



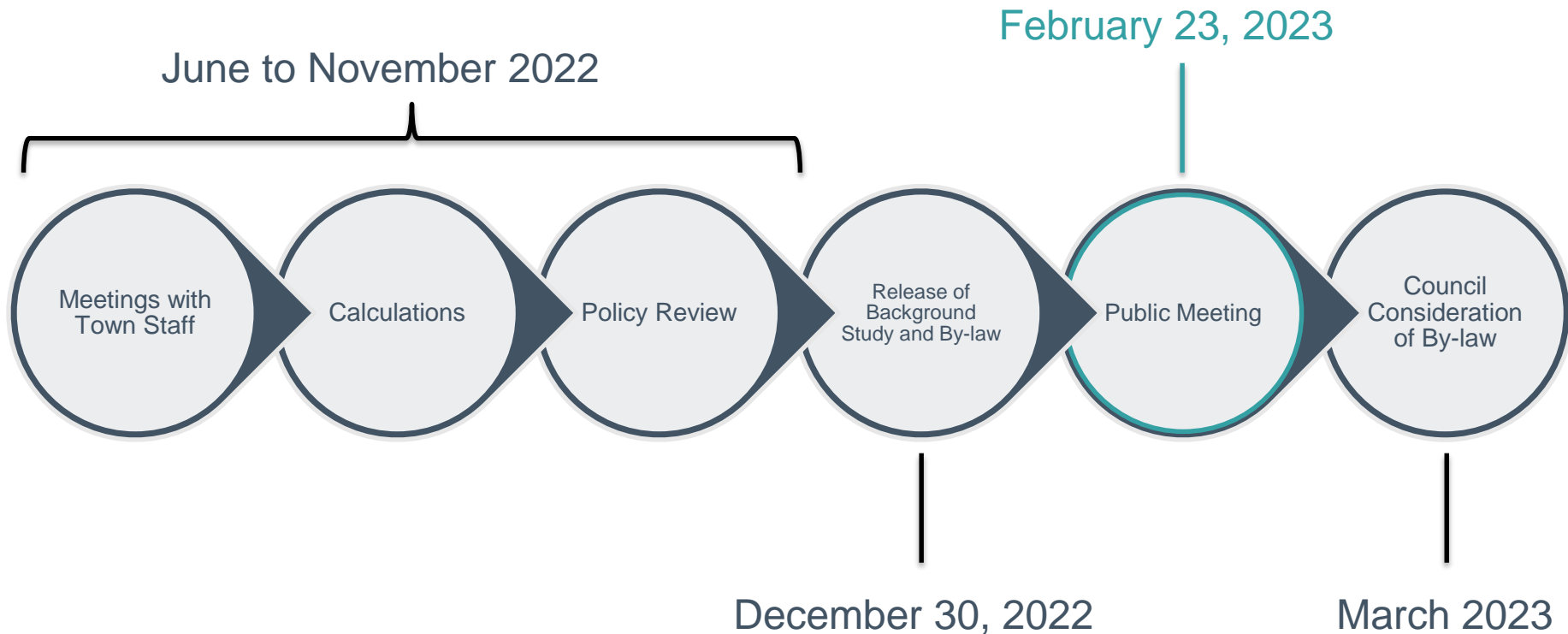
## Town of Erin

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2022 D.C. Public Meeting –Wastewater D.C. Update Study

February 23, 2023

# Study Process & Timelines



# Public Meeting Purpose



- The public meeting is to provide for an update to the existing D.C. By-law to:
  - Update the wastewater capital infrastructure costs; and
  - Incorporate the policy changes as a result of Bill 23.
- The meeting is a mandatory requirement under the Development Charges Act (D.C.A.)
- Prior to Council's consideration of a by-law, a background study must be prepared and available to the public a minimum 60 days prior to the D.C. by-law passage

# Format for Public Meeting



- D.C.A. Public Meeting
  - Opening remarks
  - Presentation of the proposed policies and charges
  - Presentations by the Public
  - Questions from Council
  - Conclude Public Meeting

# Development Charges



## **Purpose:**

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

# 2022 D.C. Update – Wastewater



- The Town's current D.C. by-law was passed in 2019 and provided for municipal wide services. In 2020, the Town undertook a D.C. update process to include wastewater services (as well as other miscellaneous changes). Since that time, the Town has tendered the related wastewater infrastructure, however the capital costs have exceeded the initial estimates identified during the 2020 D.C. process.
- Therefore, the wastewater capital program included in the D.C. update study have been revised to reflect the tender amounts related to the wastewater treatment plant and wastewater linear infrastructure (sanitary trunk sewers and pumping stations):
  - Wastewater Treatment Plant: the costs have increased from \$67,208,500 (2019\$) to \$128,900,000 (2022\$)
  - Wastewater Collection System: the costs have increased from \$20,346,000 (2019\$) to \$57,032,000 (2022\$)

# Bill 23 (More Homes, Built Faster Act, 2022)



Bill 23 provided the following provisions to the D.C.A., which are effective as of November 28, 2022.

- Additional Residential Unit Exemption (3<sup>rd</sup> unit)
- New Statutory Exemptions
  - Affordable, Attainable, Inclusionary Zoning, and Non-profit Housing
- Removal of Housing Services
- Historical Level of Service to be calculated over 15 years
- Removal of Studies from definition of capital costs
- Mandatory Phase-in (80% year 1, then 5% each year until year 5)
- D.C. By-law Expiry extended from 5 to 10-year life
- Rental Housing Discount – based on number of bedrooms
- Maximum Interest Rate for Instalments and DC Rate Freeze Capped at 1% + average prime rate.
- Allocation of Funds Received (60% of beginning balance for water, wastewater, and roads)

# Other Considerations



- Based on the required updates noted in the prior slides, as well as the obligations required as part of the Town's financial agreements related to the wastewater infrastructure, it is recommended that the Town remove wastewater services from the current D.C. by-law (By-law 19-30, as amended by By-law 20-40) and consider establishing a standalone wastewater D.C. by-law.



# Summary of Services



## **Town-wide:**

- Transportation Services (Services Related to a Highway)
- Fire Protection Services
- Parks and Recreation Services
- Administration Studies (Engineering and Community Based Studies)

## **Urban-area Services**

- Water Services
- Wastewater Services

# Current D.C. Rates (2022\$)

as per By-law 19-32, as amended by By-law 20-40



Service	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)
<b>Town Wide Services:</b>						
Services Related to a Highway	9,243	6,698	4,683	3,981	3,184	5.18
Fire Protection Services	2,922	2,118	1,481	1,259	1,007	1.64
Parks & Recreation Services	5,670	4,109	2,873	2,441	1,953	1.00
Administration - Engineering Studies	2,125	1,540	1,077	915	732	0.88
Administration - Community Based Studies	393	284	199	169	136	0.17
<b>Total Town Wide Services</b>	<b>20,354</b>	<b>14,749</b>	<b>10,313</b>	<b>8,766</b>	<b>7,012</b>	<b>8.87</b>
<b>Urban Services</b>						
Water Services						
Water Supply and Distribution	6,779	4,913	3,435	2,918	2,336	2.29
Wastewater Services						
Wastewater Treatment and Collection	15,797	11,448	8,005	6,803	5,443	5.33
<b>Total Urban Services</b>	<b>22,576</b>	<b>16,361</b>	<b>11,440</b>	<b>9,721</b>	<b>7,779</b>	<b>7.62</b>
<b>GRAND TOTAL RURAL AREA</b>	<b>20,354</b>	<b>14,749</b>	<b>10,313</b>	<b>8,766</b>	<b>7,012</b>	<b>8.87</b>
<b>GRAND TOTAL URBAN AREA</b>	<b>42,929</b>	<b>31,110</b>	<b>21,754</b>	<b>18,486</b>	<b>14,791</b>	<b>16.49</b>

# Calculated D.C. Rates (2022\$)



Service	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)
<b>Town Wide Services:</b>						
Services Related to a Highway	9,243	6,698	4,683	3,981	3,184	5.18
Fire Protection Services	2,922	2,118	1,481	1,259	1,007	1.64
Parks & Recreation Services	5,670	4,109	2,873	2,441	1,953	1.00
Administration - Engineering Studies	2,125	1,540	1,077	915	732	0.88
Administration - Community Based Studies	393	284	199	169	136	0.17
<b>Total Town Wide Services</b>	<b>20,354</b>	<b>14,749</b>	<b>10,313</b>	<b>8,766</b>	<b>7,012</b>	<b>8.87</b>
<b>Urban Services</b>						
Water Services						
Water Supply and Distribution	6,779	4,913	3,435	2,918	2,336	2.29
Wastewater Services						
Wastewater Treatment	19,145	13,875	9,701	8,244	6,596	6.46
Wastewater Collection	9,584	6,946	4,857	4,127	3,302	3.24
<b>Total Urban Services</b>	<b>35,508</b>	<b>25,734</b>	<b>17,993</b>	<b>15,289</b>	<b>12,234</b>	<b>11.99</b>
<b>GRAND TOTAL RURAL AREA</b>	<b>20,354</b>	<b>14,749</b>	<b>10,313</b>	<b>8,766</b>	<b>7,012</b>	<b>8.87</b>
<b>GRAND TOTAL URBAN AREA</b>	<b>55,861</b>	<b>40,483</b>	<b>28,307</b>	<b>24,054</b>	<b>19,246</b>	<b>20.86</b>

# Rate Comparison – Residential (2022\$)



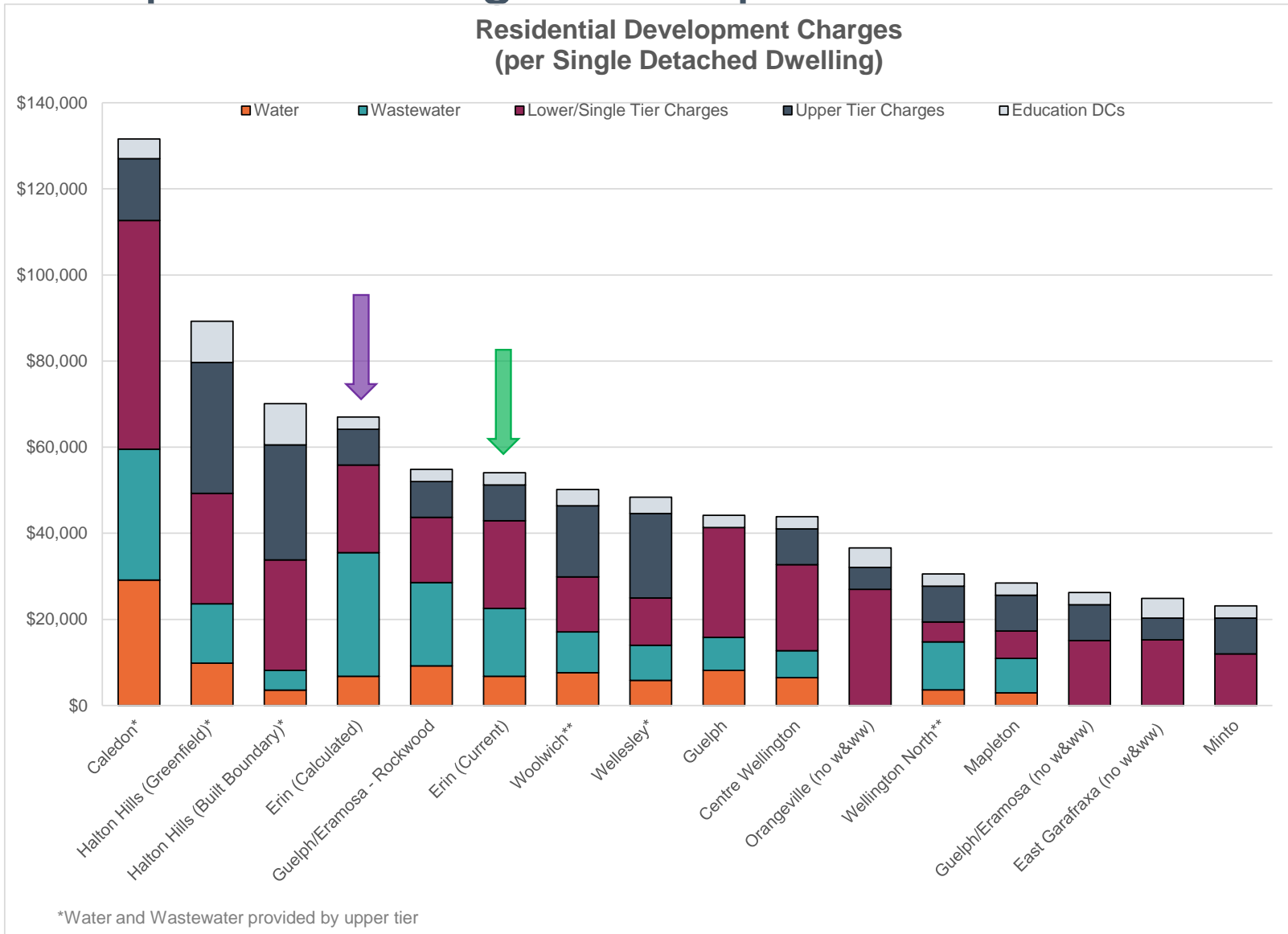
Service	Current D.C.	Calculated Based on 2022 D.C. Update
<b>Town Wide Services:</b>		
Services Related to a Highway	9,243	9,243
Fire Protection Services	2,922	2,922
Parks & Recreation Services	5,670	5,670
Administration - Engineering Studies	2,125	2,125
Administration - Community Based Studies	393	393
<b>Total Town Wide Services</b>	<b>20,354</b>	<b>20,354</b>
<b>Urban Services:</b>		
Water Services	6,779	6,779
Wastewater Services	15,797	28,729
<b>Total Urban Services</b>	<b>22,576</b>	<b>35,508</b>
<b>Grand Total - Urban Area</b>	<b>42,929</b>	<b>55,861</b>

# Rate Comparison – Non-Residential (2022\$)

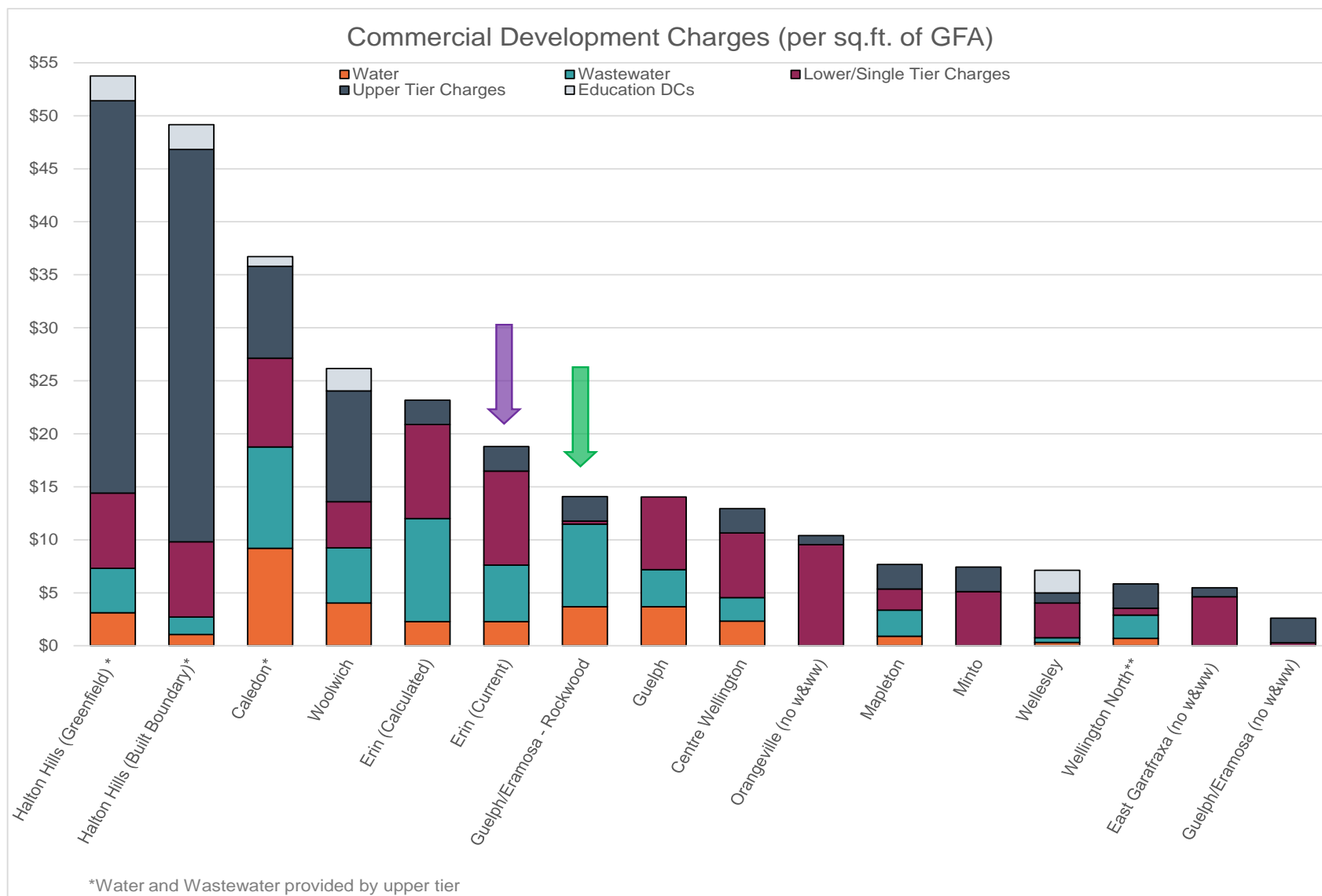


Service	Current D.C.	Calculated Based on 2022 D.C. Update
<b>Town Wide Services:</b>		
Services Related to a Highway	5.18	5.18
Fire Protection Services	1.64	1.64
Parks & Recreation Services	1.00	1.00
Administration - Engineering Studies	0.88	0.88
Administration - Community Based Studies	0.17	0.17
<b>Total Town Wide Services</b>	<b>8.87</b>	<b>8.87</b>
<b>Urban Services:</b>		
Water Services	2.29	2.29
Wastewater Services	5.33	9.71
<b>Total Urban Services</b>	<b>7.62</b>	<b>11.99</b>
<b>Grand Total - Urban Area</b>	<b>16.49</b>	<b>20.86</b>

# Residential (per single-detached unit) Development Charges Comparison

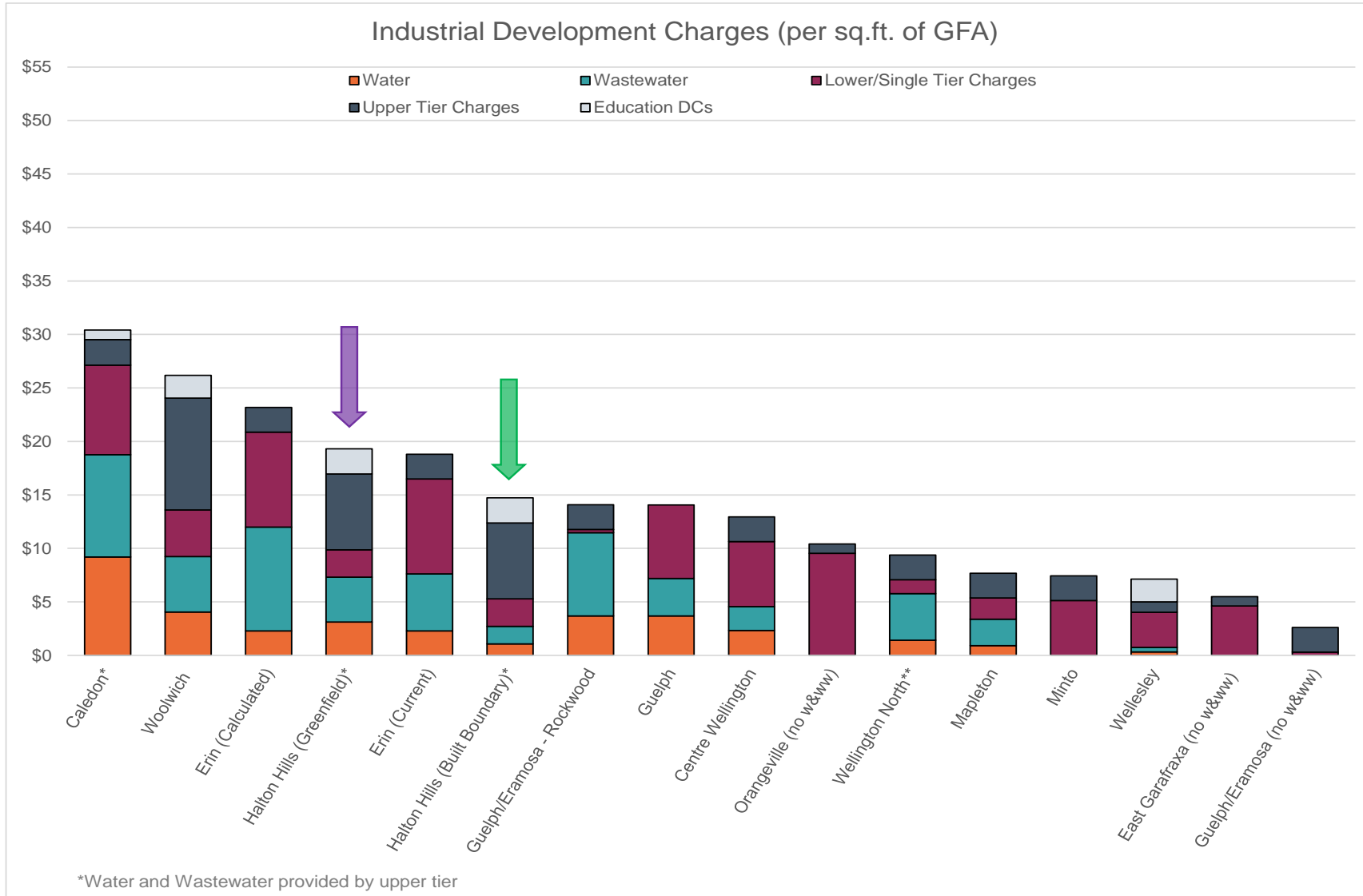


# Non-Residential – Commercial (per sq.ft.) Development Charges Comparison





# Non-Residential – Industrial (per sq.ft.) Development Charges Comparison





# Next Steps



**Council Consideration  
of the By-law**  
*(March 2023)*