32
D.C.-Eligible Capital Cost	\$5,380,106	\$907,594		
10-Year Gross Population/GFA Growth (sq.m.)	973	38,917		
Cost Per Capita/Non-Residential GFA (sq.m.)	\$5,529.40	\$23.32		
By Residential Unit Type	P.P.U.			
Single and Semi-Detached Dwelling	3.758	\$20,779		
Other Multiples	2.579	\$14,260		
Apartments - 2 Bedrooms +	2.184	\$12,076		
Apartments - Bachelor and 1 Bedroom	1.415	\$7,824		

**Table 6-2
Schedule of Calculated D.C.s (2024\$)**

Service/Class of Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	(per sq.m. of Gross Floor Area)
Municipal Wide Services/Classes:					
Fire Protection Services	1,920	1,318	1,116	723	6.01
Services Related to a Highway	3,766	2,584	2,189	1,418	11.79
Parks and Recreation Services	13,642	9,362	7,928	5,137	4.78
Library Services	1,150	789	668	433	0.40
Growth-Related Studies	301	207	175	113	0.34
Total Municipal Wide Services/Classes	20,779	14,260	12,076	7,824	23.32

**Table 6-3
Schedule of Calculated D.C.s (2025\$)**

Service/Class of Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	(per sq.m. of Gross Floor Area)
Municipal Wide Services/Classes:					
Fire Protection Services	2,012	1,381	1,169	758	6.30
Services Related to a Highway	3,947	2,708	2,294	1,486	12.36
Parks and Recreation Services	14,296	9,811	8,308	5,383	5.01
Library Services	1,205	827	700	454	0.42
Growth-Related Studies	315	217	183	118	0.36
Total Municipal Wide Services/Classes	21,775	14,944	12,655	8,199	24.44



Table 6-4
Comparison of Current and Calculated D.C.s (2024\$)

Residential (Single Detached) Comparison

Service/Class of Service	Current	Calculated	Change (\$)	Change (%)
Municipal Wide Services/Classes:				
Fire Protection Services	583	1,920	1,337	229%
Services Related to a Highway	5,205	3,766	(1,439)	-28%
Parks and Recreation Services	7,029	13,642	6,613	94%
Library Services		1,150	1,150	
Growth-Related Studies	734	301	(433)	-59%
Total Municipal Wide Services/Classes	13,551	20,779	7,228	53%

Non-Residential (per sq.m.) Comparison

Service/Class of Service	Current	Calculated	Change (\$)	Change (%)
Municipal Wide Services/Classes:				
Fire Protection Services	3.70	6.01	2.31	62%
Services Related to a Highway	32.74	11.79	(20.95)	-64%
Parks and Recreation Services	4.99	4.78	(0.21)	-4%
Library Services		0.40	0.40	
Growth-Related Studies	1.97	0.34	(1.63)	-83%
Total Municipal Wide Services/Classes	43.40	23.32	(20.08)	-46%



Chapter 7

D.C. Policy Recommendations and D.C. Policy Rules



7. D.C. Policy Recommendations and D.C. Policy Rules

7.1 Introduction

This chapter outlines the D.C. policy recommendations and by-law rules.

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; and
- if the rules provide for a type of development to have a lower D.C. than is allowed, the rules for determining D.C.s may not provide for any resulting shortfall to be made up via other development.

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

The rules provided give consideration for the recent changes to the D.C.A. resulting from Bills 109, 23, 97, 134, and 185. However, these policies are provided for Council’s consideration and may be refined prior to adoption of the by-law.



7.2 D.C. By-law Structure

It is recommended that:

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

7.3 D.C. By-law Rules

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.

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 15-year period. 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., primary, industrial, commercial, and institutional).

2) Costs allocated to residential and non-residential uses are based upon a number of conventions, as may be suited to each municipal circumstance, as follows:

- For Parks and Recreation Services, and Library Services, a 5% non-residential attribution has been made to recognize use by the non-residential sector;
- For Services Related to a Highway, and Fire Protection Services, a 68% residential and 32% non-residential attribution has been made based on a population vs. employment growth ratio over the 10-year forecast period; and
- For Growth-Related Studies, an 86% residential and 14% non-residential attribution has been made based on the allocations summarized in Table 5-6.

7.3.3 Application to Redevelopment of Land (Demolition and Conversion)

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

- the number of dwelling units demolished/converted multiplied by the applicable residential D.C. in place at the time the D.C. is payable; and/or
- the G.F.A. of the building demolished/converted multiplied by the current non-residential D.C. in place at the time the D.C. is payable.

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

The credit can, in no case, exceed the amount of D.C.s that would otherwise be payable. No credit shall be given where the existing building or structure would have been exempt from D.C.s in accordance with the by-law.



7.3.4 Exemptions (full or partial)

Statutory

- The municipality or local board thereof;
- A board of education;
- Industrial additions of up to and including 50% of the existing G.F.A. of the building – for industrial additions which exceed 50% of the existing G.F.A., only the portion of the addition in excess of 50% is subject to D.C.s. Exemptions will only apply to 50% of the G.F.A. prior to the first expansion for which there was an exemption to the payment of D.C.s.
- An enlargement to an existing dwelling unit;
- Additional units in existing and new residential buildings:
 - May add up to two apartments for a single detached, semi-detached or row house (only one unit can be in an ancillary structure)
 - One additional unit or 1% of the units in an existing rental residential building with four or more residential units
- Affordable Units, Attainable Units, and Inclusionary Zoning Units;
- Non-Profit Housing; and
- Universities.

Non-Statutory

- A temporary use permitted under a zoning By-law enacted under section 39 of the *Planning Act*;
- Accessory use;
- Home occupation;
- A farm building for agricultural use; and
- Temporary buildings.

7.3.5 Transition

The by-law will come into effect on January 1, 2025. No additional transition measures are proposed.



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 ship 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 and approved after January 1, 2020, and June 5, 2024), shall be determined based on the D.C. in effect on the day of the applicable Site Plan or Zoning By-law Amendment application. The D.C. amount for all developments occurring within eighteen (18) months of a Site Plan or Zoning By-law Amendment planning approval (for applications received on or after January 1, 2020, that had not received approval prior to June 6, 2024), 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 Township can impose is the average prime rate plus 1% as defined in s.s. 26.3 (1) of the Act.

7.3.7 Indexing

Indexing of the D.C.s shall be implemented on a mandatory basis annually on December 1st each year in accordance with the Statistics Canada Quarterly, Non-Residential Building Construction Price Index (Table 18-10-0135-01)¹ for the most recent 3rd quarter year-over-year change.

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.

¹ O. Reg. 82/98 referenced “The Statistics Canada Quarterly, Construction Price Statistics, catalogue number 62-007” as the index source. Since implementation, Statistics Canada has modified this index twice and the above-noted index is the most current. The draft by-law provided herein refers to O. Reg. 82/98 to ensure traceability should this index continue to be modified over time.



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 requires 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 Township-wide D.C. approach is based, in part, on the following:

- The 15-year service level from all applicable services across the municipality can be included to establish an upper ceiling on the amount of funds which can be collected. If a D.C. by-law applied to only a part of the municipality, the level of service cannot exceed that which would be determined if the by-law applied to the whole municipality. As such, when applied to forecast growth within the specific area, it would establish an area specific level of service ceiling which could reduce the total revenue recoverable for the municipality, potentially resulting in D.C. revenue shortfalls and impacts on property taxes.
- Municipal-wide D.C.s ensures a consistent approach to financing the entire cost associated with growth-related capital projects. For example, user rates and property taxes are required to finance the share of growth-related capital projects not recoverable by D.C.s and all associated operating costs. Therefore, the use of area specific D.C.s results in a share of growth-related capital costs being recovered from a specific area, with the remaining capital costs of the projects (i.e., non-D.C. recoverable share) and the associated operating costs with those new assets being recovered from uniform user rates and property taxes, applied to the entire municipality.
- Attempting to impose an area-specific D.C. potentially causes equity issues in transitioning from a municipal-wide approach to an area-specific approach. An area of a municipality that is less developed and becomes subject to an area specific D.C., could face a significant increase in D.C. rates, as the municipality will not benefit from drawing on the pool of D.C. funding and may have contributed D.C.s to fund capital required to support development in other communities of the municipality. Whereas another part of the municipality that



has experienced significant growth which required substantial capital investments benefitted from the capital investments being financed by municipal-wide D.C.s. The implementation of area specific D.C.s could result in varying D.C.s across the municipality, which may impact the ability to attract investment into parts of the community.

- Services are generally available across the municipality, used often by all residents and are not restricted to one specific geographic area. The use of a municipal-wide D.C. approach reflects these system-wide benefits of service and more closely aligns with the funding principles of service provision (e.g., uniform municipal-wide property tax rates, etc.).

Based on the foregoing and discussions with staff, the Township's practice of providing and funding services on a Township-wide basis is proposed to be maintained.

7.4 Other D.C. By-law Provisions

It is recommended that:

7.4.1 Categories of Services for Reserve Fund and Credit Purposes

It is recommended that the Township's D.C. collections be contributed into five (5) separate reserve funds, including:

- Fire Protection Services;
- Services Related to a Highway;
- Parks and Recreation Services;
- Library Services; and
- Growth-Related Studies.

7.4.2 By-law In-force Date

The by-law will come into force on January 1, 2025.

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

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



7.5 Other Recommendations

It is recommended that Council:

“Approve the capital project listing set out in Chapter 5 of the D.C. Background Study dated September 26, 2024, subject to further annual review during the capital budget process”.

“Approve the D.C. Background Study dated September 26, 2024.”

“Determine that no further public meeting is required.” And

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



Chapter 8

Asset Management Plan



8. Asset Management Plan

8.1 Introduction

The D.C.A. (new section 10(c.2)) requires 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 A.M.P. shall,

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

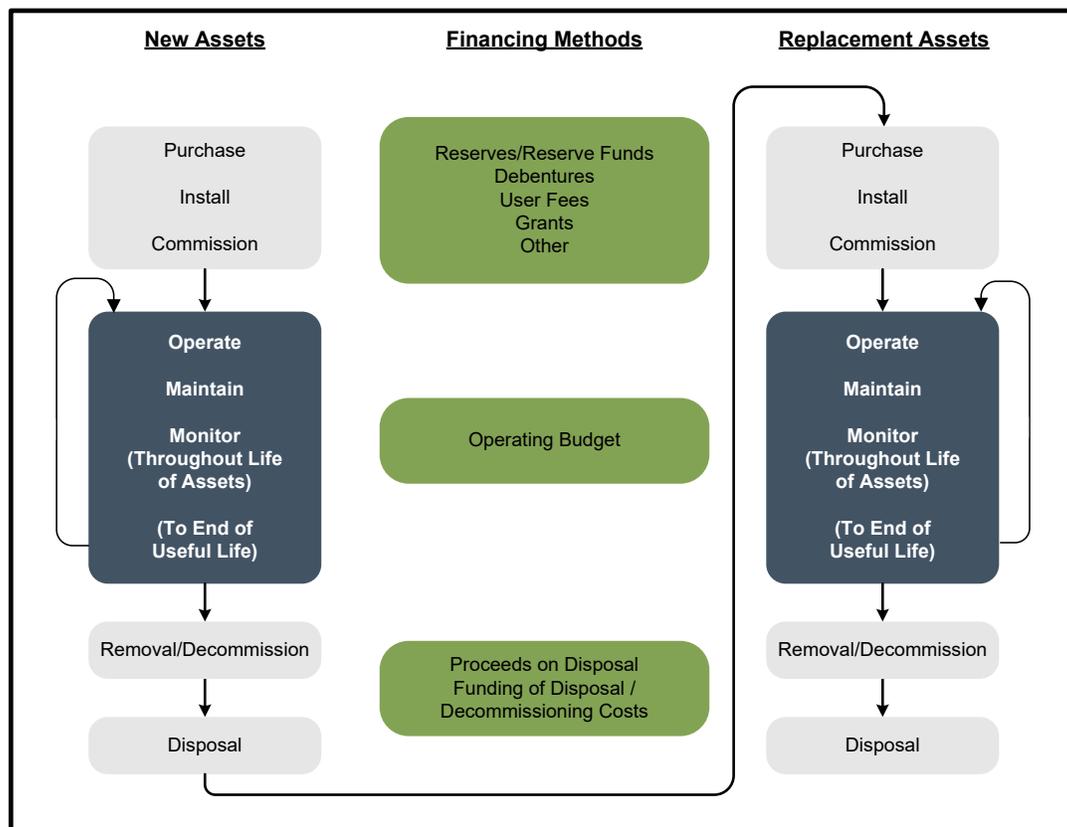
At a broad level, the A.M.P. provides for the long-term investment in an asset over its entire useful life along with the funding. The schematic below identifies the costs for an asset through its entire lifecycle. For growth-related works, the majority of capital costs will be funded by the D.C. Non-growth-related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

The Province's *Infrastructure for Jobs and Prosperity Act, 2015* (IJPA) was proclaimed on May 1, 2016. This legislation detailed principles for evidence-based and sustainable long-term infrastructure planning. The IJPA also gave the Province the authority to guide municipal asset management planning by way of regulation. In late 2017, the Province introduced O. Reg. 588/17 under the IJPA. The intent of O. Reg. 588/17 is to establish standard content for municipal asset management plans. Specifically, the regulations require that asset management plans be developed that define the current levels of service, identify the lifecycle activities that would be undertaken to achieve these levels of service, and provide a financial strategy to support the levels of service and lifecycle activities. The requirements of O. Reg. 588/17 generally align with previous provincial AMP requirements, 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.



The asset management requirement for this D.C. Background Study has been undertaken independently of any Township A.M.P.s.

8.2 Asset Management Plan

In recognition to the schematic in Section 8.1, the following table (presented in 2024\$) 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. Furthermore, as only the present infrastructure gap has been considered at this time within the A.M.P., the following does not represent a fiscal impact assessment (including future tax/rate increases) but provides insight into the potential affordability of the new assets:

1. The non-D.C. recoverable portion of the projects which will require financing from Township financial resources (i.e., taxation, rates, fees, etc.). This amount has been presented on an annual debt charge amount based on 20-year financing.
2. Lifecycle costs for the 2024 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 \$610,000. Of this total, \$408,000 relates the annual debt payment costs for benefit to existing development of growth-related needs.
5. Consideration was given to the potential new taxation and user fee revenues which will be generated as a result of new growth. These revenues will be available to finance the expenditures above. The new operating revenues are \$518,000. This amount, totalled with the existing operating revenues of \$27.2 million, provides annual revenues of \$27.7 million by the end of the period.
6. In consideration of the above, the capital plan is deemed to be financially sustainable.



Table 8-1
Asset Management – Future Expenditures and Associated Revenues (2024\$)

	2034 (Total)
Expenditures (Annualized)	
Annual Debt Payment on Non-Growth Related Capital ¹	\$408,335
Annual Debt Payment on Post Period Capital ²	\$0
Lifecycle:	
Annual Lifecycle - Municipal-wide Services	\$209,226
Incremental Operating Costs (for D.C. Services)	\$201,773
Total Expenditures	\$610,108
Revenue (Annualized)	
Total Existing Revenue ³	\$27,186,856
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)	\$517,729
Total Revenues	\$27,704,585

¹ Non-Growth Related component of Projects

² Interim Debt Financing for Post Period Benefit

³ As per Sch. 10 of FIR



Chapter 9

By-law Implementation



9. By-law Implementation

9.1 Public Consultation Process

9.1.1 Introduction

This chapter addresses the mandatory, formal public consultation process (section 9.1.2), as well as the optional, informal consultation process (section 9.1.3). The latter is designed to seek the co-operation and participation of those involved, in order to produce the most suitable policy. Section 9.2 addresses the anticipated impact of the D.C. on development from a generic viewpoint.

9.1.2 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 OLT.

9.1.3 Other Consultation Activity

There are three broad groupings of the public who are generally the most concerned with a 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 a municipality's D.C. policy. Their primary concern is frequently with the quantum of the charge, gross floor area exclusions such as basements, mechanical or indoor parking areas, or exemptions and phase-in or capping provisions in order to moderate the impact.

9.2 Anticipated Impact of the Charge on Development

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



9.3 Implementation Requirements

9.3.1 Introduction

Once the Township 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.

9.3.2 Notice of Passage

In accordance with section 13 of the D.C.A., when a D.C. by-law is passed, the Township's 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.

9.3.3 By-law Pamphlet

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

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

9.3.4 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 Township 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 Township 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.

9.3.5 Complaints

A person required to pay a D.C., or his agent, may complain to the Township 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 Township Council to the OLT.



9.3.6 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.

9.3.7 Front-Ending Agreements

The Township 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 Township 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 Township assesses whether this mechanism is appropriate for its use, as part of funding projects prior to Township funds being available.

9.3.8 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*."

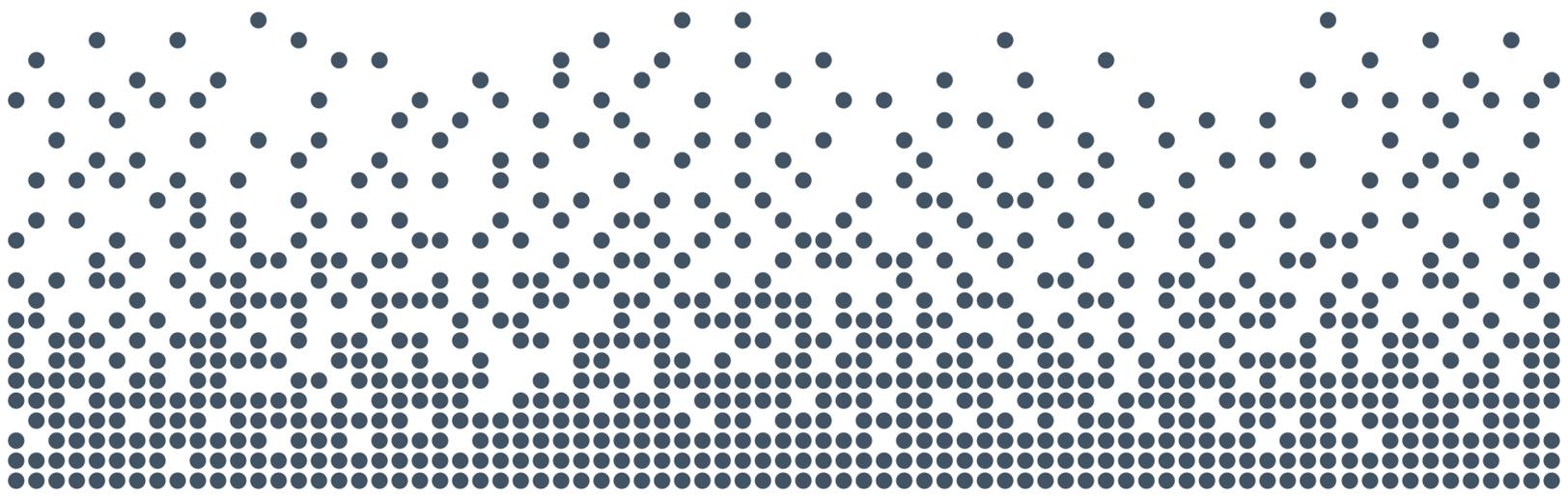


It is also noted that subsection 59 (4) of the D.C.A. requires that the municipal approval authority for a draft plan of subdivision under subsection 51 (31) of the *Planning Act*, use its power to impose conditions to ensure that the first purchaser of newly subdivided land is informed of all the D.C.s 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 Township 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 Township of Wellesley Residential Growth Forecast Summary

	Year	Population (Including Census Undercount) ^[1]	Excluding Census Undercount			Housing Units					Person Per Unit (P.P.U.): Total Population/ Total Households
			Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi-Detached	Multiple Dwellings ^[2]	Apartments ^[3]	Other	Total Households	
Historical	Mid 2011	11,140	10,713	3	10,710	2,967	68	94	14	3,143	3.409
	Mid 2016	11,710	11,260	0	11,260	3,145	70	115	5	3,335	3.376
	Mid 2021	11,770	11,318	0	11,318	3,175	70	115	15	3,375	3.353
Forecast	Mid 2024	11,840	11,388	0	11,388	3,207	70	124	15	3,416	3.334
	Mid 2034	12,590	12,105	0	12,105	3,367	170	184	15	3,736	3.240
Incremental	Mid 2011 - Mid 2016	570	547	-3	550	178	2	21	-9	192	
	Mid 2016 - Mid 2021	60	58	0	58	30	0	0	10	40	
	Mid 2021 - Mid 2024	70	70	0	70	32	0	9	0	41	
	Mid 2024 - Mid 2034	750	717	0	717	160	100	60	0	320	

^[1] Population includes the Census undercount estimated at approximately 4.0% and has been rounded.

^[2] Includes townhouses and apartments in duplexes.

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

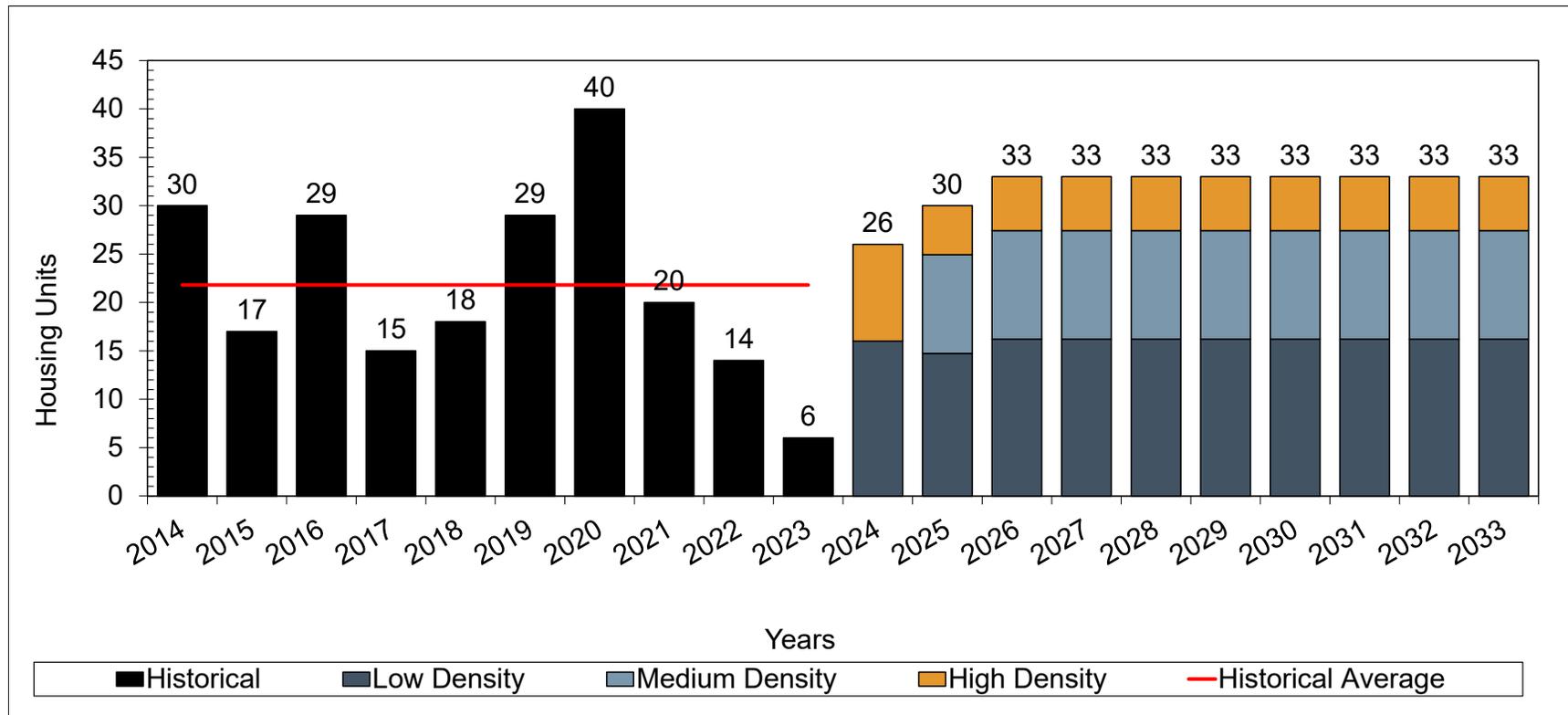
Notes:

Numbers may not add due to rounding.

Source: Derived by Watson & Associates Economists Ltd.



Figure 1
Township of Wellesley
Annual Housing Forecast [1]



[1] Growth forecast represents calendar year.

Source: Historical housing activity derived from Township of Wellesley building permit data, 2014 to 2023.



Schedule 2
Township of Wellesley
Current Year Growth Forecast
Mid-2021 to Mid-2024

		Population
Mid 2021 Population		11,318
Occupants of New Housing Units, Mid 2021 to Mid 2024	<i>Units (2)</i>	41
	<i>multiplied by P.P.U. (3)</i>	3.569
	<i>gross population increase</i>	146
		146
Occupants of New Equivalent Institutional Units, Mid 2021 to Mid 2024	<i>Units</i>	0
	<i>multiplied by P.P.U. (3)</i>	1.100
	<i>gross population increase</i>	0
		0
Decline in Housing Unit Occupancy, Mid 2021 to Mid 2024	<i>Units (4)</i>	3,375
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.023
	<i>total decline in population</i>	-76
		-76
Population Estimate to Mid 2024		11,388
<i>Net Population Increase, Mid 2021 to Mid 2024</i>		<i>70</i>

- (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 ^[1] (P.P.U.)	% Distribution of Estimated Units ^[2]	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	4.065	78%	3.172
<i>Multiples (6)</i>	2.668	0%	0.000
<i>Apartments (7)</i>	1.806	22%	0.396
Total		100%	3.569

^[1] Based on 2021 Census custom database.

^[2] 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 3
Township of Wellesley
10-Year Growth Forecast
Mid-2024 to Mid-2034**

		Population
Mid 2024 Population		11,388
Occupants of New Housing Units, Mid 2024 to Mid 2034	<i>Units (2)</i>	320
	<i>multiplied by P.P.U. (3)</i>	3.041
	<i>gross population increase</i>	973
Occupants of New Equivalent Institutional Units, Mid 2024 to Mid 2034	<i>Units</i>	0
	<i>multiplied by P.P.U. (3)</i>	1.100
	<i>gross population increase</i>	0
Decline in Housing Unit Occupancy, Mid 2024 to Mid 2034	<i>Units (4)</i>	3,416
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.075
	<i>total decline in population</i>	-256
Population Estimate to Mid 2034		12,105
<i>Net Population Increase, Mid 2024 to Mid 2034</i>		<i>717</i>

(1) Mid 2024 Population based on:

2021 Population (11,318) + Mid 2021 to Mid 2024 estimated housing units to beginning of forecast period (41 x 3.569 = 146) + (x 1.1 =) + (3,375 x -0.023 = -76) = 11,388

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

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

Structural Type	Persons Per Unit ^[1] (P.P.U.)	% Distribution of Estimated Units ^[2]	Weighted Persons Per Unit Average
<i>Singles & Semi Detached</i>	3.758	50%	1.883
<i>Multiples (6)</i>	2.579	31%	0.806
<i>Apartments (7)</i>	1.887	19%	0.352
<i>one bedroom or less</i>	1.415		
<i>two bedrooms or more</i>	2.184		
Total		100%	3.041

^[1] Persons per unit based on adjusted Statistics Canada Custom 2021 Census database.

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

(4) Mid 2024 households based upon 2021 Census (3,375 units) + Mid 2021 to Mid 2024 unit estimate (41 units) = 3,416 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 4
Township of Wellesley
Historical Residential Building Permits
Years 2014 to 2023

Year	Residential Building Permits			
	Singles & Semi Detached	Multiples ^[1]	Apartments ^[2]	Total
2014	30	0	0	30
2015	17	0	0	17
2016	29	0	0	29
2017	15	0	0	15
2018	18	0	0	18
Sub-total	109	0	0	109
Average (2014 - 2018)	22	0	0	22
% Breakdown	100.0%	0.0%	0.0%	100.0%
2019	25	0	4	29
2020	39	0	1	40
2021	17	0	3	20
2022	9	0	5	14
2023	6	0	1	7
Sub-total	96	0	14	110
Average (2019 - 2023)	19	0	3	22
% Breakdown	87.3%	0.0%	12.7%	100.0%
2014 - 2023				
Total	205	0	14	219
Average	21	0	1	22
% Breakdown	93.6%	0.0%	6.4%	100.0%

^[1] Includes townhouses and apartments in duplexes.

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

Source: Historical housing activity derived from Township of Wellesley data, by Watson & Associates Economists Ltd.



Schedule 5a
Township of Wellesley
Person Per Unit by Age and Type of Dwelling
(2021 Census)

Age of Dwelling	Singles and Semi-Detached						15 Year Average	15 Year Average Adjusted ^[1]
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	-	3.458	-	4.065		
6-10	-	-	-	3.074	-	3.419		
11-15	-	-	-	3.571	-	3.912	3.798	3.758
16-20	-	-	-	3.033	-	2.818		
21-25	-	-	-	3.147	-	3.488		
26-30	-	-	-	2.941	-	3.333		
30+	-	-	2.231	2.953	5.974	3.455		
Total	0.231	-	2.271	3.065	5.618	3.474		

Age of Dwelling	All Density Types					
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total
1-5	-	-	-	3.500	-	3.765
6-10	-	-	-	3.192	-	3.333
11-15	-	-	-	3.488	5.636	3.817
16-20	-	-	-	2.938	-	2.822
21-25	-	-	-	3.147	-	3.348
26-30	-	-	-	3.061	-	3.250
30+	-	1.550	1.917	2.882	6.000	3.335
Total	-	1.864	1.924	3.026	5.683	3.361

^[1] Includes townhomes and apartments in duplexes.

^[2] 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 5b
Region of Waterloo
Person Per Unit by Age and Type of Dwelling
(2021 Census)

Age of Dwelling	Multiples ^[1]						15 Year Average	15 Year Average Adjusted ^[3]
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	1.446	2.145	3.258	5.091	2.668		
6-10	-	1.429	1.938	2.804	-	2.521		
11-15	-	1.281	1.955	2.871	-	2.622	2.604	2.579
16-20	-	1.424	2.066	2.845	4.083	2.645		
21-25	-	1.586	1.924	2.843	4.308	2.608		
26-30	-	1.538	2.029	3.007	-	2.662		
30+	-	1.380	1.998	2.852	3.615	2.515		
Total	3.933	1.409	2.014	2.889	3.847	2.571		

Age of Dwelling	Apartments ^[2]						15 Year Average	15 Year Average Adjusted ^[3]
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	1.529	1.364	1.901	2.581	-	1.806		
6-10	-	1.418	1.939	2.471	3.143	1.867		
11-15	-	1.343	2.063	2.662	-	1.889	1.854	1.887
16-20	-	1.377	2.155	2.797	2.308	1.968		
21-25	-	1.486	2.215	3.065	-	2.046		
26-30	1.182	1.340	2.108	3.414	-	1.990		
30+	1.284	1.283	1.967	2.835	2.969	1.772		
Total	1.380	1.321	1.992	2.763	2.938	1.822		

Age of Dwelling	All Density Types					
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total
1-5	1.926	1.407	1.982	3.362	4.829	2.640
6-10	1.692	1.452	1.983	3.268	4.586	2.821
11-15	2.818	1.373	2.066	3.339	4.453	3.047
16-20	-	1.464	2.134	3.248	4.303	3.068
21-25	2.273	1.559	2.112	3.061	4.239	2.841
26-30	1.857	1.421	2.052	2.967	3.967	2.669
30+	1.358	1.315	1.967	2.726	3.972	2.426
Total	1.641	1.361	1.996	2.937	4.160	2.605

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

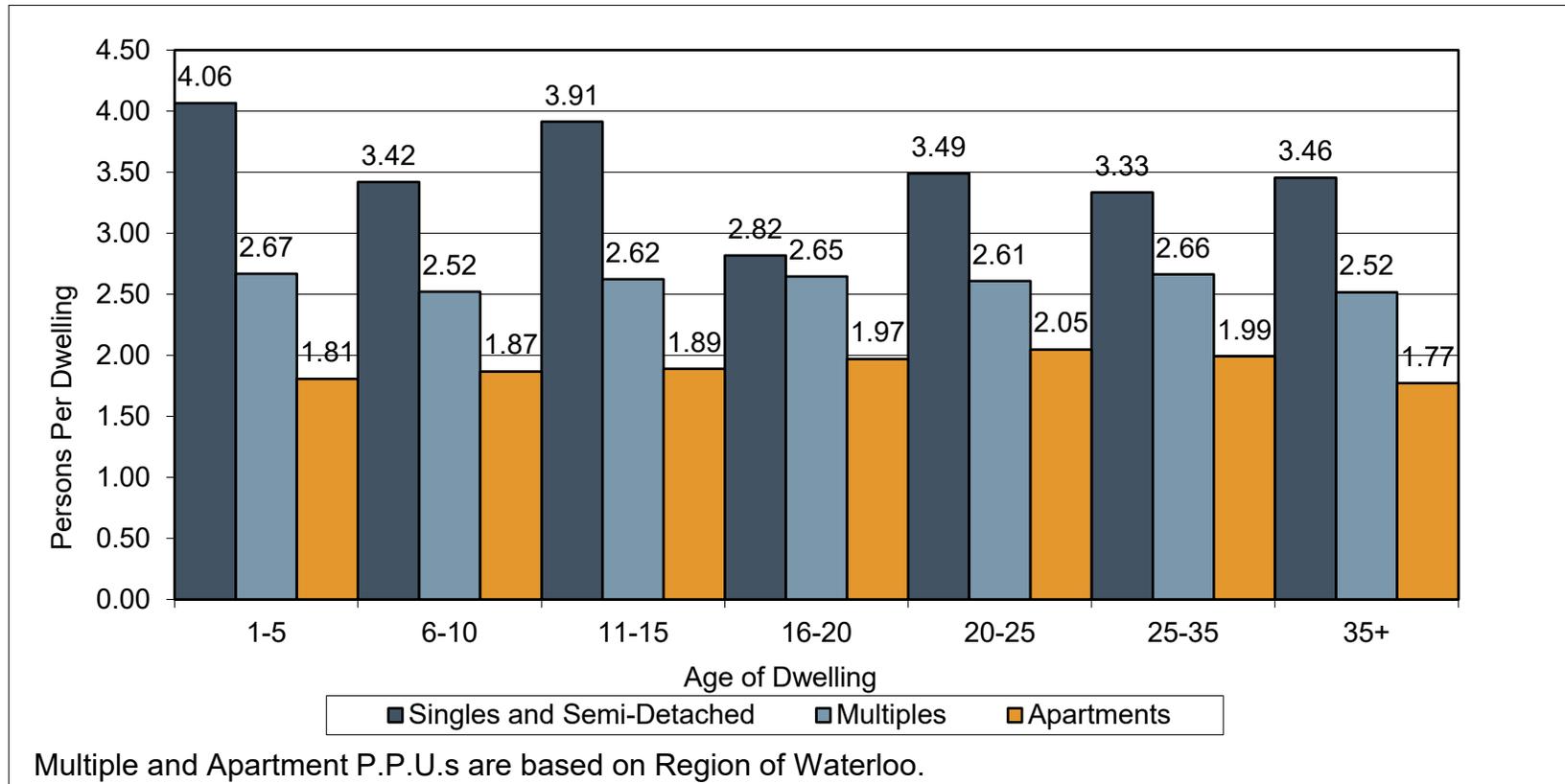
^[2] Adjusted based on historical trends.

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 6
Township of Wellesley
Person Per Unit Structural Type and Age of Dwelling
(2021 Census)





Schedule 7a Township of Wellesley Employment Forecast, 2024 to 2034

Period	Population	Activity Rate								Employment								Employment Total (Excluding Work at Home and N.F.P.O.W.)
		Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total	N.F.P.O.W. ^[1]	Total Including N.F.P.O.W.	Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total	N.F.P.O.W. ^[1]	Total Employment (Including N.F.P.O.W.)	
Mid 2011	10,713	0.006	0.118	0.086	0.039	0.025	0.274	0.038	0.313	65	1,265	925	420	265	2,940	411	3,351	1,675
Mid 2016	11,260	0.012	0.137	0.136	0.056	0.021	0.361	0.065	0.426	135	1,540	1,530	625	240	4,070	729	4,799	2,530
Mid 2024	11,388	0.012	0.151	0.159	0.061	0.034	0.416	0.072	0.488	135	1,719	1,807	690	386	4,737	822	5,559	3,018
Mid 2034	12,105	0.012	0.154	0.166	0.064	0.037	0.432	0.075	0.507	135	1,863	2,007	770	446	5,221	910	6,131	3,358
Incremental Change																		
Mid 2011 - Mid 2016	547	0.006	0.019	0.050	0.016	-0.003	0.087	0.026	0.113	70	275	605	205	-25	1,130	318	1,448	855
Mid 2016 - Mid 2024	128	0.000	0.014	0.023	0.005	0.013	0.054	0.007	0.062	0	179	277	65	146	667	93	760	488
Mid 2024 - Mid 2034	717	0.000	0.003	0.007	0.003	0.003	0.016	0.003	0.019	0	145	200	80	60	484	88	572	339
Annual Average																		
Mid 2011 - Mid 2016	109	0.001	0.004	0.010	0.003	-0.001	0.017	0.005	0.023	14	55	121	41	-5	226	64	290	171
Mid 2016 - Mid 2024	16	0.000	0.002	0.003	0.001	0.002	0.007	0.001	0.008	0	22	35	8	18	83	12	95	61
Mid 2024 - Mid 2034	72	0.000	0.000	0.001	0.000	0.000	0.002	0.000	0.002	0	14	20	8	6	48	9	57	34

^[1] Statistics Canada defines no fixed place of work (N.F.P.O.W.) employees as "persons who do not go from home to the same 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: Derived by Watson & Associates Economists Ltd.



Schedule 7b
Township of Wellesley
Employment and Gross Floor Area (G.F.A.) Forecast, 2024 to 2034

Period	Population	Employment					Gross Floor Area in Square Feet (Estimated) ^[1]				
		Primary	Industrial	Commercial/ Population Related	Institutional	Total	Industrial	Commercial/ Population Related	Institutional	Total	
Mid 2011	10,713	65	925	420	265	1,675					
Mid 2016	11,260	135	1,530	625	240	2,530					
Mid 2024	11,388	135	1,807	690	386	3,018					
Mid 2034	12,105	135	2,007	770	446	3,358					
Incremental Change											
Mid 2011 - Mid 2016	547	70	605	205	-25	855					
Mid 2016 - Mid 2024	128	0	277	65	146	488					
Mid 2024 - Mid 2034	717	0	200	80	60	339	334,600	42,300	42,000	418,900	
Annual Average											
Mid 2011 - Mid 2016	109	14	121	41	-5	171					
Mid 2016 - Mid 2024	16	0	35	8	18	61					
Mid 2024 - Mid 2034	72	0	20	8	6	34	33,460	4,230	4,200	41,890	

[1] Square Foot Per Employee Assumptions

Industrial	1,675
Commercial/Population-Related	530
Institutional	700

*Reflects Mid-2024 to Mid-2034 forecast period.

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

Source: Watson & Associates Economists Ltd.



Schedule 8
Township of Wellesley
Employment Categories by Major Employment Sector

NAICS	Employment by industry	Comments
	<u>Primary Industry Employment</u>	
11	<i>Agriculture, forestry, fishing and hunting</i>	Categories which relate to local land-based resources
21	<i>Mining and oil and gas extraction</i>	
	<u>Industrial and Other Employment</u>	
22	<i>Utilities</i>	Categories which relate primarily to industrial land supply and demand
23	<i>Construction</i>	
31-33	<i>Manufacturing</i>	
41	<i>Wholesale trade</i>	
48-49	<i>Transportation and warehousing</i>	
56	<i>Administrative and support</i>	
	<u>Population Related Employment</u>	
44-45	<i>Retail trade</i>	Categories which relate primarily to population growth within the municipality
51	<i>Information and cultural industries</i>	
52	<i>Finance and insurance</i>	
53	<i>Real estate and rental and leasing</i>	
54	<i>Professional, scientific and technical services</i>	
55	<i>Management of companies and enterprises</i>	
56	<i>Administrative and support</i>	
71	<i>Arts, entertainment and recreation</i>	
72	<i>Accommodation and food services</i>	
81	<i>Other services (except public administration)</i>	
	<u>Institutional</u>	
61	<i>Educational services</i>	
62	<i>Health care and social assistance</i>	
91	<i>Public administration</i>	

Note: Employment is classified by North American Industry Classification System (NAICS) Code.

Source: Watson & Associates Economists Ltd



Appendix B

Level of Service



**Table B-1
Service Standard Calculation – Fire Protection Services – Facilities**

**Township of Wellesley
Service Standard Calculation Sheet**

Service: Fire Protection Services - Facilities
Unit Measure: sq.ft. of building area

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Station #1 - Linwood	4,029	4,029	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	\$653	\$790
Station #2 - St. Clements	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	6,000	6,000	6,000	6,000	6,000	\$653	\$774
Station #3 - Wellesley	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	\$653	\$784
Total	13,329	13,329	13,900	16,900	16,900	16,900	16,900	16,900									

Population	10,491	10,713	10,853	10,986	11,083	11,195	11,261	11,282	11,260	11,247	11,263	11,318	11,367	11,387	11,388
Per Capita Standard	1.2706	1.2442	1.2808	1.2652	1.2542	1.2416	1.2343	1.2321	1.2345	1.2359	1.5005	1.4932	1.4868	1.4841	1.4840

15 Year Average	2010 to 2024
Quantity Standard	1.3295
Quality Standard	\$783
Service Standard	\$1,041

D.C. Amount (before deductions)	10 Year
Forecast Population	717
\$ per Capita	\$1,041
Eligible Amount	\$746,512



**Table B-2
Service Standard Calculation – Fire Protection Services – Vehicles & Equipment**

**Township of Wellesley
Service Standard Calculation Sheet**

Service: Fire Protection Services - Vehicles & Equipment
Unit Measure: No. of vehicles

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024 Value (\$/Vehicle)
Station #1 - Linwood																
Pumper	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$1,000,000
Tanker	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$860,000
Rescue	1	1	1	1	1	1	1	1	1	1	1	1				\$800,000
Rescue - Crew Cab													1	1	1	\$175,000
Utility Trailer														1	1	\$50,000
Station #2 - St. Clements																
Pumper	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$1,000,000
Tanker	1	1	1	1	1	1	1	1	1	1	1	1				\$860,000
Tanker/Pumper													1	1	1	\$860,000
Rescue	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$800,000
Station #3 - Wellesley																
Pumper	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$1,000,000
Tanker	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$860,000
Rescue	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$800,000
Aerial		1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$1,600,000
Command Unit	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$86,500
Total	10	11	12	12												

Population	10,491	10,713	10,853	10,986	11,083	11,195	11,261	11,282	11,260	11,247	11,263	11,318	11,367	11,387	11,388
Per Capita Standard	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0011	0.0011

15 Year Average	2010 to 2024
Quantity Standard	0.0010
Quality Standard	\$828,900
Service Standard	\$829

D.C. Amount (before deductions)	10 Year
Forecast Population	717
\$ per Capita	\$829
Eligible Amount	\$594,321



Table B-3
Service Standard Calculation – Fire Protection Services – Small Gear & Equipment

Township of Wellesley
Service Standard Calculation Sheet

Service: Fire Protection Services - Small Equipment and Gear
 Unit Measure: No. of equipment and gear

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024 Value (\$/item)
Radios (not in vehicles)	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	\$8,800
Pagers	70	70	70	70	70	70	70	70	70	70	70	70	70	70	70	\$1,200
Personal Protective Equipment	78	78	78	78	78	78	78	78	78	78	78	78	78	78	78	\$5,200
Spare Fire Hose	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	\$8,700
Station Generators	-	3	3	3	3	3	3	3	3	3	3	3	3	3	3	\$48,000
Extrication Tools	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	\$60,000
SCBA																
Harness	36	36	36	36	36	36	36	36	36	36	36	36	36	36	36	\$7,200
Cylinders	78	78	78	78	78	78	78	78	78	78	78	78	78	78	78	\$1,700
Masks	36	36	36	36	36	36	36	36	36	36	80	80	80	80	80	\$700
AED's/Defibrillators	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	\$3,826
Strut Jack	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	\$2,123
Air Filling Station in STCL Stn	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$86,594
Total	325	328	372	372	372	372	372									

Population	10,491	10,713	10,853	10,986	11,083	11,195	11,261	11,282	11,260	11,247	11,263	11,318	11,367	11,387	11,388
Per Capita Standard	0.0310	0.0306	0.0302	0.0299	0.0296	0.0293	0.0291	0.0291	0.0291	0.0292	0.0330	0.0329	0.0327	0.0327	0.0327

15 Year Average	2010 to 2024
Quantity Standard	0.0307
Quality Standard	\$4,299
Service Standard	\$132

D.C. Amount (before deductions)	10 Year
Forecast Population	717
\$ per Capita	\$132
Eligible Amount	\$94,622



Table B-4
Service Standard Calculation – Services Related to a Highway – Roads

Township of Wellesley
Service Standard Calculation Sheet

Service: Services Related to a Highway - Roads
 Unit Measure: km of roadways

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024 Value (\$/km)
Asphalt - Urban	21.5	22.0	22.6	23.1	23.6	24.2	24.7	25.2	25.8	26.3	26.8	27.4	27.9	28.4	29.0	\$1,692,000
Asphalt - Rural	50.7	51.9	53.2	54.4	55.7	57.0	58.2	59.5	60.7	62.0	63.2	64.5	65.8	67.0	68.3	\$722,000
Gravel	132.5	130.7	128.9	127.1	125.3	123.5	121.7	120.0	118.2	116.4	114.6	112.8	111.0	109.2	107.4	\$555,000
Total	204.7															
Population	10,491	10,713	10,853	10,986	11,083	11,195	11,261	11,282	11,260	11,247	11,263	11,318	11,367	11,387	11,388	
Per Capita Standard	0.0195	0.0191	0.0189	0.0186	0.0185	0.0183	0.0182	0.0181	0.0182	0.0182	0.0182	0.0181	0.0180	0.0180	0.0180	

15 Year Average	2010 to 2024
Quantity Standard	0.0184
Quality Standard	\$742,565
Service Standard	\$13,663

D.C. Amount (before deductions)	10 Year
Forecast Population	717
\$ per Capita	\$13,663
Eligible Amount	\$9,796,514



Table B-5
Service Standard Calculation – Services Related to a Highway – Bridges & Culverts

Township of Wellesley
Service Standard Calculation Sheet

Service: Services Related to a Highway - Bridges, Culverts & Structures
 Unit Measure: Number of Bridges, Culverts & Structures

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024 Value (\$/item)
Vehicle Bridge	26.9	26.9	26.9	26.9	26.9	26.9	26.9	26.9	26.9	26.9	26.9	26.9	26.9	26.9	26.9	\$1,433,000
Pedestrian Bridge	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	\$230,000
Structural Culvert	13.7	13.7	13.7	13.7	13.7	13.7	13.7	13.7	13.7	13.7	13.7	13.7	13.7	13.7	13.7	\$620,000
Non-Structural Culvert	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5	39.5	\$197,000
Total	81.1															

Population	10,491	10,713	10,853	10,986	11,083	11,195	11,261	11,282	11,260	11,247	11,263	11,318	11,367	11,387	11,388
Per Capita Standard	0.0077	0.0076	0.0075	0.0074	0.0073	0.0072	0.0072	0.0072	0.0072	0.0072	0.0072	0.0072	0.0071	0.0071	0.0071

15 Year Average	2010 to 2024
Quantity Standard	0.0073
Quality Standard	\$677,123
Service Standard	\$4,943

D.C. Amount (before deductions)	10 Year
Forecast Population	717
\$ per Capita	\$4,943
Eligible Amount	\$3,544,131



Table B-6
Service Standard Calculation – Services Related to a Highway – Sidewalks

Township of Wellesley
Service Standard Calculation Sheet

Service: Services Related to a Highway - Sidewalks and Active Transportation
 Unit Measure: km of sidewalks and active transportation

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024 Value (\$/km)
Sidewalks	16.70	16.90	17.20	17.90	18.88	19.86	20.84	21.82	22.80	22.80	24.40	26.01	27.61	29.22	30.82	\$140,000
Multi-Use Trails	-	-	-	-	-	-	-	-	1.53	1.53	1.54	1.55	1.56	1.57	1.58	\$4,000
Total	16.70	16.90	17.20	17.90	18.88	19.86	20.84	21.82	24.33	24.33	25.94	27.56	29.17	30.78	32.40	

Population	10,491	10,713	10,853	10,986	11,083	11,195	11,261	11,282	11,260	11,247	11,263	11,318	11,367	11,387	11,388
Per Capita Standard	0.0016	0.0016	0.0016	0.0016	0.0017	0.0018	0.0019	0.0019	0.0022	0.0022	0.0023	0.0024	0.0026	0.0027	0.0028

15 Year Average	2010 to 2024
Quantity Standard	0.0021
Quality Standard	\$132,824
Service Standard	\$279

D.C. Amount (before deductions)	10 Year
Forecast Population	717
\$ per Capita	\$279
Eligible Amount	\$199,993



Table B-7
Service Standard Calculation – Services Related to a Highway – Traffic Signals & Streetlights

Township of Wellesley
Service Standard Calculation Sheet

Service: Services Related to a Highway - Traffic Signals & Streetlights
 Unit Measure: No. of Traffic Signals

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024 Value (\$/item)
Streetlight Fixture	531	531	531	531	531	531	531	531	531	535	542	550	557	565	572	\$2,600
Streetlight Pole	244	244	244	244	244	244	244	244	244	246	249	253	256	260	263	\$1,400
Stop Sign Warning Lights	-	-	-	-	-	-	-	2	2	2	2	2	2	2	4	\$10,500
Total	775	777	777	783	794	805	815	826	839							

Population	10,491	10,713	10,853	10,986	11,083	11,195	11,261	11,282	11,260	11,247	11,263	11,318	11,367	11,387	11,388
Per Capita Standard	0.0739	0.0724	0.0714	0.0706	0.0699	0.0692	0.0688	0.0689	0.0690	0.0696	0.0705	0.0711	0.0717	0.0726	0.0737

15 Year Average	2010 to 2024
Quantity Standard	0.0709
Quality Standard	\$2,235
Service Standard	\$158

D.C. Amount (before deductions)	10 Year
Forecast Population	717
\$ per Capita	\$158
Eligible Amount	\$113,623



Table B-8
Service Standard Calculation – Services Related to a Highway – Facilities

Township of Wellesley
Service Standard Calculation Sheet

Class of Service: Public Works - Facilities
 Unit Measure: sq.ft. of building area

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Sand Dome	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	7,850	\$130	\$143
Public Works Buildings (4639 Lobsinger Line)	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	15,050	\$563	\$668
Fuel Depot/Station (No. of Buildings)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$166,000	\$183,000
Total	22,901																
Population	10,491	10,713	10,853	10,986	11,083	11,195	11,261	11,282	11,260	11,247	11,263	11,318	11,367	11,387	11,388		
Per Capita Standard	2.1830	2.1377	2.1101	2.0846	2.0663	2.0456	2.0337	2.0299	2.0338	2.0362	2.0333	2.0234	2.0147	2.0112	2.0110		

15 Year Average	2010 to 2024
Quantity Standard	2.0570
Quality Standard	\$496
Service Standard	\$1,020

D.C. Amount (before deductions)	10 Year
Forecast Population	717
\$ per Capita	\$1,020
Eligible Amount	\$731,526



Table B-9
Service Standard Calculation – Services Related to a Highway – Vehicles & Equipment

Township of Wellesley
Service Standard Calculation Sheet

Class of Service: Public Works - Vehicles & Equipment
 Unit Measure: No. of vehicles and equipment

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024 Value (\$/Vehicle)
Graders	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$500,000
Tandem Trucks	3	3	3	3	3	3	3	3	3	3	3	3	4	4	4	\$423,000
Loader With Blade	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$375,000
Agriculture Tractor with Blade	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$215,000
Pick-up Trucks with Blade	3	3	3	3	3	3	3	3	2	2	2	3	3	3	3	\$100,000
Backhoe	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$325,000
Street Sweeper	-	-	-	1	1	1	1	1	1	1	1	1	1	1	1	\$450,000
2 Tonne Truck with Dump Box	-	-	-	-	-	-	-	1	1	1	1	1	1	1	1	\$130,000
Chipper	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$25,000
Roller	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$25,000
Pickup (no blade)	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$100,000
Trailer 8'x20' Float	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$25,000
Trailer 7'x18' Millroad Aluminum	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$20,000
Steamer	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$10,000
Tamper										1	1	1	1	1	1	\$22,000
Snow Blower														1	1	\$30,600
Total	16	16	16	17	17	17	17	18	18	19	19	20	21	22	22	

Population	10,491	10,713	10,853	10,986	11,083	11,195	11,261	11,282	11,260	11,247	11,263	11,318	11,367	11,387	11,388
Per Capita Standard	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0016	0.0016	0.0017	0.0017	0.0018	0.0018	0.0019	0.0019

15 Year Average	2010 to 2024
Quantity Standard	0.0016
Quality Standard	\$232,125
Service Standard	\$371

D.C. Amount (before deductions)	10 Year
Forecast Population	717
\$ per Capita	\$371
Eligible Amount	\$266,294



Table B-10
Service Standard Calculation – Parks and Recreation Services – Parkland Development

Township of Wellesley
Service Standard Calculation Sheet

Service: Parkland Development
 Unit Measure: Hectares of Parkland

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024 Value (\$/Hectare)
Wellesley	3.62	3.62	3.62	3.62	3.62	3.62	3.62	3.62	3.62	3.62	3.62	3.62	3.62	3.62	3.62	\$124,900
St. Clements	7.66	7.66	7.66	7.66	7.66	7.66	7.66	7.66	7.66	7.66	7.66	7.66	7.66	7.66	7.66	\$124,900
Hawkesville	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	\$124,900
Linwood	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53	\$124,900
Total	15.31															

Population	10,491	10,713	10,853	10,986	11,083	11,195	11,261	11,282	11,260	11,247	11,263	11,318	11,367	11,387	11,388
Per Capita Standard	0.0015	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0013	0.0013	0.0013

15 Year Average	2010 to 2024
Quantity Standard	0.0014
Quality Standard	\$122,686
Service Standard	\$172

D.C. Amount (before deductions)	10 Year
Forecast Population	717
\$ per Capita	\$172
Eligible Amount	\$123,152



Table B-11
Service Standard Calculation – Parks and Recreation Services – Parkland Amenities

Township of Wellesley
Service Standard Calculation Sheet

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

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024 Value (\$/item)
Lit Baseball Diamonds																
Wellesley	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$468,100
St. Clements	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$468,100
Linwood	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$383,900
Unlit Baseball Diamonds																
St. Clements	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$325,000
Linwood	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$325,000
Basketball/Multi Courts																
Linwood	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$136,900
Hawkesville	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$79,100
St. Clements	-	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$104,400
Playground Equipment																
Wellesley	2	2	3	3	3	2	2	2	2	2	2	2	2	2	2	\$119,700
Wellesley (Accessible)	-	-	-	-	-	1	1	1	1	1	1	1	1	1	1	\$359,100
St. Clements	2	2	2	2	2	2	1	1	1	1	1	1	1	1	1	\$119,700
St. Clements (Accessible)	-	-	-	-	-	-	1	1	1	1	1	1	1	1	1	\$359,100
Linwood	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$359,100
Hawkesville	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$119,700
Outdoor Ice Rinks																
St. Clements	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$16,600
Wellesley	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$16,600
Hawkesville	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$16,600
Soccer Pitches																
Wellesley	1	1	1	2	2	2	2	2	2	2	2	2	2	2	2	\$259,925
St. Clements	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$259,925
Linwood	-	-	-	1	1	1	1	1	1	1	1	1	1	1	1	\$259,925
Beach Volleyball																
Hawkesville	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$5,200
Washrooms																
St. Clements	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$86,800



Table B-11 (Cont'd)
Service Standard Calculation – Parks and Recreation Services – Parkland Amenities

Township of Wellesley
Service Standard Calculation Sheet

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

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024 Value (\$/item)
Picnic Shelters																
Wellesley	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$27,500
St. Clements	1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$62,100
Park Benches																
Wellesley	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	\$1,500
St. Clements	2	2	4	4	4	4	4	4	4	4	4	4	4	4	4	\$1,500
Hawkesville	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	\$1,500
Splashpads																
Wellesley Recreational Centre	-	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$300,000
Wellesley Recreation Complex																
Wellesley Active Play Space (Playground)														1	1	\$250,000
Double Multi-use Sports Pad														1	1	\$122,350
Skate Park														1	1	\$318,700
Soccer Field															2	\$259,925
Total	44	47	50	52	55	57										

Population	10,491	10,713	10,853	10,986	11,083	11,195	11,261	11,282	11,260	11,247	11,263	11,318	11,367	11,387	11,388
Per Capita Standard	0.0042	0.0044	0.0046	0.0047	0.0047	0.0046	0.0046	0.0046	0.0046	0.0046	0.0046	0.0046	0.0046	0.0048	0.0050

15 Year Average	2010 to 2024
Quantity Standard	0.0046
Quality Standard	\$126,778
Service Standard	\$583

D.C. Amount (before deductions)	10 Year
Forecast Population	717
\$ per Capita	\$583
Eligible Amount	\$418,140



Table B-12
Service Standard Calculation – Parks and Recreation Services – Facilities

Township of Wellesley
Service Standard Calculation Sheet

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

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Hawkesville Community Centre	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	\$370	\$454
Linwood Recreation Complex	12,794	12,794	12,794	12,794	12,794	12,794	12,794	12,794	12,794	12,794	12,794	12,794	12,794	12,794	12,794	\$370	\$459
St. Clements Community Centre	40,263	40,263	40,263	40,263	40,263	40,263	40,263	40,263	40,263	40,263	40,263	40,263	40,263	40,263	40,263	\$370	\$419
Wellesley Community Centre	11,593	11,593	11,593	11,593	11,593	11,593	11,593	11,593	11,593	11,593	11,593	11,593	11,593	11,593	11,593	\$370	\$515
Wellesley Arena	29,378	29,378	29,378	29,378	29,378	29,378	29,378	29,378	29,378	29,378	29,378	29,378	29,378	29,378	29,378	\$370	\$438
Linwood Storage Shed	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	\$130	\$173
Wellesley Storage Shed/old fire stat	2,130	2,130	2,130	2,130	2,130	2,130	2,130	2,130	2,130	2,130	2,130	2,130	2,130	2,130	2,130	\$130	\$173
Wellesely Township Recreation Complex															69,804	\$370	\$438
Total	102,958	131,791															

Population	10,491	10,713	10,853	10,986	11,083	11,195	11,261	11,282	11,260	11,247	11,263	11,318	11,367	11,387	11,388
Per Capita Standard	9.8142	9.6106	9.4866	9.3717	9.2897	9.1968	9.1429	9.1259	9.1437	9.1543	9.1413	9.0968	9.0576	9.0417	11.5728

15 Year Average	2010 to 2024
Quantity Standard	9.4164
Quality Standard	\$431
Service Standard	\$4,061

D.C. Amount (before deductions)	10 Year
Forecast Population	717
\$ per Capita	\$4,061
Eligible Amount	\$2,911,622



Table B-13
Service Standard Calculation – Parks and Recreation Services – Vehicles & Equipment

Township of Wellesley
Service Standard Calculation Sheet

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

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024 Value (\$/Vehicle)
Pickup 4X4	1	2	2	2	2	2	2	3	3	3	3	3	3	3	3	\$70,000
SUV	-	-	-	-	-	-	-	-	1	1	1	1	1	1	1	\$60,000
Utility Tractor	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$25,000
Tractor	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$30,000
Kubota Tractors	1	1	1	1	1	1	2	2	2	2	2	2	2	2	2	\$45,000
Flatbed Trailer	1	1	1	1	1	1	1	1	-	-	-	-	-	-	-	\$3,300
2013 22' Trailer				1	1	1	1	1	1	1	1	1	1	1	1	\$20,000
Mower	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$20,000
Scissor Lift	-	-	1	1	1	1	-	-	-	-	-	-	-	-	-	\$18,700
Ice Resurfacer (St. Clements)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$150,000
Ice Resurfacer (St. Wellesley)	-	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$150,000
Other Equipment and Tools	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	\$1,700
ATV - Side-by-side												1	1	1	1	\$30,000
Tractor Attachments	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	\$4,100
Total	36	38	39	40	40	40	40	41	41	41	41	42	42	42	42	

Population	10,491	10,713	10,853	10,986	11,083	11,195	11,261	11,282	11,260	11,247	11,263	11,318	11,367	11,387	11,388
Per Capita Standard	0.0034	0.0035	0.0036	0.0036	0.0036	0.0036	0.0036	0.0036	0.0036	0.0036	0.0036	0.0037	0.0037	0.0037	0.0037

15 Year Average	2010 to 2024
Quantity Standard	0.0036
Quality Standard	\$19,197
Service Standard	\$69

D.C. Amount (before deductions)	10 Year
Forecast Population	717
\$ per Capita	\$69
Eligible Amount	\$49,552



Table B-14
Service Standard Calculation – Library Services – Facilities

Township of Wellesley
Service Standard Calculation Sheet

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

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
5279 Arrent Line, Linwood	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	\$825	\$896
3605 Lobsinger Line, St. Clements	1,391	1,391	1,391	1,391	1,391	1,391	1,391	1,391	1,391	1,391	1,391	1,391	1,391	1,391	1,391	\$825	\$896
1137 Henry St., Wellesley	1,742	1,742	1,742	1,742	1,742	1,742	1,742	1,742	1,742	1,742	1,742	1,742	1,742	1,742	1,742	\$825	\$896
Total	5,433																

Population	10,491	10,713	10,853	10,986	11,083	11,195	11,261	11,282	11,260	11,247	11,263	11,318	11,367	11,387	11,388
Per Capita Standard	0.5179	0.5071	0.5006	0.4945	0.4902	0.4853	0.4825	0.4816	0.4825	0.4831	0.4824	0.4800	0.4780	0.4771	0.4771

15 Year Average	2010 to 2024
Quantity Standard	0.4880
Quality Standard	\$896
Service Standard	\$437

D.C. Amount (before deductions)	10 Year
Forecast Population	717
\$ per Capita	\$437
Eligible Amount	\$313,501



Appendix C

Long-Term Capital and Operating Cost Examination



Appendix C: 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. As part of this analysis, it was deemed necessary to isolate the incremental operating expenditures directly associated with these capital projects, factor in cost savings 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 Township's 2023 Financial Information Return.

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 which are incurred during the life of a physical asset, from the time its acquisition is first considered, to the time it is taken out of service for disposal or redeployment. The method selected for 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.

Table C-1 depicts the annual operating impact resulting from the proposed gross capital projects at the time they are all in place. It is important to note that, while 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 C-1
Operating and Capital Expenditure Impacts for Future Capital Expenditures

SERVICE/CLASS OF SERVICE		ANNUAL LIFECYCLE EXPENDITURES	ANNUAL OPERATING EXPENDITURES	TOTAL ANNUAL EXPENDITURES
1.	Fire Protection Services	30,666	49,331	79,997
2.	Services Related to a Highway	133,371	28,206	161,577
3.	Parks and Recreation Services	33,990	123,015	157,006
4.	Library Services	11,199	1,221	12,420
5.	Growth-Related Studies	-	-	-
Total		209,226	201,773	410,999



Appendix D

Local Service and Developer Contribution Policy



Appendix D: Local Services and Developer Contribution Policy

Some of the need for services generated by additional development consists of local services related to a plan of subdivision. As such, they will be required as a condition of subdivision agreements or consent conditions. The following local service guidelines delineate the jurisdiction for capital cost recovery (i.e., local service or D.C.s).

1. Roads and Related Services

1.1 Collector Roads

- The local component of a collector road internal to a development is a direct developer responsibility under s.59 of the D.C.A. as a local service. The oversized share of a collector road internal to a development is D.C. recoverable.
- The local component of collector roads external to a development are a local service if the works are within the area to which the plan relates and, therefore, a direct developer responsibility under s.59 of the D.C.A. Otherwise, the works are included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.

1.2 Arterial Roads

- New arterial roads and arterial road improvements are included as part of road costing funded through D.C.s. Only the oversizing component would be recovered through D.C.s and local road equivalent costs are considered to be a local service.

1.3 Local Roads

- Local roads, as defined by the municipalities' engineering standards, are local services and a direct developer responsibility under s.59 of the D.C.A.

1.4 Subdivision/Site Entrances and Related



- Entrances and all related costs (including, but not limited to: signalization, turn lanes, utilities and extensions, etc.), no matter the class of road, are a local service and a direct developer responsibility under s.59 of the D.C.A.

1.5 Streetlights

- Streetlights internal to a development or site are a direct developer responsibility through local service provisions (s.59 of the D.C.A.).
- Streetlights external to a development but related to the subject lands are a direct developer responsibility through local service provisions (s.59 of the D.C.A.).
- New streetlights in other areas related to development may be included in the D.C. calculation to the extent permitted under S. 5(1) of the D.C.A.

1.6 Sidewalks

- Sidewalks internal to a development or site are a direct developer responsibility through local service provisions (s.59 of the D.C.A.).
- Sidewalks external to a development but required and related to the subject lands are a direct developer responsibility through local service provisions (s.59 of the D.C.A.).
- New sidewalks in other areas related to development are included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.

1.7 Bike or Transit Lanes

- Bike or transit lanes, where requested, internal to a development or site are a direct developer responsibility through local service provisions (s.59 of the D.C.A.).
- Bike or transit lanes external to a development but required and related to the subject lands are a direct developer responsibility through local service provisions (s.59 of the D.C.A.).



- New bike or transit lanes in other areas related to development are included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.

1.8 Noise Abatement Measures

- Noise abatement measures internal to a development are a direct developer responsibility through local service provisions (s.59 of the D.C.A.).
- Noise abatement measures external to a development but required and related to, or mitigate impacts from, the development of the subject lands, are a direct developer responsibility through local service provisions (s.59 of the D.C.A.).

1.9 Street Tree Planting

- Street tree planting, as required in the Engineering Standards, is considered a local area service and a direct responsibility of the developer.

1.10 Land Acquisition for Road Allowances

- Land acquisition for planned road allowances within development lands is a dedication under the Planning Act provisions.
- Land acquisition for planned road allowances outside of development lands, and that is not a dedication under the Planning Act, is included in the D.C. calculation to the extent permitted under s.5(1) of the D.C.A.
- Additional land acquisition for bridges or grade separations (beyond normal dedication requirements) is to the extent eligible as identified and included, if applicable, in the D.C. Background Study.

2. Stormwater Management Services

- The costs of stormwater management (S.W.M.) facilities internal to subdivision and related to a plan of subdivision are considered to be a local service under the D.C.A. and the associated costs are not included in the D.C. calculation. Local SWM facilities would typically include:
 - Stormwater management facilities servicing local drainage areas;



- Storm sewer oversizing associated with local drainage areas; and
- Storm sewer works on existing roads.
- New stormwater facilities in other areas, which may or may not be associated with D.C. eligible road infrastructure, may be included in the D.C. calculation.
- Master drainage planning studies or similar non-development specific studies may be included in the D.C. calculation.

3. Parkland Development

- For the purpose of parkland development, local services include the requirement for the owner to undertake preparation of the park plan, retaining necessary consultants to prepare design and grading plans for the park, prior to development. In addition, the owner is required to provide stripping and stockpiling, leveling, topsoiling, seeding and stormwater servicing including all appurtenances (consistent with the plan), fencing the property perimeter, and provide municipal water and wastewater services to the lot line. These requirements are part of the conditions of s.51 and 53 *Planning Act* agreements. The municipality also requires the owner to dedicate parkland or provide cash-in-lieu, consistent with the *Planning Act* provisions. All of these costs are deemed a direct responsibility of the developer and have not been included in the D.C. calculation.
- With respect to other parkland development costs, the municipal policy is to include all other components of parkland development in the D.C. calculation, including parking, park furniture, signage, landscaping and walkways and multi-purpose trails, in addition to the necessary fields, diamonds, playground equipment, lighting, irrigation and field houses.



Appendix E

Proposed Development Charge By-law

CORPORATION OF THE TOWNSHIP OF WELLESLEY

BY-LAW NO. XX/2024

Being a By-law to impose Development Charges
in the Corporation of the Township of Wellesley
pursuant to the Development Charges Act, S.O., 1997, c.98.

WHEREAS the Development Charges Act, S.O., 1997 c.98 authorizes municipalities to pass By-laws for the imposition of development charges against land if the development of land would increase the need for services;

AND WHEREAS Council wishes to ensure that the capital cost of meeting growth related demands for services is met but does not place a financial burden upon the Township's existing taxpayers, and also that new taxpayers bear no more than the net capital cost attributable to providing the current level of services;

AND WHEREAS section 2(1) of the Development Charges Act, 1997, S.O., 1997, c.27 (the "Development Charges Act") enables the Council to pass By-laws for the imposition of development charges against land to pay for increased capital costs required because of increased needs for services arising from the development or redevelopment of land;

AND WHEREAS the Township of Wellesley has undertaken a Development Charges Background Study, pursuant to s.10 of the Development Charges Act to investigate the increased need for services that will result from such development;

AND WHEREAS the Township has, pursuant to s.12 of the Development Charges Act, has given notice of a public meeting in the manner and to the persons and organizations prescribed by Ontario Regulation 82/98;

AND WHEREAS such public meeting was held on October 22, 2024 in the Council Chambers of the Township of Wellesley;

AND WHEREAS the Township ensured that the proposed By-law and the background study were made available to the public at least two weeks prior to the public meeting;

AND WHEREAS any person who attended the meeting was allowed to make representations in respect of the proposed development charges;

AND WHEREAS Council, having reviewed the study and the proposed By-law and having considered all to the representations made at the public meeting, directed that this By-law be enacted;

NOW THEREFORE THE MUNICIPAL COUNCIL OF THE TOWNSHIP OF WELLESLEY ENACTS AS FOLLOWS:

1. DEFINITIONS

(1) In this By-law:

- a) "Accessory building" means a building or structure, or part of a building or structure, that is:
- (i) a parking garage that is exclusively devoted to providing vehicle parking to the main use situated on the same Site;
 - (ii) a mechanical room that is exclusively devoted to providing heating, cooling, ventilating, electrical, mechanical or telecommunications equipment for a building or buildings that contain one or more Dwelling Units or Lodging Units situated on the same Site;
 - (iii) an entrance way, elevator, stairwell or hallway that provides access to a Dwelling Unit or Lodging Unit, or Dwelling Units or Lodging Units, on the same Site;
 - (iv) a pool area, change room, restroom, fitness facility, kitchen, laundry room, lounge or meeting room that is for the exclusive use of the residents of a Dwelling Unit or Lodging Unit, or Dwelling Units or Lodging Units, on the same Site;
 - (v) a storage room that provides storage exclusively to a resident or residents of a Dwelling Unit or Lodging Unit, or Dwelling Units or Lodging Units, on the same Site; or
 - (vi) an exterior deck, porch, canopy, gazebo, storage shed or stairway that is exclusively devoted to the use of the residents of a Dwelling Unit or Lodging Unit, or Dwelling Units or Lodging Units, on the same Site;

And for the purposes of this definition, "Site" shall include common elements of the same condominium as the applicable main use, buildings, Dwelling Units or Lodging Units; "Accessory Use" means a use that is normally subordinate or incidental to and exclusively devoted to a principal use, building or structure on a Site that does not through any manner or design share the same gross floor area of the principal use or occupy more than the percentage of gross floor area of the Site permitted as an accessory use by the applicable zoning by-laws;

- b) "Act" means the Development Charges Act, 1997, S.O., 1997, c.27;
- c) "Additional Dwelling Unit" has the same meaning as within the Township's Zoning By-law as may be updated from time to time;
- d) "agricultural use" means the use of land and buildings for apiaries, fish farming, animal husbandry or the cultivation of trees, shrubs, flowers, grains, sod, fruits, vegetables and other crops or ornamental plants;

- e) "apartment" means any dwelling unit within a building containing more than four dwelling units where the units are connected by an interior corridor. Despite the foregoing, an apartment dwelling includes Stacked Townhouse Dwellings and Additional Residential Units as defined in the Township's Zoning By-law;
- f) "back-to-back townhouse dwelling" means a building containing four (4) or more Dwelling Units separated vertically by a common wall, including a rear common wall, that does not have a rear yard with amenity area;
- g) "bedroom" means a habitable room larger than seven square metres, including a den, study or other similar area, but does not include a living room, dining room or kitchen;
- h) "benefitting area" means an area defined by a map, plan or legal description in a front-ending agreement as an area that will receive a benefit from the construction of a service;
- i) "capital cost" means costs incurred or proposed to be incurred by the Township or a local board thereof, directly or under an agreement:
 - (i) to acquire land or an interest therein, including the capital component of costs to acquire a leasehold interest;
 - (ii) to improve land;
 - (iii) to acquire, construct or improve, and the capital component cost to lease, buildings and structures;
 - (iv) to acquire, construct or improve, and the capital component cost to lease, facilities including:
 1. rolling stock with an estimated useful life of seven years or more,
 2. furniture and equipment, other than computer equipment, and
 3. material acquired for circulation, reference or information purposes by a library board as defined in the Public Libraries Act;
 - (v) to undertake studies in connection with and to pay interest on money borrowed to pay for costs of any of the matters referred to in clauses (i) to (iv);
 - (vi) to undertake the development charges background study as required under s.10 of the Act;
- j) "Council" means the Council of The Corporation of the Township of Wellesley;
- k) "development" means the construction, erection or placing of one or more buildings or structures on land or the making of an addition or

alteration to a building or structure that has the effect of increasing the size or usability thereof, and includes redevelopment;

- l) "development charge" means a charge imposed with respect to growth-related net capital costs against land under this By-law;
- m) "dwelling unit" means a room or rooms located within a building or structure which are occupied or designed or intended to be occupied by one person or more persons as a single housekeeping unit and for which a separate private entrance (from outdoors or a common hallway), bathroom and kitchen facilities are provided;
- n) "duplex" means a dwelling or residential building divided horizontally into two dwelling units;
- o) "excess capacity" means uncommitted excess capacity but excludes uncommitted excess capacity if, either before or at the time the excess capacity was created, the Council of the Township expressed a clear intention that the excess capacity would be paid for by development charges or other similar charges;
- p) "existing industrial building" a building or buildings existing on a site on 3rd day of December 2019 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, c. P.13 (the "Planning Act") subsequent to the passing of this By-law for which full development charges were paid, and is 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;

Notwithstanding the foregoing, an industrial use does not include the sale of commodities to the general public through a warehouse club or self-storage facilities.

- q) "farm building" means that part of a bona fide farming operation encompassing barns, silos, and other ancillary development to an agricultural use, but excluding a residential use;
- r) "front-end payment" means a payment made by an owner pursuant to a front-ending agreement, which may be in addition to a development charge that the owner is required to pay under this By-law, to cover the net capital costs of the services designated in the agreement that are required to enable the land to be developed;
- s) "front-ending agreement" means an agreement made under Section 44 of the Act between the municipality and any or all owners within a benefitting area providing for front-end payments by an owner or owners or for the installation of services by an owner or owners or any combination thereof;
- t) "grade" with respect to a Dwelling Unit or Single Detached Dwelling means the average level of finished ground adjoining same at all exterior walls;
- u) gross floor area means the total floor area of a building or structure or part thereof, measured from the outside faces of exterior walls or between the outside faces of exterior walls and the centre line of any partition walls, and in the case of a Dwelling Unit, includes only those areas above grade. The gross floor area shall include any area which is being used for the repair or for the public sale of vehicles but shall exclude any area which is specifically designed for the parking of passenger motor vehicles;
- v) "growth-related net capital cost" means the portion of the net capital cost of services that is reasonably attributable to the need for such net capital cost that results or will result from the anticipated development in all or a defined part of the Township less the Township's excess capacity and the extent to which an increase in service to meet the increased need will benefit existing development within the Township;
- w) "home occupation" means a vocational use carried on in conjunction with a Dwelling Unit on the same property as permitted by the applicable Township Zoning By-law;
- x) "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 (a); 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;
- y) "local board" means a public library 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 the Township or the Regional Municipality of Waterloo (the "Region") or any part or parts thereof;
- z) "local services" means 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, or as a condition of approval under section 53 of the Planning Act;
- aa) "lodging house" means a building designed or intended to contain, or containing Lodging Units where the residents share access to common areas of the building, other than the Lodging Units;
- bb) "lodging unit" means a room located in a lodging house which:
- (i) is designed to be occupied for human habitation by one resident;
 - (ii) is not normally accessible to persons other than the resident without the permission of the resident; and
 - (iii) may contain either cooking or sanitary facilities, but not both, for the exclusive use of the resident.
- A unit or room in a hotel, motel, nursing or retirement home, independent living facility on the same Site as a nursing or retirement home, hospice, rehabilitation facility, student residence where meals and supervision are available, group home, or hostel designed for human habitation shall not constitute a Lodging Unit;
- cc) "multiple dwelling" means all dwellings other than single detached dwellings, demi-detached dwellings, and apartment dwellings within the respective meanings ascribed hereto under this By-law;
- dd) "municipality" means The Corporation of the Township of Wellesley;
- ee) "net capital cost" means the capital cost less capital grants, subsidies and other contributions made to the municipality or that Council

anticipates will be made, including conveyances or payments under section 43, 51 and 53 of the Planning Act in respect of the capital costs;

- ff) “non-profit housing development” means development of a building or structure intended for use as residential premises by:
 - (i) a corporation to which the Canada Not-for-profit Corporation 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 Corporation Act, 2010 applies, that is in good standing under that Act and whose primary object is to provide housing, or
 - (iii) a non-profit housing co-operative that is in good standing under the Co-operative Corporations Act, 2022;
- gg) “non-residential uses” means all commercial, industrial, institutional and other uses, not included in the definition of residential use;
- hh) "Official plan" means the Official Plan of the Wellesley Planning Area and any amendments thereto;
 - ii) "owner" means the owner of land or a person authorized by the owner who has made application for an approval for the development of land upon which a development charge is imposed;
- jj) "Planning Act" means the Planning Act, R.S.O. 1990, c.P.13;
- kk) "pre-existing development" means a use of land existing on the land at the time a development charge is payable or existing at the time of passage of this By-law;
- ll) "rate" means the interest rate established by the Bank of Canada on the day this By-law comes into force updated on the first business day of every January, April, July and October;
- mm) "regulation" means any regulation made pursuant to the Act;
- nn) “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;
- oo) “residential building” means a building containing one or more Dwelling Units with or without any Non-Residential component and in the case of a single or semi-detached dwelling or townhouse dwelling means the individual Dwelling Unit;
- pp) "residential use" means the use of land, buildings or structures as one or more Dwelling Units, including a Farm dwelling;
- qq) "row townhouse 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;

- rr) "semi-detached dwelling" means one dwelling unit within a building containing only two dwelling units, which is divided from the other dwelling unit by a vertical solid wall or partition extending from foundation to roof;
- ss) "single detached dwelling" means residential building consisting of one Dwelling unit and not attached to another structure and shall include a modular or mobile home connected to any of water, sanitary or electrical utility service;
- tt) "site" means a parcel of land which can be legally conveyed pursuant to section 50 of the Planning Act and includes a development having two or more consolidated under identical ownership;
- uu) "stacked townhouse" means a building, other than a duplex, townhouse, or back to back townhouse, containing at least 3 dwelling units; each dwelling unit separated from the other vertically and/or horizontally and each dwelling unit having a separate entrance to grade
- vv) "townhouse dwelling" means one Dwelling Unit within a building containing three or more Dwelling Units which is divided from the other Dwelling Units by one or more vertical solid walls or partitions extending from foundation to roof;
- ww) "warehousing" means a building in which the main use is the bulk storage of raw or semi-processed goods to be used in manufacturing and/or the wholesale distribution of manufactured goods and materials.

PART I: APPLICATION AND EXEMPTIONS

2. IMPOSITION OF DEVELOPMENT CHARGES

(1) All lands

Subject to subsection (2) the development charges herein are imposed on all lands in the municipality and no lands are exempt by reason only that they are exempt from taxation under s.3 of the Assessment Act.

- #### **(2) This By-law does not apply to land owned by and used for the purposes of:**
- a) a board of education as defined by subsection 1(1) of the Education Act, R.S.O. 1990, c.E.2;
 - b) the Township of Wellesley or any local board thereof;
 - c) the Region or any local board thereof;
 - d) any area municipality within the Region; and
 - e) the Crown in right of Ontario or the Crown in right of Canada.

3. APPLICATION OF DEVELOPMENT CHARGES

(1) General Application

Subject to subsection (2) to (8) inclusive, development charges shall apply, and shall be calculated and collected in accordance with the provisions of this By-law, on land to be developed or redeveloped for residential and non-residential use, where:

- a) the development or redevelopment of the land will increase the need for services; and
- b) the development or redevelopment requires one or more of the approvals which follow:
 - (i) the passing of a zoning By-law or of 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 subsection 50(7) of the Planning Act applies;
 - (iv) the approval of a plan of subdivision under section 51 of the Planning Act;
 - (v) a consent under section 53 of the Planning Act;
 - (vi) the approval of a description under section 50 of the Condominium Act, R.S.O. 1990, c.C.26; or
 - (vii) the issuing of a permit under the Building Code Act, 1992, S.O. 1992, c.23 (the "Building Code"), in relation to a building or structure.

(2) Subsection (1) shall not apply in respect of,

- a) local services; or
- b) local connections to water mains, sanitary sewers and storm drainage facilities installed at the expense of the owner including amounts imposed under a By-law passed under section 218 of the Municipal Act, R.S.O. 1990, c.M.45, as amended.

(3) Where two or more of the actions described in subsection (1) are required before the land to which a development charge applies can be developed or redeveloped, only one development charge shall be imposed, calculated and collected in accordance with the provisions of this By-law.

(4) Despite subsection (3), if two or more of the actions described in subsection (1) occur at different times and if the subsequent action or actions has the effect of increasing the need for services as designated in this By-law, additional development charges shall be imposed, calculated and collected in accordance with the provisions of this By-law.

(5) Despite subsection (1) any subdivision agreement or development agreement made under section 51 or section 53 of the Planning Act or any predecessor thereof, which provides for the payment of a lot levy, development charge, capital contribution or other charge shall remain in full force and effect, be enforceable according to its terms and prevail to the extent that there is any conflict with this By-law. This subsection, however, shall not apply with respect to any lot or block which is further subdivided by a new plan of subdivision or consent or by a part lot control exemption By-law.

(6) Subsection (1) shall not apply to:

- a) a temporary use permitted under a zoning By-law enacted under section 39 of the Planning Act;
- b) an accessory use;
- c) a home occupation;
- d) a farm building for agricultural use;
- e) temporary erection of a building without foundation as defined in the Building Code for a period not exceeding six consecutive months and not more than six months in any one calendar year on a site for which development charges or lot levies have previously been paid;
- f) 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 if the development in respect of which development charges would otherwise be payable is intended to be occupied and used by the university;
- g) The enlargement of an existing dwelling unit;
- h) a second residential dwelling unit in an existing or new single detached dwelling, semi-detached dwelling, or row-townhouse dwelling 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 or new single detached dwelling, semi-detached dwelling, or row-townhouse dwelling cumulatively contain no more than one residential dwelling unit;
- i) a third residential dwelling unit in an existing or new single detached dwelling, semi-detached dwelling, or row-townhouse dwelling 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 or new single detached dwelling, semi-detached dwelling, or row-townhouse dwelling contains any residential dwelling units;
- j) one residential dwelling unit in a building or structure ancillary to an existing or new single detached dwelling, semi-detached dwelling, or row-townhouse dwelling on a parcel of land, if the existing or new single detached dwelling, semi-detached dwelling, or row-townhouse dwelling contains no more than two residential dwelling units and no other

building or structure ancillary to the existing or new single detached dwelling, semi-detached dwelling, or row-townhouse dwelling contains any residential dwelling units;

(i) For the purposes of Subsection 3. (6)(j) a residential Dwelling Unit in a Building or structure ancillary to an existing or new Single Detached Dwelling, Semi-Detached Dwelling, or Row-Townhouse Dwelling must be an Additional Dwelling Unit as defined herein

k) in an existing rental residential building, which contains four or more residential dwelling units, the creation of the greater of one residential dwelling unit or one per cent of the existing residential dwelling units.

(7) Non-Profit Housing

(8) Affordable residential units required pursuant to section 34 and 16(4) of the Planning Act (Inclusionary Zoning);

(9) Affordable and attainable residential units as follows:

a) As of the date on which section 4.1 of the Act is proclaimed into force, affordable residential units that meet the criteria set out in subsection 4.1 (2) or 4.1 (3) of the Act shall be exempt from Development Charges

b) As of the date on which subsection 4.1 (4) of the Act is proclaimed into force, attainable residential units that meet the criteria set out in subsection 4.1 (4) of the Act shall be exempt from Development Charges

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

a) Three or more bedrooms – 25% reduction;

b) Two bedrooms – 20% reduction; and

c) All other bedroom quantities – 15% reduction.

(11) Despite anything in this By-law, there shall be an exemption from the payment of development charges for one or more enlargements of an existing industrial building up to a maximum of fifty per cent (50%) of the gross floor area of an enlargement that results in the gross floor area of the industrial building being increased by greater than fifty per cent (50%) of the gross floor area of the existing industrial building.

a) For the purpose of subsection (11), despite any new sites created which result in an existing industrial building being on a site separate from its enlargement or enlargements for which an exemption was granted under this section, further exemptions if any, pertaining to the existing industrial building shall be calculated on the basis of the gross floor area of the existing industrial building prior to the first enlargement and the site prior to its division in accordance with subsection (11).

4. Development charges as set out in Sections 5 and 6 of this By-law shall apply to all lands that are developed or redeveloped for residential and non-residential use in accordance with this By-law, but only insofar as,
 - (1) the growth-related net capital costs of services are attributable to residential and non-residential use, and
 - (2) the growth-related net capital cost of each service is attributable to the anticipated development and at standards no higher than the average level of each such service provided by the Township over the 15-year period immediately preceding the preparation of the Study.
5. Residential Development Charges
 - (1) Development charges against land to be developed or redeveloped for residential use shall be based upon the services to be provided by the Township which are designated in Schedule "A" attached hereto.
 - a) Subject to the provisions of this By-law, development charges are hereby imposed against land to be developed or redeveloped for residential use and shall be calculated and collected at the rates set out in Schedule "B" attached hereto.
 - b) Subject to the provisions of this By-law, development charges against land to be developed or redeveloped for mixed residential use shall be the aggregate of the amount applicable for each dwelling unit according to its type as set forth in Schedule "B" attached hereto.
6. Non-Residential Development Charges
 - (1) Development charges against land to be developed or redeveloped for non-residential use shall be based upon the services to be provided by the Township which are designated in Schedule "A" attached hereto.
 - (2) Subject to the provisions of this By-law, development charges are hereby imposed against land to be developed or redeveloped for non-residential use and shall be calculated and collected at the rate set out in Schedule "B" attached hereto.
7. Mixed Use Development Charges
 - (1) Subject to the provisions of this By-law, development charges against land to be developed or redeveloped for mixed residential and non-residential use shall be the aggregate of the amount applicable to the residential component and the amount applicable to the gross floor area of the non-residential component.

PART II: ADMINISTRATION

8. Payment
 - (1) All development charges required to be paid to the Township pursuant to this By-law shall be paid by cash or cheque and directed to the Township's Chief Building Official.

9. Calculations

- (1) Subject to the provisions of this part, development charges shall be calculated and payable in full on the date that a building permit is issued in relation to a building or structure on land to which a development charge applies.
- (2) Where development charges apply to land where a building permit is required, no building permit shall be issued until the development charge is paid in full.
- (3) Notwithstanding subsection (1), development charges for rental housing and institutional developments are due and payable in 6 installments commencing with the first installment payable on the date of occupancy, and each subsequent installment, including interest in accordance with Subsection (5), payable on the anniversary date each year thereafter.
- (4) Notwithstanding Subsection (1), where the development of land results from the approval of a Site Plan or Zoning By-law Amendment received on or after January 1, 2020, and the approval of the application occurred within the prescribed amount of time of building permit issuance, the Development Charges under Sections 5, 6, and 7 shall be calculated based on the rates set out in Schedule "B" on the date of the planning application, including interest in accordance with Subsection 5. Where both planning applications apply, Development Charges under Sections 5, 6, and 7 shall be calculated on the rates, including interest in accordance with Subsection (5), set out in Schedule "B" on the date of the later planning application.
- (5) Interest for the purposes of Subsections (3) and (4) shall be determined as set out in the Township of Wellesley's Development Charges Interest Rate Policy as amended from time to time.
- (6) If a development of land does not require the issuing of a building permit and requires one of the approvals listed in subsection 3.1b)(i) to (vi) inclusive, the development charge, subject to subsection 3.(1)(b) shall be payable and shall be calculated and collected on such date as may be determined by the approving authority.

10. Credits

- (1) The Township may, by agreement, permit the owner of land to which development charges apply to provide services for development or redevelopment of that land in lieu of the payment of all or any portion of a development charge, including services additional to or of a greater size or capacity than is required under this By-law ("services in lieu").
- (2) Upon proof of the installation or construction of services in lieu to the satisfaction of the Township's Manager of Community Services, a credit, without interest, shall be applied against development charges payable for an amount equal to the reasonable cost to the owner for providing services in lieu, as determined by the Township's Manager of Community Services, not to exceed the total amount of the development charges otherwise payable.

- (3) Any unused credit may be applied, upon proof satisfactory to the Township's Chief Building Official, to any subsequent development charge payable with respect to the same land as referred to in subsection (1).

11. Redevelopment Allowances

- (1) Where there is a redevelopment, conversion, demolition, or change of use of a building or structure or part thereof, the Development Charges payable by the new or proposed development shall be credited by the amount to which the previous use of the building or structure was subject to Development Charges at the time this By-law was passed
- (2) With respect to a residential building or structure or the residential portion of a mixed-use building or structure that has been demolished or converted, the credit shall be calculated by multiplying the number of dwelling units demolished or converted within five years of the date of building permit application by the Development Charge for the relevant demolished units in accordance with Schedule "B" of this By-law.
- (3) With respect to a non-residential building or structure or the non-residential portion of a mixed-use building or structure that has been demolished or converted, the credit shall be calculated by multiplying the Gross Floor Area of that portion of the building demolished or converted within five years of the date of building permit application by the Development Charge for the relevant demolished units in accordance with Schedule "B" of this By-law.
- (4) The credit with respect to a redevelopment, conversion, demolition, or change of use of a building or structure or part thereof shall not exceed the amount of the Development Charges payable with respect to new or proposed development.
- (5) No credit shall be given with respect to the redevelopment, conversions, demolition, or change of use of a building or structure or part thereof where the existing building or structure or part thereof would have been exempt from Development Charges in accordance with this By-law.
- (6) If, after constructing a second dwelling unit on a property, the first dwelling unit converted to an Additional Dwelling Unit, then development charges shall not be applied to the new dwelling unit.

12. Reserve Funds

- (1) Monies received from payment of development charges shall be maintained in a separate reserve fund or funds, and shall be used only to meet growth-related net capital costs for which the development charge was imposed under this By-law.
- (2) Income received from investments of the development charge reserve fund or funds shall be credited to the development charge reserve fund or funds in relation to which the investment income applies.

- (3) Where any development charge, or part thereof, remains unpaid after the due date, the amount unpaid shall be added to the tax roll and shall be collected as taxes.
 - (4) Where any unpaid development charges are collected as taxes under Subsection (3), the monies so collected shall be credited to the development charge reserve fund or funds referred to in subsection 1.
13. This By-law shall be administered by the Township's Manager of Community Services, Clerk and Chief Building Official.
14. Annual Adjustment
 - (1) The development charges set out in sections 5, 6, and 7 and Schedule "B" attached hereto shall be adjusted annually without amendment to this By-law, as of the 1st day of December in each year, commencing on December 1, 2025, in accordance with the most recent Statistics Canada Quarterly, Construction Price Index.
 - (2) The minimum interest rate that the Township shall pay under subsection 18(3) and 25(2) of the Development Charges Act in relation to a development charges By-law shall be the Bank of Canada interest rate on the day the By-law comes into force and thereafter as such rate is adjusted on the first business day of every January, April, July and October thereafter for the life of this By-law.
15. Term
 - (1) This By-law shall come into force and effect on the 1st day of January 2025.
 - (2) This By-law shall continue in force and effect for a term not to exceed ten years from the date of its enactment unless it is repealed or replaced at an earlier date by a subsequent By-law.
16. Nothing in this By-law shall be construed so as to commit or require the Township or its Council to authorize or proceed with any specific capital project at any specific time.
17. Each and every provision of this By-law is severable and, if any provision or provisions of this By-law should, for any reason, be declared invalid by any court, it is the intention of Council that each and every of the then remaining provisions of this By-law shall remain in full force and effect.
18. This By-law may be cited as the "Township of Wellesley Development Charges By-law, 2025".

READ A FIRST AND SECOND this 26th day of November 2024

Mayor Joe Nowak

Clerk, Grace Kosch

READ A THIRD AND FINAL TIME AND PASSED this 26th day of November 2024

Mayor Joe Nowak

Clerk, Grace Kosch

THE CORPORATION OF THE TOWNSHIP OF WELLESLEY

BY-LAW NO. XX/2024

SCHEDULE "A"

Services and Classes of Services

1. Services Related to a Highway;
2. Fire Protection Services;
3. Parks and Recreation Services;
4. Library Services; and
5. Growth-Related Studies.

THE CORPORATION OF THE TOWNSHIP OF WELLESLEY

BY-LAW NO. XX/2024

SCHEDULE "B"

SCHEDULE OF DEVELOPMENT CHARGES

Service/Class of Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	(per sq.m. of Gross Floor Area)
Municipal Wide Services/Classes:					
Fire Protection Services	2,012	1,381	1,169	758	6.30
Services Related to a Highway	3,947	2,708	2,294	1,486	12.36
Parks and Recreation Services	14,296	9,811	8,308	5,383	5.01
Library Services	1,205	827	700	454	0.42
Growth-Related Studies	315	217	183	118	0.36
Total Municipal Wide Services/Classes	21,775	14,944	12,655	8,199	24.44