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ECONOMISTS LTD.

Development Charges Background Study

Town of Erin

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List of Acronyms and Abbreviations

A.M.P.	Asset management plan
C.B.C.	Community benefits charge
D.C.	Development charge
D.C.A.	<i>Development Charges Act, 1997, as amended</i>
F.I.R.	Financial Information Return
G.F.A.	Gross floor area
N.F.P.O.W.	No fixed place of work
OLT	Ontario Land Tribunal
O.M.B.	Ontario Municipal Board
O.P.A.	Official Plan Amendment
O. Reg.	Ontario Regulation
P.P.U.	Persons per unit
S.D.E.	Single detached equivalent
S.D.U.	Single detached unit
sq.ft.	square foot/feet
sq.m	square metre(s)



Executive Summary



Executive Summary

1. The report provided herein represents the Development Charges (D.C.) Background Study for the Town of Erin required by the *Development Charges Act, 1997*, as amended (D.C.A.). This report has been prepared in accordance with the methodology required under the D.C.A. The contents include the following:

- Chapter 1 – Overview of the legislative requirements of the Act;
- Chapter 2 – Review of present D.C. policies of the Town;
- Chapter 3 – Summary of the residential and non-residential growth forecasts for the Town;
- Chapter 4 – Approach to calculating the D.C.;
- Chapter 5 – Review of historical service standards and identification of future capital requirements to service growth and related deductions and allocations;
- Chapter 6 – Calculation of the D.C.s;
- Chapter 7 – D.C. policy recommendations and rules; and
- Chapter 8 – By-law implementation.

2. D.C.s provide for the recovery of growth-related capital expenditures from new development. The D.C.A. is the statutory basis to recover these charges. 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; and
 - D.C. reserve funds (where applicable);
- 5) Net costs are then allocated between residential and non-residential benefit; and
- 6) Net costs divided by growth to provide the D.C.



3. Following the adoption of the Town's 2019 D.C. By-law, the Town undertook a D.C. Update Study in 2020 to pass an amending D.C. By-law to include revise the water capital program and establish a D.C. for wastewater. Furthermore, the Town completed a subsequent D.C. update in 2022 which transitioned the wastewater services from the Town-wide D.C. By-law to a standalone By-law, as well as incorporate a number of new policies as a result of the following Acts:

- Bill 108: *More Homes, More Choice Act, 2019*
- Bill 138: *Plan to Build Ontario Together Act, 2019*
- Bill 197: *COVID-19 Economic Recovery Act, 2020*
- Bill 213: *Better for People, Smarter for Business Act, 2020*

Since that time, the Province introduced another set of revisions to the D.C.A. through Bill 23: *More Homes Built Faster Act, 2022*. Bill 23 was first introduced on October 25, 2022, and received Royal Assent on November 28, 2022. A summary of the changes provided from Bill 23 are outlined below (further details are provided in Chapter 1 of this report):

- Additional Residential Unit Exemption: Allowance of a third unit as-of-right;
- Removal of Housing as an Eligible D.C. Service;
- New Statutory Exemptions for Affordable Units, Attainable Units, and Affordable Inclusionary Zoning Units (currently not in force);
Note: Bill 134: *Affordable Homes and Good Jobs Act, 2023* was released on September 28, 2023 which proposes a new definition of “affordable” under the D.C.A. and is anticipated to receive Royal Assent on December 4, 2023:
 - Owned unit (lesser of): cost is less than 30% of the 60th percentile of income for households in the municipality or 90% of the average purchase price as defined in a new Bulletin.
 - Rental unit (lesser of): rent is less than 30% of the 60th percentile of income for rental households or average market rent set out in a new Bulletin.
- New Statutory Exemption: Non-Profit Housing;
- Historical Level of Service extended to previous 15-year period instead of the previous 10-year period;



- Capital Cost definition revised to remove studies and prescribe services for which land or an interest in land will be restricted (nothing prescribed to date);
- Mandatory Phase-in of a D.C. passed after January 1, 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 a maximum of 10 years after the date the by-law comes into force;
- 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 are 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.

On April 10, 2024, the Province proposed further changes to the Development Charges Act under Bill 185: *Cutting Red Tape to Build More Homes Act*. A summary of the changes provided from Bill 185 are outlined below (further details are provided in Chapter 1 of this report):

- The definition of eligible capital costs (to include certain studies);
- The removal of the mandatory phase-in of charges;
- The process for minor amendments to D.C. by-laws;
- A reduction of time for the D.C. rate freeze related to site plan and zoning by-law amendment planning applications;
- Modernizing public notice requirements; and
- Implementation of the Affordable Residential Unit exemptions:



Bill 185 has not been enacted at the time of writing this D.C. Background Study. As such, the changes proposed have not been reflected in the D.C. calculations or draft by-laws contained herein. However, Watson will continue to monitor the progress of this Bill and will work with the Town to incorporate any required revisions to the D.C. calculations and D.C. by-law.

- The growth forecast (Chapter 3) on which the D.C. study is based, projects the following population, housing, and non-residential floor area for the Buildout (2024 to Buildout), and Urban Buildout (2024 to Buildout) forecast periods.

Table ES-1
Summary of Growth Forecast by Planning Period
Town of Erin

Measure	2024-Buildout	2024-Urban Buildout
(Net) Population Increase	13,213	13,059
Residential Unit Increase	4,867	4,719
Non-Residential Gross Floor Area Increase (sq.ft.)	544,900	544,900

- On July 22, 2019, the Town of Erin’s D.C. By-law 19-32 came into force under the D.C.A. The by-law imposes D.C.s on residential and non-residential uses. This by-law was amended via By-law 20-40 and By-law 23-08. The Town is undertaking a D.C. public process and anticipates passing a new by-law on July 18, 2024, with the mandatory public meeting scheduled for June 27, 2024.
- It is noted that this background study does not evaluate the Town’s wastewater services. The calculations and D.C. by-law (By-law 23-09) related to wastewater are undertaken on a standalone basis due to the financial agreements between the Town and the development community.
- The Town’s D.C. currently in effect for the Town-wide services (including water) is \$33,437 for single detached dwelling units. In addition, the Town’s wastewater D.C. is \$30,636, for a grand total of \$64,063 per single detached dwelling unit for full services. The non-residential charge for Town-wide services (including water) is \$13.77 per sq.ft. In addition, the Town’s non-residential wastewater D.C. is \$10 per sq.ft., for a grand total of \$23.77 per sq.ft. for full services.



8. This report has undertaken a recalculation of the charges based on future identified needs (presented in Schedule ES-3 for residential and non-residential). Charges have been provided on a Town-wide basis for all services excluding water, which has been provided on an urban-wide basis. The corresponding single-detached unit charge for full services (excluding wastewater) is \$47,636. The non-residential charge for full services (excluding wastewater) is \$17.04 per sq.ft. of building area. These rates are submitted to Council for their consideration.
9. The D.C.A. requires a summary be provided of the gross capital costs and the net costs to be recovered over the life of the by-law. This calculation is provided by service and is presented in Table 6-4. A summary of these costs is provided below:

Table ES-2
Summary of Expenditures Anticipated Over the Life of the By-law

Summary of Expenditures Anticipated Over the Life of the By-law	Expenditure Amount
Total gross expenditures planned over the next ten years	\$215,352,410
Less: Benefit to existing development	\$73,946,657
Less: Post planning period benefit	\$0
Less: Ineligible re: Level of Service	\$0
Less: Grants, subsidies and other contributions	\$0
Net costs to be recovered from development charges	\$141,405,753

This suggests that for the non-D.C. cost over the ten-year D.C. by-law (benefit to existing development, and grants, subsidies and other contributions), \$73.95 million (or an annual amount of \$7.39 million) will need to be contributed from taxes and rates, or other sources.

Based on the above table, the Town plans to spend \$215.35 million over the life of the by-law, of which \$141.41 million (66%) is recoverable from D.C.s. Of this net amount, \$135.54 million is recoverable from residential development and \$5.86 million from non-residential development. It is noted also that any exemptions or reductions in the charges would reduce this recovery further.



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

The following services are calculated based on an urban buildout forecast:

- Water Services.

The following services are calculated based on a buildout forecast period:

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

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

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



Table ES-3
Schedule of Development Charges

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)
Town Wide Services:						
Services Related to a Highway	11,582	8,690	7,037	5,139	3,962	4.78
Fire Protection Services	3,794	2,847	2,305	1,683	1,298	1.56
Parks and Recreation Services	13,718	10,293	8,335	6,087	4,692	3.32
Total Town Wide Services	29,094	21,830	17,677	12,909	9,952	9.66
Urban Services						
Water Services	18,542	13,912	11,266	8,227	6,342	7.38
Total Urban Services	18,542	13,912	11,266	8,227	6,342	7.38
GRAND TOTAL RURAL AREA	29,094	21,830	17,677	12,909	9,952	9.66
GRAND TOTAL URBAN AREA	47,636	35,742	28,943	21,136	16,294	17.04



Report



Chapter 1

Introduction



1. Introduction

1.1 Purpose of this Document

This background study has been prepared pursuant to the requirements of the D.C.A., as amended, (D.C.A.) (section 10) and, accordingly, recommends new development charges (D.C.s) and policies for the Town of Erin.

The Town retained Watson & Associates Economists Ltd. (Watson), to undertake the D.C. study process throughout 2023 and 2024. Watson worked with Town staff in preparing the D.C. analysis and policy recommendations.

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

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

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

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

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



1.2 Summary of the Process

The public meeting required under section 12 of the D.C.A. has been scheduled for June 27, 2024. Its purpose is to present the study to the public and to solicit public input. The meeting is also being held to answer any questions regarding the study's purpose, methodology, and the proposed modifications to the Town's D.C.s.

In accordance with the legislation, the background study and proposed D.C. by-law will be available for public review on May 17, 2024.

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

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

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

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

Schedule of Study Milestone	Dates
1. Data collection, staff review, D.C. calculations and policy work	October 2023 to April 2024
2. Stakeholder Meeting #1	April 18, 2024
3. Stakeholder Meeting #2	May 16, 2024
4. Public release of D.C. background study and proposed by-law	May 17, 2024
5. Public meeting advertisement placed in newspaper(s)	No later than June 6, 2024
6. Public meeting of Council	June 27, 2024
7. Council considers adoption of background study and passage of by-law	July 18, 2024
8. Newspaper notice given of by-law passage	By 20 days after passage
9. Last day for by-law appeal	40 days after passage



Schedule of Study Milestone	Dates
10. Town makes pamphlet available (where by-law not appealed)	By 60 days after in force date

1.3 Changes to the D.C.A.: Bills 108, 138, 197, and 213

1.3.1 **Bill 108: More Homes, More Choice Act – An Act to Amend Various Statutes with Respect to Housing, Other Development, and Various Matters**

On May 2, 2019, the Province introduced Bill 108, which proposed changes to the D.C.A. The Bill was introduced as part of the Province's "More Homes, More Choice: Ontario's Housing Supply Action Plan." The Bill received Royal Assent on June 6, 2019.

While having received Royal Assent, many of the amendments to the D.C.A. would not come into effect until they are proclaimed by the Lieutenant Governor (many of these changes were revised through Bill 197). At the time of writing, the following provisions have been proclaimed:

- Effective January 1, 2020, rental housing and institutional developments will pay D.C.s in six equal annual payments commencing at occupancy. Interest may be charged on the instalments, and any unpaid amounts may be added to the property and collected as taxes. As per Bill 23, non-profit housing developments are now exempt from paying D.C.s; however, prior to Bill 23, and as a result of Bill 108, non-profit housing developments paid D.C.s in 21 equal annual payments. Effective January 1, 2020, the D.C. amount for all developments occurring within 2 years of a Site Plan or Zoning By-law Amendment planning approval (for application submitted after this section is proclaimed), shall be determined based on the D.C. in effect on the day of Site Plan or Zoning By-law Amendment application. If the development is not proceeding via these planning approvals, then the amount is determined as of the date of issuance of a building permit.

On February 28, 2020, the Province released updated draft regulations related to the D.C.A. and the *Planning Act*. A summary of the changes that were to take effect upon proclamation by the Lieutenant Governor is provided below.



Changes to Eligible Services – Prior to Bill 108, the D.C.A. provided a list of ineligible services whereby municipalities could include growth related costs for any service that was not listed. With Bill 108, the changes to the D.C.A. would now specifically list the services that are eligible for inclusion in the by-law. Furthermore, the initial list of eligible services under Bill 108 was limited to "hard services", with the "soft services" being removed from the D.C.A. These services would be considered as part of a new community benefits charge (discussed below) imposed under the *Planning Act*. As noted in the next section this list of services has been amended through Bill 197.

Mandatory 10% deduction – The amending legislation would have removed the mandatory 10% deduction for all services that remain eligible under the D.C.A.

Remaining Services to be Included in a New Community Benefits Charge (C.B.C.) Under the *Planning Act* – It was proposed that a municipality may, by by-law, impose a C.B.C. against land to pay for the capital costs of facilities, services and matters required because of development or redevelopment in the area to which the by-law applies. The C.B.C. was proposed to include formerly eligible D.C. services that are not included in the above listing, in addition to parkland dedication and bonus zoning contributions.

1.3.2 Bill 138: Plan to Build Ontario Together Act, 2019

On November 6, 2019, the Province released Bill 138 which provided further amendments to the D.C.A. and *Planning Act*. This Bill received Royal Assent on December 10, 2019, and was proclaimed which resulted in sections related to the D.C.A. (schedule 10) becoming effective on January 1, 2020. The amendments to the D.C.A. included removal of instalment payments for commercial and industrial developments that were originally included in Bill 108.

1.3.3 Bill 197: COVID-19 Economic Recovery Act, 2020

In response to the global pandemic that began affecting Ontario in early 2020, the Province released Bill 197 which provided amendments to a number of Acts, including the D.C.A. and *Planning Act*. This Bill also revised some of the proposed changes identified in Bill 108. Bill 197 was tabled on July 8, 2020, received Royal Assent on July 21, 2020, and was proclaimed on September 18, 2020. The following provides a summary of the changes.



1.3.3.1 D.C.-Related Changes

List of D.C.-Eligible Services

- As noted above, under Bill 108 some services were to be included under the D.C.A. and some would be included under the C.B.C. authority. Bill 197, however, revised this proposed change and has included all services (with some exceptions) under the D.C.A. These services are as follows:
 - Water supply services, including distribution and treatment services.
 - Wastewater services, including sewers and treatment services.
 - Storm water drainage and control services.
 - Services related to a highway.
 - Electrical power services.
 - Toronto-York subway extension.
 - Transit services.
 - Waste diversion services.
 - Policing services.
 - Fire protection services.
 - Ambulance services.
 - Library services.
 - Long-term care services.
 - Parks and recreation services, but not the acquisition of land for parks.
 - Public health services.
 - Childcare and early years services.
 - Housing services (no longer eligible as per Bill 23).
 - *Provincial Offences Act* services.
 - Services related to emergency preparedness.
 - Services related to airports, but only in the Regional Municipality of Waterloo.
 - Additional services as prescribed.

Classes of Services – D.C.

Pre-Bill 108/197 legislation (i.e., D.C.A., 1997) allowed for categories of services to be grouped together into a minimum of two categories (90% and 100% services).



The Act (as amended) repeals and replaces the above with the four following subsections:

- A D.C. by-law may provide for any eligible service or capital cost related to any eligible service to be included in a class, set out in the by-law.
- A class may be composed of any number or combination of services and may include parts or portions of the eligible services or parts or portions of the capital costs in respect of those services.
- A D.C. by-law may provide for a class consisting of studies in respect of any eligible service whose capital costs are described in paragraphs 5 and 6 of section 5 of the D.C.A.
- A class of service set out in the D.C. by-law is deemed to be a single service with respect to reserve funds, use of monies, and credits.

Note: An initial consideration of “class” appears to mean any group of services.

Mandatory 10% Deduction

In addition, the removal of the 10% deduction for soft services under Bill 108 has been maintained.

As a result of the passage of Bill 197, and subsequent proclamation on September 18, 2020, this report has provided the D.C. calculations without the 10% mandatory deduction.

1.3.3.2 C.B.C.-Related Changes

C.B.C. Eligibility

The C.B.C. is limited to lower-tier and single-tier municipalities; upper-tier municipalities will not be allowed to impose this charge.

1.3.3.3 Combined D.C. and C.B.C. Impacts

D.C. vs. C.B.C. Capital Cost

A C.B.C. may be imposed with respect to the services listed in subsection 2 (4) of the D.C.A. (eligible services), “provided that the capital costs that are intended to be funded



by the community benefits charge are not capital costs that are intended to be funded under a development charge by-law.”

1.3.4 Bill 213: Better for People, Smarter for Business Act, 2020

On December 8, 2020, Bill 213 received Royal Assent. One of the changes of the Bill that took effect upon Royal Assent included amending the *Ministry of Training, Colleges and Universities Act* by introducing a new section that would exempt the payment of D.C.s for developments of land intended for use by a university that receives operating funds from the Government. As a result, this mandatory exemption will be included in the D.C. by-law.

1.4 Changes to the D.C.A. – Bill 23: More Homes Built Faster Act, 2022

On November 28, 2022, Bill 23 received Royal Assent. This Bill amends a number of pieces of legislation including the *Planning Act* and the D.C.A. It is noted that, as of the time of writing, the Province has announced potential changes to the phase-in requirements and the removal of studies as eligible capital costs through Bill 185: *Cutting Red Tape to Build More Homes Act, 2024*. The details of these changes are discussed in section 1.5. The following provides a summary of the changes from Bill 23 to the D.C.A.

1.4.1 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 creation of the greater of one unit or 1% of the existing residential units will be exempt from a D.C.
- Exemption for additional residential units in existing and new residential buildings – The following developments will be exempt from a D.C.:
 - A second unit in a detached, semi-detached, or rowhouse if all buildings and ancillary structures cumulatively contain no more than one residential unit;



- A third unit in a detached, semi-detached, or rowhouse if no buildings or ancillary structures contain any residential units; and
- One residential unit in a building or structure ancillary to a detached, semi-detached, or rowhouse on a parcel of urban land, if the detached, semi-detached, or rowhouse contains no more than two residential units and no other buildings or ancillary structures contain any residential units.

1.4.2 Removal of Housing as an Eligible D.C. Service

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

1.4.3 New Statutory Exemption for Non-Profit Housing

Non-profit housing units are exempt from D.C.s and D.C. instalment payments due after November 28, 2022.

1.4.4 New Statutory Exemptions for Affordable Units, Attainable Units, and Affordable Inclusionary Zoning Units

Affordable units, attainable units, and inclusionary zoning units (affordable) are exempt from the payment of D.C.s, as follows:

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



Further to the above, Bill 134: *Affordable Homes and Good Jobs Act, 2023* was released on September 28, 2023, which proposes a new definition of “affordable” under the D.C.A.:

- Owned unit (lesser of): cost is less than 30% of the 60th percentile of income for households in the municipality or 90% of the average purchase price as defined in a new Bulletin.
- Rental unit (lesser of): rent is less than 30% of the 60th percentile of income for rental households or average market rent set out in a new Bulletin.

Bill 134 is not yet in force; it will come into force on the day that section 3 of Schedule 3 of Bill 23 is proclaimed.

Note: the above exemptions are not currently in force. These exemptions will be in force upon proclamation and revisions to the regulations.

- Inclusionary Zoning Units: Affordable housing units required under inclusionary zoning by-laws are exempt from a D.C.

1.4.5 Historical Level of Service Extended to Previous 15-Year Period

Prior to 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 is now extended to the historical 15-year period.

1.4.6 Revised Definition of Capital Costs

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

1.4.7 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.

1.4.8 D.C. By-law Expiry

A D.C. by-law now expires 10 years after the day it comes into force (unless the by-law provides for an earlier expiry date). This extends the by-law's life from five years, prior to Bill 23.

1.4.9 Installment Payments

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

1.4.10 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.

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

No maximum interest rate was previously prescribed. 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.

1.4.12 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, wastewater, and services related to a highway. Other services may be prescribed by the regulation.



1.5 Proposed Changes to the D.C.A. – Bill 185: Cutting Red Tape to Build More Homes Act, 2024

On April 10, 2024, the Ontario government introduced Bill 185: *Cutting Red Tape to Build More Homes Act, 2024* which proposes 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;
- Reinstatement of studies as an eligible capital cost;
- 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 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-year timeline will still apply to applications received prior to Bill 185 coming into force);
- The ability to repeal a provision of the D.C. by-law specifying the date the by-law expires (subject to the 10-year by-law limitation provided in the D.C.A.);
- The ability to undertake minor D.C. by-law amendments for by-laws passed after November 28, 2022 and before Bill 185 takes effect, related to the inclusion of capital costs for studies and the removal of the mandatory D.C. phase-in; and
- To modernize public notice requirements to permit use of municipal websites where newspapers of general circulation are not available.

Bill 185 has not been enacted at the time of writing this D.C. Background Study. As such, the changes proposed have not been reflected in the D.C. calculations or draft by-laws contained herein. However, Watson will continue to monitor the progress of this Bill and will work with the Town to incorporate any required revisions to the D.C. calculations and D.C. by-law.



Chapter 2

Current Town of Erin D.C. Policies



2. Current Town of Erin Policies

2.1 Schedule of Charges

On July 22, 2019, the Town of Erin passed By-law 19-32 under the D.C.A. This Town-wide D.C. By-law was subsequently amended by By-laws 20-40 and 23-08. In addition to the Town-wide D.C. By-law, the Town also imposes wastewater services under By-law 23-09.

Table 2-1 provides the Town-wide D.C. rates currently in effect under By-law 19-32 (as amended), as of January 1, 2024.

Table 2-1
Town of Erin
Current Town-wide D.C. Rates
January 1, 2024

Service	Residential					Non-Residential
	Single & Semi Detached	Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	per sq.ft.
Town Wide Services						
Services Related to a Highway	11,390	8,254	5,771	4,906	3,924	6.39
Fire Protection Services	3,602	2,610	1,825	1,551	1,241	2.03
Parks and Recreation Services	7,472	5,413	3,785	3,217	2,574	1.44
Growth Studies	2,619	1,897	1,327	1,128	902	1.09
Subtotal Town Wide Services	25,083	18,174	12,708	10,802	8,641	10.95
Urban Services						
Water Services	8,354	6,054	4,233	3,596	2,878	2.82
Subtotal Urban Services	8,354	6,054	4,233	3,596	2,878	2.82
Total	33,437	24,228	16,941	14,398	11,519	13.77

Table 2-2 provides the wastewater D.C. rates currently in effect under By-law 23-09, as of January 1, 2024.

Table 2-2
Town of Erin
Current Wastewater D.C. Rates
January 1, 2024

Service	Residential					Non-Residential
	Single & Semi Detached	Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	per sq.ft.
Urban Services						
Wastewater Services	30,626	22,195	15,519	13,187	10,551	10.00



As mentioned earlier, this background study does not evaluate wastewater services as those calculations are undertaken on a standalone basis due to the financial agreements between the Town and the development community.

2.2 Services Covered

The following services are covered under By-law 19-32, as amended:

- Services related to a highway;
- Fire protection services;
- Parks and recreation services;
- Growth studies; and
- Water services.

2.3 Timing of D.C. Calculation of Payment

Development charges shall be calculated and payable in full in money or by provision of services as may be agreed upon, or by credit granted under the Act, on the date that the first building permit is issued in relation to a building or structure on land to which a development charge applies.

2.4 Indexing

Rates shall be adjusted, without amendment to the by-law, annually on January 1, in accordance with the Statistics Canada Quarterly, Non-Residential Building Construction Price Index (Table 18-10-0276-02).^[1]

^[1] Ontario Regulation (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.



2.5 Redevelopment Allowance

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

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

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

2.6 Exemptions

The following exemptions are provided under By-law 19-32, as amended:

- Places of Worship and Cemeteries;
- Public Hospital;
- Non-residential farm buildings;
- Garden Suites;
- Bed and Breakfast establishment that is not considered a hotel; and
- Boarding, lodging, or rooming house that is not considered a hotel.



Chapter 3

Anticipated Development in Town of Erin



3. Anticipated Development in the Town of Erin

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 Town will be required to provide services over a 2024 to buildout time horizon.^[1]

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 Town of Erin. In preparing the growth forecast, the following information sources were consulted to assess the residential and non-residential development potential for the Town over the forecast period, including:

- County of Wellington Phase 1 MCR Report: Urban Structure and Growth Allocations, Final Report, as amended January 31, 2022, by Watson & Associates Economists Ltd.
- Town of Erin 2019 Development Charges Background Study Report, May 21, 2019, by Watson & Associates Economists Ltd.
- Town of Erin’s Wastewater Funding Agreements and Servicing Allocations;
- 2011, 2016 and 2021 population, household and employment Census data;
- Historical residential building permit data over the 2014 to 2023 period;
- Residential and non-residential supply opportunities as identified by Town of Erin staff; and

^[1] Growth forecast to buildout is informed by the County of Wellington Municipal Comprehensive Review (2022). Buildout refers to the urban area and has been assessed for designated urban lands and servicing capacity.



- Discussions with Town staff regarding anticipated residential and non-residential development in the Town of Erin.

3.3 Summary of Growth Forecast

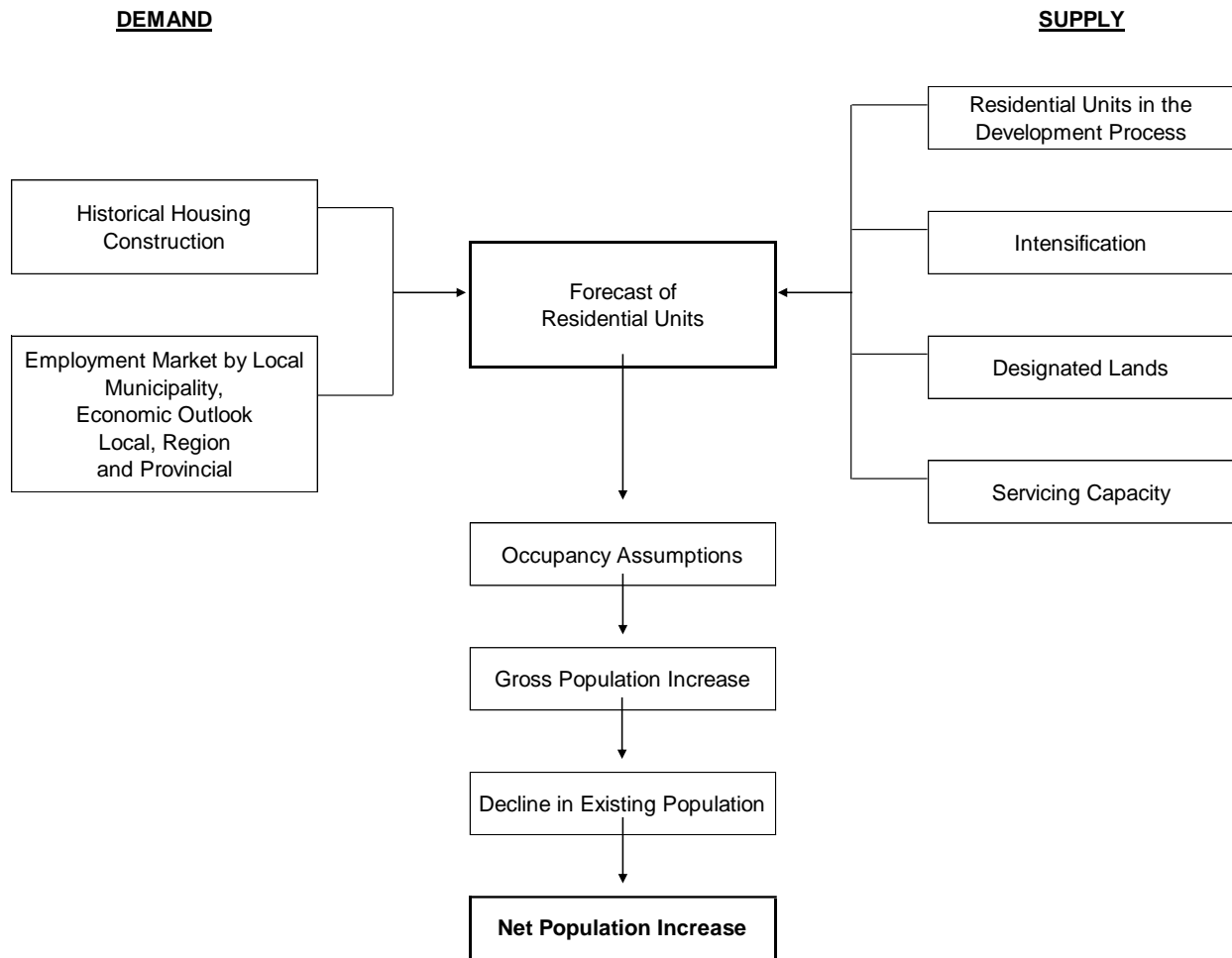
A detailed analysis of the residential and non-residential growth forecasts is provided in Appendix A and the methodology employed is illustrated in Figure 3-1. The discussion provided herein summarizes the anticipated growth for the Town and describes the basis for the forecast. The results of the residential 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 Town of Erin (excluding census undercount) is anticipated to reach approximately 25,500 by buildout, resulting in an increase of approximately 13,210 persons, respectively. ^[1]

[1] The population figures used in the calculation of the 2024 D.C. exclude the net Census undercount, which is estimated at approximately 4.1%. Population figures presented herein have been rounded.



Figure 3-1
Population and Household Forecast Model





**Table 3-1
Town of Erin
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	<i>Mid 2011</i>	11,890	11,418	45	11,373	3,755	10	95	95	3,955	2.887
	<i>Mid 2016</i>	11,910	11,439	39	11,400	3,805	35	120	150	4,110	2.783
	<i>Mid 2021</i>	12,470	11,981	31	11,950	3,890	50	125	155	4,220	2.839
Forecast	<i>Mid 2024</i>	12,790	12,287	32	12,255	3,988	51	139	155	4,333	2.836
	<i>Buildout</i>	26,300	25,500	33	25,467	6,810	1,640	595	155	9,200	2.772
Incremental	Mid 2011 - Mid 2016	20	21	-6	27	50	25	25	55	155	
	Mid 2016 - Mid 2021	560	542	-8	550	85	15	5	5	110	
	Mid 2021 - Mid 2024	320	306	1	305	98	1	14	0	113	
	Mid 2024 - Buildout	13,510	13,213	1	13,212	2,822	1,589	456	0	4,867	

^[1] Population includes the Census undercount estimated at approximately 4.1% and has been rounded.

^[2] Includes townhouses and apartments in duplexes.

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

Notes:

Growth forecast to buildout is informed by the County of Wellington Municipal Comprehensive Review (2022). Buildout refers to the urban area and has been assessed for designated urban lands and servicing capacity.

Source: Derived by Watson & Associates Economists Ltd



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

1. Unit Mix (Appendix A – Schedules 1, 5 and 6)

- The housing unit mix for the Town was derived from a detailed review of historical development activity (as per Schedule 6), as well as active residential development applications (as per Schedule 5) and discussions with Town staff regarding anticipated development trends for the Town of Erin.
- Based on the above indicators, the 2024 to buildout household growth forecast for the Town is comprised of a unit mix of 58% low density units (single detached and semi-detached), 33% medium density (multiples except apartments) and 9% high density (bachelor, 1-bedroom and 2-bedroom apartments).

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

- Schedule 2 summarizes the anticipated amount, type, and location of development by area for the Town of Erin
- In accordance with forecast demand and available land supply, the amount and percentage of forecast housing growth between 2024 and buildout by development location is summarized below.

Table 3-2
Town of Erin
Geographic Location of Residential Development

Development Location	Amount of Housing Growth, 2024 to buildout	Percentage of Housing Growth, 2024 to buildout
Hillsburgh/Erin (Village)	4,720	97%
Rural	150	3%
Town of Erin	4,870	100%

Note: Figures may not sum precisely due to rounding.



3. Planning Period

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

4. Population in New Units (Appendix A – Schedules 3 and 4)

- The number of housing units to be constructed by buildout in the Town of Erin over the forecast period is presented in Table 3-1. Over the 2024 to buildout forecast period, the Town is anticipated to add 4,870 new housing units.
- Institutional population ^[1] is anticipated to remain relatively stable between 2024 to buildout.
- Population in new units is derived from Schedules 3 and 4, which incorporate historical development activity, anticipated units (see unit mix discussion) and average persons per unit (P.P.U.) by dwelling type for new units.
- Schedule 7a 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 Town of Erin. Due to data limitations high density P.P.U. data was derived from the County of Wellington Census Division which includes the Town of Erin, and is outlined in Schedule 7b . 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 20-year average P.P.U.s by dwelling type are as follows:
 - Low density: 3.216
 - Medium density: 2.413
 - High density: 1.797

^[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.



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

- 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 3).
- The change in average occupancy levels for existing housing units is calculated in Schedules 3 through 4.^[1] The forecast population change in existing households over the 2024 to buildout forecast period is forecast to decline by approximately 520.

6. Employment (Appendix A – Schedules 9a, 9b and 9c)

- The employment projections provided herein are largely based on the activity rate method, which is defined as the number of jobs in the Town divided by the number of residents. Key employment sectors include primary, industrial, commercial/population-related, institutional, and work at home, which are considered individually below.
- 2016 employment data ^{[2],[3]} (place of work) for the Town of Erin is outlined in Schedule 9a. The 2016 employment base is comprised of the following sectors:
 - 150 primary (5%);
 - 845 work at home employment (28%);
 - 670 industrial (22%);
 - 915 commercial/population-related (31%); and
 - 410 institutional (14%).

^[2] 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.

^[3] 2016 employment is based on Statistics Canada 2016 Place of Work Employment dataset by Watson & Associates Economists Ltd.

^[4] Statistics Canada 2021 Census place of work employment data has been reviewed. The 2021 Census employment results have not been utilized due to a significant increase in work at home employment captured due to Census enumeration occurring during the provincial COVID-19 lockdown from April 1, 2021 to June 14, 2021.



- The 2016 employment by usual place of work, including work at home, is 2,990. An additional 449 employees have been identified for the Town of Erin in 2016 that have no fixed place of work (N.F.P.O.W.).^[1]
- Total employment, including work at home and N.F.P.O.W. for the Town of Erin is anticipated to reach approximately 5,980 by buildout. This represents an employment increase of approximately 1,890 for the 2024 to buildout forecast period.
- Schedule 9b, Appendix A, summarizes the employment forecast, excluding work at home employment and N.F.P.O.W. employment, which is the basis for the D.C. employment forecast. The impact on municipal services from work at home employees has already been included in the population forecast. The need for municipal services related to N.F.P.O.W. employees has largely been included in the employment forecast by usual place of work (i.e., employment and gross floor area generated from N.F.P.O.W. construction employment). Furthermore, since these employees have no fixed work address, they cannot be captured in the non-residential G.F.A. calculation. Accordingly, work at home and N.F.P.O.W. employees have been removed from the D.C.A. employment forecast and calculation.
- Total employment for the Town of Erin (excluding work at home and N.F.P.O.W. employment) is anticipated to reach approximately 3,370 by buildout. This represents an employment increase of approximately 710 for the 2024 to buildout forecast period.

7. Non-Residential Sq.ft. Estimates (G.F.A.), Appendix A – Schedule 9b)

- Square footage estimates were calculated in Schedule 9b based on the following employee density assumptions:
 - 1,300 sq.ft. per employee for industrial;
 - 500 sq.ft. per employee for commercial/population-related; and
 - 700 sq.ft. per employee for institutional employment.

^[2] No fixed place of work is defined by Statistics Canada as "persons who do not go from home to the same workplace location at the beginning of each shift. Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc."



- The Town-wide incremental G.F.A. is anticipated to increase by 544,900 sq.ft. over the 2024 to buildout forecast period.
- In terms of percentage growth, the 2024 to buildout incremental G.F.A. forecast by sector is broken down as follows:
 - industrial – 51%;
 - commercial/population-related – 38%; and
 - institutional – 11%.

8. Geographic Location of Non-Residential Development (Appendix A, Schedule 9c)

- Schedule 9c summarizes the anticipated amount, type and location of non-residential development by servicing area for the Town of Erin by area.
- The amount and percentage of forecast total non-residential growth between 2024 and buildout by development location is summarized below.

Table 3-3
Town of Erin
Geographic Location of Non-Residential Development

Development Location	Amount of Non-Residential G.F.A. (sq.ft.), 2024 to buildout	Percentage of Non-Residential G.F.A., 2024 to buildout
Hillsburgh/Erin (Village)	544,900	100%
Rural	0	0%
Town of Erin	544,900	100%

Note: Figures may not sum precisely due to rounding.



Chapter 4

The Approach to the Calculation of the Charge



4. The Approach to the Calculation of the Charge

4.1 Introduction

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

4.2 Services Potentially Involved

Table 4-1 lists the full range of municipal services that are provided within the Town. A number of these services are not included in the list of eligible services provided in subsection 2 (4) of the D.C.A. as being ineligible for inclusion in D.C.s. These are shown as “ineligible” on Table 4-1. Two ineligible costs defined in 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 that are potentially eligible for inclusion in the Town’s D.C. are indicated with a “Yes.”

4.3 Increase in the Need for Service

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



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

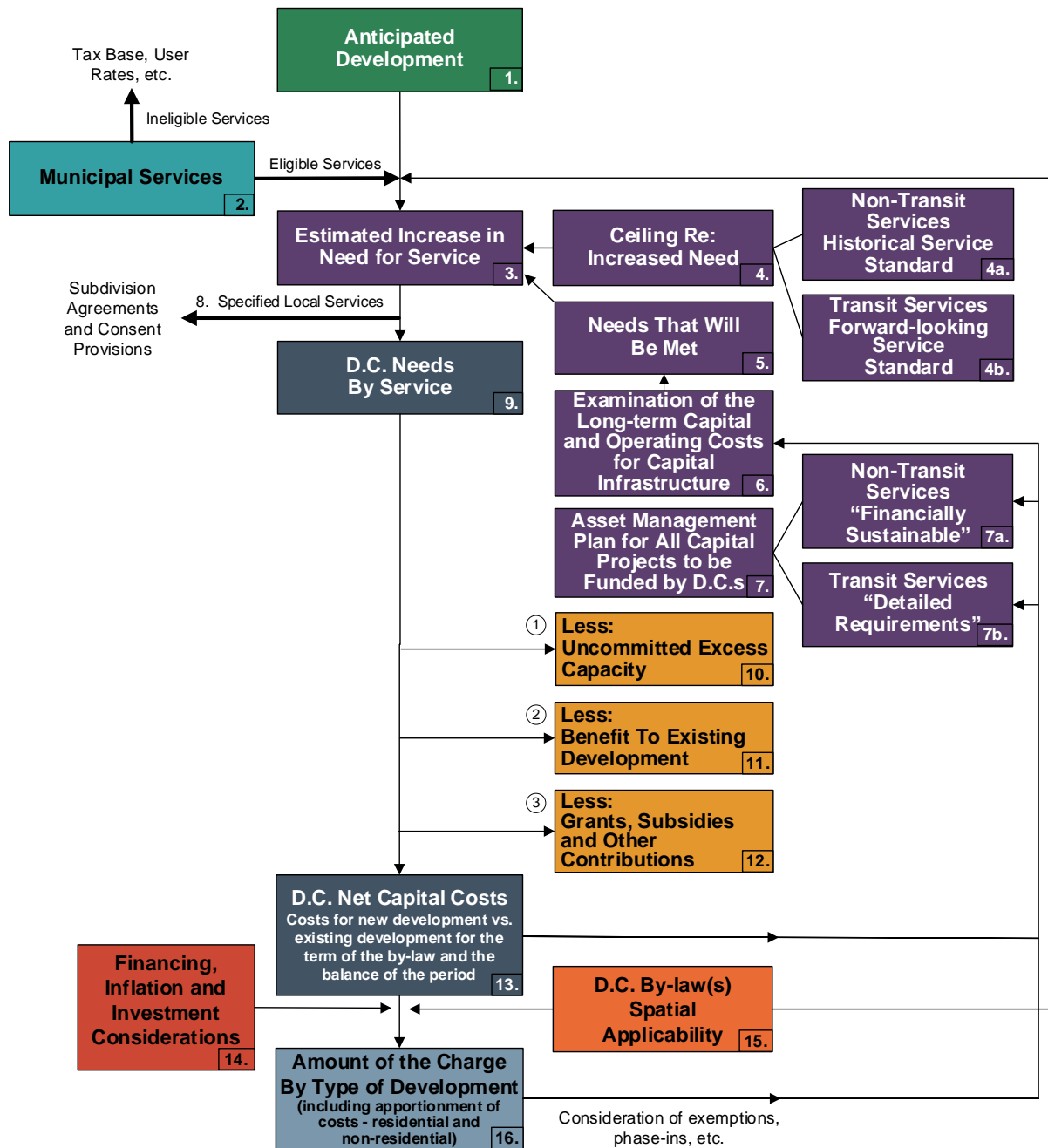




Table 4-1
Categories of Municipal Services to be Addressed as Part of the Calculation

Eligibility 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.

Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
1. Services Related to a Highway	Yes	1.1 Arterial roads	100
	Yes	1.2 Collector roads	100
	Yes	1.3 Bridges, culverts and roundabouts	100
	No	1.4 Local municipal roads	0
	Yes	1.5 Traffic signals	100
	Yes	1.6 Sidewalks and streetlights	100
	Yes	1.7 Active transportation	100
2. Other Transportation Services	n/a	2.1 Transit vehicles ^[1] & facilities	100
	n/a	2.2 Other transit infrastructure	100
	Ineligible	2.3 Municipal parking spaces - indoor	0
	Ineligible	2.4 Municipal parking spaces - outdoor	0
	Yes	2.5 Works yards	100
	Yes	2.6 Rolling stock ^[1]	100
	n/a	2.7 Ferries	100
	n/a	2.8 Airport	100
3. Stormwater Drainage and Control Services	Yes	3.1 Main channels and drainage trunks	100
	Yes	3.2 Channel connections	100
	No	3.3 Retention/detention ponds	100

^[1] with 7+ year lifetime



Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
4. Fire Protection Services	Yes	4.1 Fire stations	100
	Yes	4.2 Fire pumpers, aerials and rescue vehicles ^[1]	100
	Yes	4.3 Small equipment and gear	100
5. Park Services (i.e., Parks and Open Space)	Ineligible	5.1 Acquisition of land for parks, woodlots and E.S.A.s	0
	Yes	5.2 Development of area municipal parks	100
	Yes	5.3 Development of district parks	100
	Yes	5.4 Development of municipal-wide parks	100
	Yes	5.5 Development of special purpose parks	100
6. Recreation Services	Yes	6.1 Arenas, indoor pools, fitness facilities, community centres, etc. (including land)	100
	Yes	6.2 Recreation vehicles and equipment ^[1]	100
7. Library Services	n/a	7.1 Public library space (incl. furniture and equipment)	100
	n/a	7.2 Library vehicles ^[1]	100
	n/a	7.3 Library materials	100
8. Emergency Preparedness Services	No	8.1 Facility space (incl. furniture and equipment)	100
	No	8.2 Vehicles ^[1]	100
	No	8.3 Equipment	100
9. Electrical Power Services	Ineligible	9.1 Electrical substations	0
	Ineligible	9.2 Electrical distribution system	0
	Ineligible	9.3 Electrical system rolling stock	0

^[1] with 7+ year lifetime



Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
10. Provision of Cultural, Entertainment and Tourism Facilities and Convention Centres	Ineligible	10.1 Cultural space (e.g., art galleries, museums and theatres)	0
	Ineligible	10.2 Tourism facilities and convention centres	0
11. Wastewater Services	Yes	11.1 Treatment plants	100
	Yes	11.2 Sewage trunks	100
	n/a	11.3 Local systems	0
	Yes	11.4 Vehicles and equipment ^[1]	100
12. Water Supply Services	Yes	12.1 Treatment plants	100
	Yes	12.2 Distribution systems	100
	n/a	12.3 Local systems	0
	Yes	12.4 Vehicles and equipment ^[1]	100
13. Waste Management Services	Ineligible	13.1 Landfill collection, transfer vehicles and equipment	0
	Ineligible	13.2 Landfills and other disposal facilities	0
	n/a	13.3 Waste diversion facilities	100
	n/a	13.4 Waste diversion vehicles and equipment ^[1]	100
14. Policing Services	n/a	14.1 Policing detachments	100
	n/a	14.2 Policing rolling stock ^[1]	100
	n/a	14.3 Small equipment and gear	100
15. Homes for the Aged	n/a	15.1 Homes for the aged space	100
	n/a	15.2 Vehicles ^[1]	100
16. Child Care	n/a	16.1 Child-care space	100
	n/a	16.2 Vehicles ^[1]	100
17. Health	n/a	17.1 Health department space	100
	n/a	17.2 Health department vehicles ^[1]	100
18. Social Housing	n/a	18.1 Social housing space	0
19. Provincial Offences Act Services	No	19.1 Provincial Offences Act services space	100
20. Social Services	Ineligible	20.1 Social service space	0

^[1] with 7+ year lifetime



Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
21. Ambulance	n/a n/a	21.1 Ambulance station space 21.2 Vehicles ^[1]	100 100
22. Hospital Provision	Ineligible	22.1 Hospital capital contributions	0
23. Provision of Headquarters for the General Administration of Municipalities and Area Municipal Boards	Ineligible Ineligible Ineligible	23.1 Office space 23.2 Office furniture 23.3 Computer equipment	0 0 0
24. Other Services	Ineligible	24.1 Studies in connection with acquiring buildings, rolling stock, materials and equipment, and improving land and facilities, including the D.C. background study cost	0
	Yes	24.2 Interest on money borrowed to pay for growth-related capital	0-100

^[1] with a 7+ year lifetime

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. The Town’s detailed Local Service Policy is provided in Appendix E.

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 two



potential cost reductions and the regulation sets out the way in which such costs are to be presented. These requirements are outlined below.

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

The capital costs include:

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

In order for an increase in need for service to be included in the D.C. calculation, Town 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 Town’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.” Section 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 Classes of Services

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. Furthermore, a class may be composed of any number or combination of services and may include parts or portions of each D.C. eligible service.

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.

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 7 of subsection 5 (1).”

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

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

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

The Town’s D.C. Reserve Fund balances by service as of December 31, 2023, adjusted for commitments, are shown below:



Table 4-2
Summary of Development Charges Reserve Fund Balances
As of December 31, 2023

Service	Balance
Services Related to a Highway	\$1,832,886
Fire Protection Services	\$24,771
Parks and Recreation Services	(\$663,860)
Water Services	(\$1,874,070)
Total	(\$680,273)

Note: Amounts in brackets are deficit balances.

In addition to the reserve balances above, the Town's reserve fund balance for growth studies is negative \$785,854. As growth studies are not eligible as per Bill 23, it has not been included in the D.C. calculations.

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 below.

4.9.1 Reduction Required by Level of Service Ceiling

This is designed to ensure that the increase in need included in section 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” (D.C.A., subsection 5 (1) 4). O. Reg. 82/98 (section 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.

With respect to transit services, the changes to the Act introduced in 2015 have provided for an alternative method for calculating the service standard ceiling. Transit services must now utilize a forward-looking service standard analysis, described later in this section.

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

4.9.2 Reduction for Uncommitted Excess Capacity

Paragraph 5 of 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 Town’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. Alternatively, where a clear existing service problem is to be remedied, a deduction should be made accordingly.

In the case of services such as recreation facilities, community parks, libraries, etc., the service is typically provided on a Town-wide system basis. For example, facilities of the same type may provide different services (i.e., leisure pool vs. competitive pool), different programs (i.e., hockey vs. figure skating), and different time availability for the same service (i.e., leisure skating available on 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. Furthermore, 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 of the subject costs are to be recovered on a uniform municipal-wide basis or whether some or all are to be recovered on an area-specific basis. Under the amended D.C.A., it is now mandatory to “consider” area rating of services (providing charges for specific areas and services); however, it is not mandatory to implement area rating. Further discussion is provided in subsection 7.4.4 of this report.

4.11 Allocation of Development

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

4.12 Asset Management

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



approaches, and policies on the asset management planning. This examination has been included in Appendix F.

4.13 Transit

The D.C.A. provides for the following matters for transit:

- The background study requires the following in regard to transit costs (as per subsection 8 (2) of the Regulations):
 - The calculations used to prepare the estimate for the planned level of service for the transit services, as mentioned in subsection 5.2 (3) of the Act.
 - i. An identification of the portion of the total estimated capital cost relating to the transit services that would benefit,
 - ii. the anticipated development over the 10-year period immediately following the preparation of the background study, or
 - iii. the anticipated development after the 10-year period immediately following the preparation of the background study.
 - An identification of the anticipated excess capacity that would exist at the end of the 10-year period immediately following the preparation of the background study.
 - An assessment of ridership forecasts for all modes of transit services proposed to be funded by the development charge over the 10-year period immediately following the preparation of the background study, categorized by development types, and whether the forecast ridership will be from existing or planned development.
 - An assessment of the ridership capacity for all modes of transit services proposed to be funded by the development charge over the 10-year period immediately following the preparation of the background study.
- A forward-looking service standard (as per subsection 6.1 (2) of the Regulations):
 - The service is a discrete service.
 - No portion of the service that is intended to benefit anticipated development after the 10-year period immediately following the preparation of the background study may be included in the estimate.



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

The Town does not currently provide transit services, therefore the above calculations and reporting requirements are not required for this study.

4.14 Mandatory Phase-in of a D.C.

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

As noted in section 1.5, the Province released Bill 185 which may remove the phase-in requirements. The details of these changes are anticipated to be forthcoming in 2024 and Watson will keep the Town informed of any required revisions to the D.C. by-law.



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 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 service component is evaluated on two format sheets:

- The service standards that provide the average historical 15-year level of service calculation (see Appendix B), which “caps” the D.C. amounts (note that this is not required for water); and
- The infrastructure cost calculation, which determines the potential D.C. recoverable cost.

The nature of the capital projects and timing identified in the chapter reflects Council’s current intention. Over time, however, Town projects and Council priorities change; accordingly, Council’s intentions may alter, and different capital projects (and timing) may be necessary to meet the need for services required by new growth.

5.2 Service Levels and Buildout Capital Costs for Erin’s D.C. Calculation

This section evaluates the development-related capital requirements for fire protection services, parks and recreation services, and services related to a highway over a long-term planning period from 2024 to buildout.

5.2.1 Fire Protection Services

The Erin Fire Department currently operates out of a combined 18,471 sq.ft. of facility space. This provides for a per capita average level of service of 1.38 sq.ft. per capita or \$1,051 per capita. This level of service provides the Town with a maximum D.C.-eligible amount for recovery over the forecast period of \$13.89 million.



The fire department has a current inventory of 10 vehicles. The total D.C.-eligible amount calculated for fire vehicles over the forecast period is \$9.17 million, based on a standard of \$694 per capita.

In addition to vehicles, the Town provides 757 items of equipment and gear for the use in fire services. This results in a calculated average level of service for the historical 15-year period of \$172 per capita, providing for a D.C.-eligible amount over the forecast period of \$2.27 million for small equipment and gear.

Based on the above, the maximum D.C.-eligible amount for fire protection services is approximately \$25.33 million.

To service new development, the Town has identified future capital needs totalling \$22.05 million. This includes the need for an expansion to the Hillsburgh Fire Hall, replacement of the Erin Fire Facility, new vehicle, firefighter equipment, a ladder truck, debt recovery, as well as provisions for future facilities, equipment, and vehicles. The following deductions have been made to the capital program:

- Benefit to existing development: \$4.98 million.
- Reserve Fund surplus balance: \$24,771.

Therefore, the net growth-related capital cost of \$17.05 million is being included in the D.C. calculations.

These costs are shared between residential and non-residential based on the population to employment ratio over the forecast period, resulting in 95% being allocated to residential development and 5% being allocated to non-residential development.



Table 5-1
Infrastructure Cost Included in the Development Charges Calculation
Fire Protection Services

Prj. No	Increased Service Needs Attributable to Anticipated Development 2024 to Buildout	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions	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 95%	Non- Residential Share 5%
1	Hillsburgh Station Debt (Principal)	2024-2032	823,000	-		823,000	-		823,000	781,850	41,150
2	Hillsburgh Station Debt (Discounted Interest)	2024-2032	16,786	-		16,786	-		16,786	15,947	839
3	Fire Station #50 Debt (Principal)	2024-2036	189,000	-		189,000	-		189,000	179,550	9,450
4	Fire Station #50 Debt (Discounted Interest)	2024-2036	16,451	-		16,451	-		16,451	15,629	823
5	Fire Truck & Breathing Apparatus Growth Related Debt (Principal)	2024-2026	240,000	-		240,000	-		240,000	228,000	12,000
6	Fire Truck & Breathing Apparatus Growth Related Debt (Discounted Interest)	2024-2026	6,466	-		6,466	-		6,466	6,143	323
7	Expansion to Hillsburgh Fire Hall (Station #50)	2025	150,000	-		150,000	-		150,000	142,500	7,500
8	To Replace Erin Facility	2027	8,000,000	-		8,000,000	3,876,000		4,124,000	3,917,800	206,200
9	Provision for future Fire Infrastructure	2027-2036	5,000,000	-		5,000,000	-		5,000,000	4,750,000	250,000
10	Ladder Truck	2025	2,500,000	-		2,500,000	1,100,000		1,400,000	1,330,000	70,000
11	Deputy Fire Chief Equipment	2026	9,400	-		9,400	-		9,400	8,930	470
12	Deputy vehicle	2026	100,000	-		100,000	-		100,000	95,000	5,000
13	Provision for future Vehicles and Equipment	2027-2036	5,000,000	-		5,000,000	-		5,000,000	4,750,000	250,000
14	Reserve Fund Adjustment	Reserve	-	-		-	24,771		(24,771)	(23,532)	(1,239)
	Total		22,051,104	-	-	22,051,104	5,000,771	-	17,050,333	16,197,816	852,517



5.2.2 Parks and Recreation Services

The Town currently provides a variety of parks and recreation-related assets to service the community. A summary of the Town's inventory is provided below:

- 105 acres of parkland (consisting of various sized parks and parkettes);
- 44 amenities that include items such as soccer fields, baseball diamonds, tennis courts, pavilions, etc.;
- 11 vehicles and equipment (consisting of mowers, trailer, ice resurfacers, trucks, etc.); and
- Approximately 79,750 sq.ft. of recreation facility space, which includes community centres and a community hall.

In total, the Town's parks and recreation service has provided a 15-year (2009 to 2023) historical level of service that equates to an investment of \$6,805 per capita. This level of investment provides the Town with a D.C.-eligible amount of \$89.91 million towards future parks and recreation capital.

Based on the projected growth over the buildout forecast period, the Town has identified \$114.39 million in future growth capital costs for parks and recreation. The projects include a Barbour Field Multi-Use Facility with twin pad, accessibility renovations and upgrades to the Erin Community Centre, provisions for parkland development, amenities, and vehicles and equipment, and debt recovery. Additionally, the existing reserve fund deficit of \$663,860 has been included for recovery, for a combined gross total of \$115.06 million. Of this amount, a deduction of \$54.68 million has been made to recognize the portion of the capital works that will benefit development the existing community. In total, the net D.C. recoverable amount included in the D.C. calculation is approximately \$60.38 million.

As the predominant users of parks and recreation tend to be residents of the Town, the forecast growth-related costs have been allocated 97% to residential and 3% to non-residential.



Table 5-2
Infrastructure Cost Included in the Development Charges Calculation
Parks and Recreation Services

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions	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
	2024 to Buildout									97%	3%
1	Barbour Fields Expansion Debenture > @ 3.86% (15 year term) (Principal)	2024-2025	40,712	-		40,712	-		40,712	39,491	1,221
2	Barbour Fields Expansion Debenture > @ 3.86% (15 year term) (Discounted Interest)	2024-2025	1,553	-		1,553	-		1,553	1,506	47
3	Erin Community Centre - accessibility renovations/upgrades	2024-2025	2,500,000	-		2,500,000	2,250,000		250,000	242,500	7,500
4	Barbour Field Multi-Use Facility (Twin Pad)	2028-2030	97,000,000	-		97,000,000	52,427,000		44,573,000	43,235,810	1,337,190
5	Provision for Parkland Development	2024-2034	10,800,000	-		10,800,000	-		10,800,000	10,476,000	324,000
6	Provision for additional amenities	2024-2034	3,500,000	-		3,500,000	-		3,500,000	3,395,000	105,000
7	Provision for Vehicles and Equipment	2024-2034	550,000	-		550,000	-		550,000	533,500	16,500
				-							
8	Reserve Fund Adjustment	Reserves	663,860	-		663,860			663,860	643,944	19,916
	Total		115,056,124	-	-	115,056,124	54,677,000	-	60,379,124	58,567,751	1,811,374



5.2.3 Services Related to a Highway

5.2.3.1 Services Related to a Highway -Roads and Related

The Town owns and maintains:

- 0.3 km of earth roads;
- 184.9 km of gravel roads;
- 35.4 km of surface treated roads;
- 73.1 km of hot mix asphalt roads;
- 12 bridges;
- 37 culverts;
- 12 km of sidewalks;
- 1 pedestrian crosswalks; and
- 823 streetlight fixtures.

This provides an average level of investment of \$67,230 per capita, resulting in a D.C.-eligible recovery amount of \$888.31 million over the buildout forecast period.

With respect to future needs, the Town has identified a capital program totalling \$183.06 million, based on the estimates provided by the Ainley Group. It is noted that the Town will undertake a future Transportation Master Plan, which will revise the capital program presented herein. The projects identified in the capital program include road urbanizations, road upgrades, bridges, a provision for future road infrastructure, and the recovery of debt. A deduction of \$7.46 million has been made to recognize the portion of the works that would benefit the existing community. Furthermore, \$1.83 million has also been deducted to account for the Town's existing reserve fund balance. Therefore, the total growth-related cost to be included in the D.C. is \$39.55 million.

The residential/non-residential capital cost allocation for service related to a highway is based on the ratio of the anticipated population and employment growth over the buildout forecast period. This results in 95% being allocated to residential development and 5% to non-residential development.



Table 5-3
 Infrastructure Cost Included in the Development Charges Calculation
 Services Related to a Highway – Roads and Related

Prj. No	Increased Service Needs Attributable to Anticipated Development 2024 to Buildout	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions	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 95%	Non-Residential Share 5%
1	Roads - 17th Sideroad; George St Reconstruction; Winston Churchill Bridge - Growth Related Debt (Principal)	2024-2036	156,378	-		156,378	-		156,378	148,559	7,819
2	Roads - 17th Sideroad; George St Reconstruction; Winston Churchill Bridge - Growth Related Debt (Discounted Interest)	2024-2036	13,607	-		13,607	-		13,607	12,926	680
3	Eighth Line (Sideroad 17 to Dundas Street West)	2024-2034	6,350,000	-		6,350,000	-		6,350,000	6,032,500	317,500
4	Dundas Street East (Main St to 10th Line)	2024-2034	4,300,000	-		4,300,000	-		4,300,000	4,085,000	215,000
5	Dundas Street West (Eighth Line to Bridge)	2024-2034	4,780,000	-		4,780,000	-		4,780,000	4,541,000	239,000
6	Sideroad 17 (Eighth Line to Wellington Rd 23)	2024-2034	4,100,000	-		4,100,000	-		4,100,000	3,895,000	205,000
7	Daniel Street (Dundas Street to southern Dead-end)	2024-2034	4,000,000	-		4,000,000	3,000,000		1,000,000	950,000	50,000
8	10th Sideroad (Dundas St to Wellington Rd 52)	2024-2034	4,300,000	-		4,300,000	2,150,000		2,150,000	2,042,500	107,500
9	Sideroad 15 (10th Line to Winston Churchill Blvd)	2024-2034	3,140,000	-		3,140,000	-		3,140,000	2,983,000	157,000
10	Bridge #9 8th Line Below 17 SR	2024	3,500,000	-		3,500,000	700,000		2,800,000	2,660,000	140,000
11	Bridge #2 Tenth Line above CR 52	2025	2,500,000	-		2,500,000	1,250,000		1,250,000	1,187,500	62,500
12	Eight Line and Orangeville Intersection Culvert.	2024	450,000	-		450,000	360,000		90,000	85,500	4,500
13	Bridge on Dundas Street West	2024-2034	1,250,000	-		1,250,000	-		1,250,000	1,187,500	62,500
14	Provision for future Road Infrastructure	2024-2034	10,000,000	-		10,000,000	-		10,000,000	9,500,000	500,000
15	Reserve Fund Adjustment	Reserve					1,832,886		(1,832,886)	(1,741,242)	(91,644)
	Total		48,839,984	-	-	48,839,984	9,292,886	-	39,547,098	37,569,743	1,977,355



5.2.3.2 Services Related to a Highway -Public Works Facilities, Equipment, and Fleet

The Town's Public Works department operates out of a combined space of 18,847 sq.ft. of building area, providing an average level of service of \$678 per capita. This level of service provides the Town with a maximum D.C.-eligible amount for recovery over the buildout forecast period of \$8.96 million.

The Public Works Department currently maintains an inventory of 31 vehicles and major equipment totalling \$6.26 million. This inventory provides for an average level of service of \$524 per capita. Over the forecast period, the D.C.-eligible amount for vehicles and equipment is \$6.93 million.

Based on the above, the maximum D.C.-eligible amount for public works is approximately \$15.89 million.

Based on the anticipated growth in the Town over the forecast period, \$12.50 million of future growth-related capital has been identified for inclusion into the D.C. calculations. These include provisions for additional facility spaces, as well as new vehicles and equipment to service the new development.

The residential/non-residential capital cost allocation for service related to a highway is based on the ratio of the anticipated population and employment growth over the buildout forecast period. This results in 95% being allocated to residential development and 5% to non-residential development.



5.3 Urban Buildout Capital Costs for Erin's D.C. Calculation

This section evaluates the development-related capital requirements for water services over a long-term planning period from 2024 to urban buildout.

5.3.1 Water Services

Based on the anticipated growth forecast, a number of water projects have been identified to service new developments throughout the Town. These projects are based on works identified in the previous D.C. study, as well as new works anticipated to service the upcoming developments, which have been developed in association with the Ainley Group.

The projects included in the D.C. for consideration are new watermains, new wells, elevated storage tanks, booster stations, and installation of pressure valves for smart zone boundaries. The total gross capital cost for capital projects is approximately \$79.8 million. Additionally, the existing reserve fund deficit of \$1.87 million has been included for recovery, for a combined gross total of \$81.67 million. Of this amount, a deduction of \$1.23 million has been made to recognize the portion of the capital works that will benefit the existing community. In total, the net D.C. recoverable amount included in the D.C. calculation is approximately \$80.44 million.

These costs are shared between residential and non-residential based on the population to employment ratio over the urban buildout forecast period, resulting in 95% being residential development and 5% being allocated to non-residential development.



Table 5-5
Infrastructure Cost Included in the Development Charges Calculation
Water Services

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions	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 95%	Non-Residential Share 5%
	2024 to Urban Buildout										
1	Hillsburgh Well & Well House	2024-2034	8,000,000	-		8,000,000	-		8,000,000	7,600,000	400,000
2	Hillsburgh - Municipal Backup Well & Pump House	2024-2034	8,000,000			8,000,000	-		8,000,000	7,600,000	400,000
3	Hillsburgh - Watermains from new Wells to existing water system	2024-2034	3,000,000	-		3,000,000	-		3,000,000	2,850,000	150,000
4	Hillsburgh - Elevated Water Storage Tank	2024-2034	8,500,000	-		8,500,000	358,500		8,141,500	7,734,425	407,075
5	Hillsburgh - Watermain from Elevated Tank to Existing Water System	2024-2034	3,000,000	-		3,000,000	-		3,000,000	2,850,000	150,000
6	Hillsburgh - Watermain on Wellington Rd 22	2024-2034	1,000,000	-		1,000,000	-		1,000,000	950,000	50,000
7	Hillsburgh - Watermain on Trafalgar Rd	2024-2034	1,750,000	-		1,750,000	875,000		875,000	831,250	43,750
8	Erin Municipal Well E9 & Pump House	2024-2034	9,000,000	-		9,000,000	-		9,000,000	8,550,000	450,000
9	Erin Municipal Backup Well & Pump House	2024-2034	9,000,000	-		9,000,000	-		9,000,000	8,550,000	450,000
10	Erin - Watermain from Well E9 to Existing Water System	2024-2034	2,650,000	-		2,650,000	-		2,650,000	2,517,500	132,500
11	Erin - Watermain from New Elevated Tank to Existing Water System	2024-2034	1,200,000	-		1,200,000	-		1,200,000	1,140,000	60,000
12	Erin - Watermain on Dundas St East	2024-2034	1,050,000	-		1,050,000	-		1,050,000	997,500	52,500
13	Erin - Elevated Water Storage Tank	2024-2034	8,750,000	-		8,750,000	-		8,750,000	8,312,500	437,500
14	Erin-Hillsburgh Booster Station	2024-2034	5,500,000	-		5,500,000	-		5,500,000	5,225,000	275,000
15	Erin - Eighth Line Booster Station	2024-2034	5,500,000	-		5,500,000	-		5,500,000	5,225,000	275,000
16	Watermain on Elora Cataract Trail connecting Hillsburgh and Erin Water Systems	2024-2034	3,500,000	-		3,500,000	-		3,500,000	3,325,000	175,000
17	Erin - Smart Zone Boundaries PRV's	2024-2034	400,000	-		400,000	-		400,000	380,000	20,000
18	Reserve Adjustment	Reserves	1,874,070			1,874,070	-		1,874,070	1,780,366	93,703
	Total		81,674,070	-	-	81,674,070	1,233,500	-	80,440,570	76,418,541	4,022,028



6. D.C. Calculation

Table 6-1 calculates the proposed urban area D.C.s to be imposed for water services based upon the 2024 to buildout urban forecast period. Table 6-2 calculates the proposed uniform D.C.s to be imposed on anticipated development in the Town for Town-wide services over the 2024 to buildout forecast period.

The calculation for residential development is generated on a per capita basis and is based upon five forms of housing types (singles and semi-detached, multiples, apartments 2+ bedrooms, apartments bachelor and 1 bedroom, and special care dwelling units). The non-residential D.C. has been calculated on a per sq.ft. of G.F.A. basis for all types of non-residential development (industrial, commercial, and institutional).

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

For the residential calculations, the total cost is divided by the “gross” (new resident) population to determine the per capita amount. The eligible-D.C. cost calculations set out in Chapter 5 are based on the net anticipated population increase (the forecast new unit population less the anticipated decline in existing units). The cost per capita is then multiplied by the average occupancy of the new units (Appendix A, Schedule 7) to calculate the charge in Tables 6-1 to 6-2.

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

Table 6-3 summarizes the total D.C. that is applicable for Town-wide and urban area services and Table 6-4 summarizes the gross capital expenditures and sources of revenue for works to be undertaken during the life of the by-law.



Table 6-1
Town of Erin
Development Charge Calculation
Urban Area Services
Urban Buildout (2024 to Urban Buildout)

SERVICE/CLASS	2024\$ D.C.-Eligible Cost		2024\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
1. <u>Water Services</u>	\$	\$	\$	\$
1.1 Treatment, storage and distribution systems	76,418,541	4,022,028	18,542	7.38
	76,418,541	4,022,028	18,542	7.38
TOTAL	\$76,418,541	\$4,022,028	\$18,542	7.38
D.C.-Eligible Capital Cost	\$76,418,541	\$4,022,028		
Urban Buildout Gross Population/GFA Growth (sq.ft.)	13,254	544,900		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$5,765.70	\$7.38		
By Residential Unit Type	P.P.U.			
Single and Semi-Detached Dwelling	3.216	\$18,542		
Multiples	2.413	\$13,913		
Apartments - 2 Bedrooms +	1.954	\$11,266		
Apartments - Bachelor and 1 Bedroom	1.427	\$8,228		
Special Care/Special Dwelling Units	1.100	\$6,342		

Table 6-2
Town of Erin
Development Charge Calculation
Town-wide Services
Buildout (2024 to Buildout)

SERVICE/CLASS	2024\$ D.C.-Eligible Cost		2024\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
2. <u>Services Related to a Highway</u>	\$	\$	\$	\$
2.1 Roads and Related	37,569,743	1,977,355	8,800	3.63
2.2 Public Works Facilities, Vehicles, and Equipment	11,875,000	625,000	2,782	1.15
	49,444,743	2,602,355	11,582	4.78
3. <u>Fire Protection Services</u>				
3.1 Fire facilities, vehicles & equipment	16,197,816	852,517	3,794	1.56
	16,197,816	852,517	3,794	1.56
4. <u>Parks and Recreation Services</u>				
4.1 Park development, amenities, trails and recreation facilities	58,567,751	1,811,374	13,718	3.32
	58,567,751	1,811,374	13,718	3.32
TOTAL	\$124,210,310	\$5,266,245	\$29,094	\$9.66
D.C.-Eligible Capital Cost	\$124,210,310	\$5,266,245		
Buildout Gross Population/GFA Growth (sq.ft.)	13,730	544,900		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$9,046.64	\$9.66		
By Residential Unit Type	P.P.U.			
Single and Semi-Detached Dwelling	3.216	\$29,094		
Multiples	2.413	\$21,830		
Apartments - 2 Bedrooms +	1.954	\$17,677		
Apartments - Bachelor and 1 Bedroom	1.427	\$12,910		
Special Care/Special Dwelling Units	1.100	\$9,951		



Table 6-3
Town of Erin
Development Charge Calculation
Total All Services

	2024\$ D.C.-Eligible Cost		2024\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
	\$	\$	\$	\$
Urban-wide Services/Classes Build out	76,418,541	4,022,028	18,542	7.38
Town-wide Services/Classes Build out	124,210,310	5,266,245	29,094	9.66
TOTAL	200,628,851	9,288,274	47,636	17.04



Table 6-6
Town of Erin
Gross Expenditure and Sources of Revenue Summary for Costs to be Incurred over the Life of the By-law

Service/Class	Total Gross Cost	Sources of Financing					
		Tax Base or Other Non-D.C. Source			Post D.C. Period Benefit	D.C. Reserve Fund	
		Other	Benefit to	Other Funding		Residential	Non-Residential
1. Water Services							
1.1 Treatment, storage and distribution systems	22,051,104	0	5,000,771	0	0	16,197,816	852,517
2. Services Related to a Highway							
2.1 Roads and Related	48,811,653	0	9,292,886	0	0	37,542,829	1,975,938
2.2 Public Works Facilities, Vehicles, and Equipment	10,416,667	0	0	0	0	9,895,833	520,833
3. Fire Protection Services							
3.1 Fire facilities, vehicles & equipment	19,016,862	0	4,976,000	0	0	13,338,819	702,043
4. Parks and Recreation Services							
4.1 Park development, amenities, trails and recreation facilities	115,056,124	0	54,677,000	0	0	58,567,751	1,811,374
Total Expenditures & Revenues	\$215,352,410	\$0	\$73,946,657	\$0	\$0	\$135,543,048	\$5,862,705



Chapter 7

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



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

7.1 Introduction

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

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

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

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 are based on the Towns’ existing policies; with some modifications and consideration for the changes to the D.C.A. resulting from Bills 108, 197, 213 and 23.



7.2 D.C. By-law Structure

It is recommended that:

- the Town uses a uniform Town-wide D.C. calculation for services excluding water services;
- D.C.s for water services be imposed on the urban service areas of the Town; and
- one D.C. by-law be used for all services referenced above.

7.3 D.C. By-law Rules

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

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

7.3.1 Payment in any Particular Case

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

- “(a) the passing of a zoning by-law or of an amendment to a zoning by-law under section 34 of the *Planning Act*;
- (b) the approval of a minor variance under section 45 of the *Planning Act*;
- (c) a conveyance of land to which a by-law passed under subsection 50 (7) of the *Planning Act* applies;
- (d) the approval of a plan of subdivision under section 51 of the *Planning Act*;
- (e) a consent under section 53 of the *Planning Act*;
- (f) the approval of a description under section 9 of the *Condominium Act, 1998*; or
- (g) the issuing of a permit under the *Building Code Act, 1992* in relation to a building or structure.”



7.3.2 Determination of the Amount of the Charge

The following conventions be adopted:

- 1) Costs allocated to residential uses will be assigned to different types of residential units based on the average occupancy for each housing type constructed during the previous decade. Costs allocated to non-residential uses will be assigned based on the number of square feet of G.F.A. constructed for eligible uses (i.e., industrial, commercial, and institutional).
- 2) Costs allocated to residential and non-residential uses are based upon a number of conventions, as may be suited to each municipal circumstance, e.g.,
 - for parks and recreation services, a 3% non-residential attribution has been made to recognize use by the non-residential sector;
 - for fire protection services and services related to a highway, a 95% residential/5% non-residential allocation has been made based on a population vs. employment growth ratio over the 2024 to buildout forecast period;
 - for water services a 95% residential/5% non-residential allocation has been made based on population vs. employment growth over the urban buildout forecast period.

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 (within 5 years prior to the date of payment of development charges in regard to such redevelopment was, or is to be demolished, in whole or in part), or the conversion from one principal use to another, the developer shall be allowed a credit equivalent to:

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



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

7.3.4 Exemptions (full or partial)

a) Statutory exemptions:

- industrial building additions of up to and including 50% of the existing G.F.A. (defined in O. Reg. 82/98, section 1) of the building; for industrial building additions that exceed 50% of the existing G.F.A., only the portion of the addition in excess of 50% is subject to D.C.s (subsection 4 (3) of the D.C.A.);
- buildings or structures owned by and used for the purposes of any municipality, local board, or Board of Education (section 3);
- may add up to 2 apartments in an existing or new detached, semi-detached, or rowhouse (including in an ancillary structure);
- add one additional unit or 1% of existing units in an existing rental residential building;
- a university in Ontario that receives direct, regular, and ongoing operating funding from the Government of Ontario;
- affordable units and attainable units (to be in force at a later date);
- affordable inclusionary zoning units;
- non-profit housing; and
- discount for rental housing units based on bedroom size (i.e., three or more bedrooms – 25% reduction, two bedrooms – 20% reduction, and all others – 15% reduction).

b) Non-statutory exemptions for Council's consideration:

- Places of Worship and Cemeteries;
- Public Hospital;
- Non-residential farm buildings;
- Garden Suites;
- Bed and Breakfast establishment that is not considered a hotel; and
- Boarding, lodging, or rooming house that is not considered a hotel.



7.3.5 Phasing in

As required by Section 5(6) paragraph 4 of the D.C.A., the calculated D.C. will be phased-in over a five-year period as follows:

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

7.3.6 Timing of Collection

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

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

7.3.7 The Applicable Areas

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

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

7.3.8 Indexing

Indexing of the D.C.s shall be implemented on a mandatory basis annually commencing on January 1, 2025, and each January 1st thereafter, in accordance with the Statistics



Canada Quarterly, Non-Residential Building Construction Price Index (Table 18-10-0276-02)^[1] for the most recent year-over-year period.

7.4 Other D.C. By-law Provisions

It is recommended that:

7.4.1 Categories of Services for Reserve Fund and Credit Purposes

The Town's D.C. collections under By-law 19-32 (as amended) are currently in 5 separate reserve funds: Growth Studies, Fire Protection, Services Related to a Highway, Parks & Recreation, and Water.

It is recommended that the Town address the deficit balance in the growth studies reserve fund as it is no longer considered an eligible D.C. service upon passage of the new D.C. by-law (as per Section 5(3) of the Act).

Appendix D outlines the reserve fund policies that the Town is required to follow as per the D.C.A.

7.4.2 By-law In-force Date

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

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

The minimum interest rate is what the Bank of Canada rate is on the day the by-law comes into force updated on the first business day of every January, April, July and October (as per section 11 of O. Reg. 82/98).

^[8] 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.



7.4.4 Area Rating

The D.C.A. required that Council must consider the use of area specific charges:

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

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

Currently, the Town’s by-law does provide for area-rating with respect to water. All other Town services are recovered based on a uniform, Town-wide basis. There have been several reasons why area-rating has not been imposed on these services, including:

1. All Town services, with the exception of water, require that the average 15-year service standard be calculated. This average service standard multiplied by growth in the Town, establishes an upper ceiling on the amount of funds that can be collected from all developing landowners. Section 4 (4) of O. Reg. 82/98 provides that “if a development charge by-law applies to a part of the municipality, the level of service and average level of service cannot exceed that which would be determined if the by-law applied to the whole municipality.” Put in layperson terms, the average service standard multiplied by the growth within the specific area would establish an area-specific ceiling which would significantly reduce the total revenue recoverable for the Town hence potentially resulting in D.C. revenue shortfalls and impacts on property taxes.
2. Expanding on item 1, attempting to impose an area charge potentially causes equity issues in transitioning from a Town-wide approach to an area-specific approach. For example, if all services were now built (and funded) within Area A



(which is 75% built out) and this was funded with some revenues from Areas B and C, moving to an area-rating approach would see Area A contribute no funds to the costs of services in Areas B and C. The D.C.s would be lower in Area A (as all services are now funded) and higher in Areas B and C. As well, funding shortfalls may then potentially encourage the municipality to provide less services to Areas B and C due to reduced revenue.

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

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

7.5 Other Recommendations

It is recommended that Council:

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

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

“Continue the D.C. approach to calculate the charges on a uniform Town-wide basis for all services except water services;”

“Continue the D.C. approach to calculate the charges on an urban-area basis for water services;”

“Approve the capital project listing set out in Chapter 5 of the D.C. Background Study dated May 17, 2024, subject to further annual review during the capital budget process;”



“Approve the D.C.s Background Study dated May 17, 2024;”

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

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



Chapter 8

By-law Implementation



8. By-law Implementation

8.1 Public Consultation Process

8.1.1 Introduction

This chapter addresses the mandatory, formal public consultation process (section 8.1.2), as well as the optional, informal consultation process (section 8.1.3). The latter is designed to seek the co-operation and participation of those involved, in order to produce the most suitable policy. Section 8.2 addresses the anticipated impact of the D.C. on development from a generic viewpoint.

8.1.2 Public Meeting of Council

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

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

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

8.1.3 Other Consultation Activity

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

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



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

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

8.2 Anticipated Impact of the Charge on Development

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

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



8.3 Implementation Requirements

8.3.1 Introduction

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

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

8.3.2 Notice of Passage

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

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

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

8.3.3 By-law Pamphlet

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

- a description of the general purpose of the D.C.s;



- the “rules” for determining if a charge is payable in a particular case and for determining the amount of the charge;
- the services to which the D.C.s relate; and
- a 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 Town must give one copy of the most recent pamphlet without charge, to any person who requests one.

8.3.4 Appeals

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

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

8.3.5 Complaints

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

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



Sections 20 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 Town Council to the OLT.

8.3.6 Credits

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

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

8.3.7 Front-Ending Agreements

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

Part III of the D.C.A. (sections 44 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 Town assesses whether this mechanism is appropriate for its use, as part of funding projects prior to Town funds being available.

8.3.8 Severance and Subdivision Agreement Conditions

Section 59 of the D.C.A. prevents a municipality from imposing directly or indirectly, a charge related to development or a requirement to construct a service related to development, by way of a condition or agreement under 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



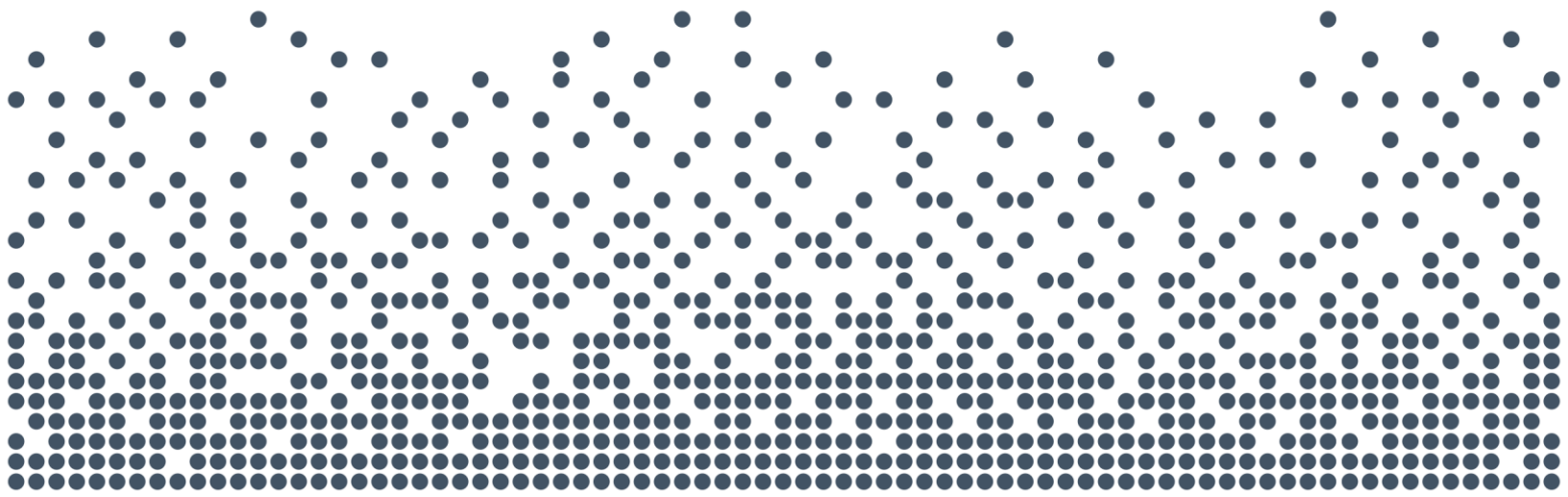
- “local services to be installed or paid for by the owner as a condition of approval under section 53 of the *Planning Act*.”

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 Town is an approval authority for the purposes of section 51 of the *Planning Act*, it would be responsible to ensure that it collects information from all entities 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 Town of Erin 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	11,890	11,418	45	11,373	3,755	10	95	95	3,955	2.887
	Mid 2016	11,910	11,439	39	11,400	3,805	35	120	150	4,110	2.783
	Mid 2021	12,470	11,981	31	11,950	3,890	50	125	155	4,220	2.839
Forecast	Mid 2024	12,790	12,287	32	12,255	3,988	51	139	155	4,333	2.836
	Buildout	26,300	25,500	33	25,467	6,810	1,640	595	155	9,200	2.772
Incremental	Mid 2011 - Mid 2016	20	21	-6	27	50	25	25	55	155	
	Mid 2016 - Mid 2021	560	542	-8	550	85	15	5	5	110	
	Mid 2021 - Mid 2024	320	306	1	305	98	1	14	0	113	
	Mid 2024 - Buildout	13,510	13,213	1	13,212	2,822	1,589	456	0	4,867	

[1] Population includes the Census undercount estimated at approximately 4.1% 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.

Growth forecast to buildout is informed by the County of Wellington Municipal Comprehensive Review (2022). Buildout of Erin and Hillsburgh (excluding the rural area) refers to the urban area and has been assessed for designated urban lands and servicing capacity.

Source: Derived by Watson & Associates Economists Ltd.



Schedule 2
Town of Erin
Estimate of the Anticipated Amount, Type and Location of
Residential Development for Which Development Charges can be Imposed

Development Location	Timing	Single & Semi-Detached	Multiples ^[1]	Apartments ^[2]	Total Residential Units	Gross Population In New Units	Existing Unit Population Change	Net Population Increase, Excluding Institutional	Institutional Population	Net Population Including Institutional
Hillsburgh/Erin (Village)	2024 - Buildout	2,674	1,589	456	4,719	13,254	(195)	13,059	0	13,059
Rural	2024 - Buildout	148	0	0	148	476	(323)	153	1	154
Town of Erin	2024 - Buildout	2,822	1,589	456	4,867	13,730	(518)	13,212	1	13,213

^[1] Includes townhouses and apartments in duplexes.

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

Notes: Growth forecast to buildout is informed by the County of Wellington Municipal Comprehensive Review (2022). Buildout of Erin and Hillsburgh (excluding the rural area) refers to the urban area and has been assessed for designated urban lands and servicing capacity.

Source: Derived by Watson & Associates Economists Ltd., 2024



Schedule 3
Town of Erin
Current Year Growth Forecast
Mid-2021 to Mid-2024

		Population
Mid 2021 Population		11,981
Occupants of New Housing Units, Mid 2021 to Mid 2024	<i>Units (2)</i>	113
	<i>multiplied by P.P.U. (3)</i>	3,250
	<i>gross population increase</i>	367
Occupants of New Equivalent Institutional Units, Mid 2021 to Mid 2024	<i>Units</i>	1
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	1
Decline in Housing Unit Occupancy, Mid 2021 to Mid 2024	<i>Units (4)</i>	4,220
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.015
	<i>total decline in population</i>	-62
Population Estimate to Mid 2024		12,287
<i>Net Population Increase, Mid 2021 to Mid 2024</i>		306

- (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>	3.462	87%	3.002
<i>Multiples (6)</i>	2.351	1%	0.021
<i>Apartments (7)</i>	1.837	12%	0.228
Total		100%	3.250

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 4
Town of Erin
Buildout Growth Forecast
Mid-2024 to Buildout

		Population
Mid 2024 Population		12,287
Occupants of New Housing Units, Mid 2024 to Buildout	<i>Units (2)</i>	4,867
	<i>multiplied by P.P.U. (3)</i>	2,821
	<i>gross population increase</i>	13,730
Occupants of New Equivalent Institutional Units, Mid 2024 to Buildout	<i>Units</i>	1
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	1
Decline in Housing Unit Occupancy, Mid 2024 to Buildout	<i>Units (4)</i>	4,333
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.120
	<i>total decline in population</i>	-518
Population Estimate to Buildout		25,500
<i>Net Population Increase, Mid 2024 to Buildout</i>		13,213

(1) Mid 2024 Population based on:

2021 Population (11,981) + Mid 2021 to Mid 2024 estimated housing units to beginning of forecast period $(113 \times 3.25 = 367) + (1 \times 1.1 = 1) + (4,220 \times -0.015 = -62) = 12,287$

(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>	3.216	58%	1.865
<i>Multiples (6)</i>	2.413	33%	0.788
<i>Apartments (7)</i>	1.797	9%	0.168
<i>one bedroom or less</i>	1.427		
<i>two bedrooms or more</i>	1.954		
Total		100%	2.821

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 (4,220 units) + Mid 2021 to Mid 2024 unit estimate (113 units) = 4,333 units.

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

(6) Includes townhouses and apartments in duplexes.

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

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



Schedule 5
Town of Erin
Summary of Active Development Applications, Vacant Land Supply
and Intensification Housing Potential as of 2024
Town of Erin Urban Area

Stage of Development	Density Type			
	Singles & Semi-Detached	Multiples ^[1]	Apartments ^[2]	Total
Active Applications	2,134	1,433	369	3,936
<i>% Breakdown</i>	<i>54%</i>	<i>36%</i>	<i>9%</i>	<i>100%</i>
Vacant lands designated for Residential	540	70	0	610
<i>% Breakdown</i>	<i>89%</i>	<i>11%</i>	<i>0%</i>	<i>100%</i>
Additional Intensification	0	86	87	173
<i>% Breakdown</i>	<i>0%</i>	<i>50%</i>	<i>50%</i>	<i>100%</i>
Total	2,674	1,589	456	4,719
<i>% Breakdown</i>	<i>57%</i>	<i>34%</i>	<i>10%</i>	<i>100%</i>

^[1] Includes townhomes and apartments in duplexes.

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

Source: Derived from data provided by Town of Erin, by Watson & Associates Economists Ltd.



Schedule 6
Town of Erin
Historical Residential Building Permits
Years 2014 to 2023

Year	Residential Building Permits			
	Singles & Semi Detached	Multiples ^[1]	Apartments ^[2]	Total
2014	24	0	0	24
2015	39	0	7	46
2016	33	0	5	38
2017	36	0	5	41
2018	15	0	2	17
Sub-total	147	0	19	166
Average (2014 - 2018)	29	0	4	33
% Breakdown	88.6%	0.0%	11.4%	100.0%
2019	17	0	0	17
2020	24	0	0	24
2021	38	0	4	42
2022	42	0	6	48
2023	18	1	4	23
Sub-total	139	1	14	154
Average (2019 - 2023)	28	0	3	31
% Breakdown	90.3%	0.6%	9.1%	100.0%
2014 - 2023				
Total	286	1	33	320
Average	29	0	3	32
% Breakdown	89.4%	0.3%	10.3%	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 Town of Erin building permit data, 2014 to 2018, and Statistics Canada building permit data, 2019 to 2023; by Watson & Associates Economists Ltd.



Schedule 7a
Town of Erin
Person Per Unit by Age and Type of Dwelling
(2021 Census)

Age of Dwelling	Singles and Semi-Detached						20 Year Average	20 Year Average Adjusted ^[1]
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	-	3.571	-	3.462		
6-10	-	-	-	3.208	-	3.303		
11-15	-	-	-	3.200	-	3.308		
16-20	-	-	-	2.708	-	2.821	3.223	3.216
20-25	-	-	-	3.243	-	3.298		
25-35	-	-	-	2.710	-	3.139		
35+	-	1.455	2.045	2.765	4.371	2.795		
Total	0.786	2.000	2.120	2.860	4.269	2.912		

Age of Dwelling	All Density Types					
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total
1-5	-	-	-	3.304	-	3.321
6-10	-	-	-	3.208	-	3.200
11-15	-	-	-	3.200	-	3.308
16-20	-	-	-	2.750	-	2.767
20-25	-	-	-	3.243	-	3.286
25-35	-	-	-	2.710	-	3.000
35+	-	1.286	1.890	2.745	4.349	2.714
Total	-	1.438	1.952	2.836	4.255	2.830

[1] 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 7b
 County of Wellington Census Division
 Person Per Unit by Age and Type of Dwelling
 (2021 Census)

Age of Dwelling	Multiples ^[1]						20 Year Average	20 Year Average Adjusted ^[3]
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	1.413	2.000	2.814	-	2.351		
6-10	-	1.526	1.811	2.577	-	2.388		
11-15	-	1.370	1.980	2.743	-	2.468		
16-20	-	1.278	1.701	2.691	3.167	2.423	2.408	2.413
20-25	-	1.000	1.766	2.516	-	2.278		
25-35	-	-	1.810	2.421	-	2.176		
35+	-	1.439	1.903	2.754	3.138	2.418		
Total	1.071	1.398	1.880	2.687	3.179	2.386		

Age of Dwelling	Apartments ^[2]						20 Year Average	20 Year Average Adjusted ^[3]
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	1.407	1.863	2.537	-	1.837		
6-10	-	1.339	1.767	2.121	-	1.710		
11-15	-	1.255	1.629	-	-	1.575		
16-20	-	1.703	1.914	2.813	-	2.040	1.790	1.797
20-25	-	1.508	2.000	2.750	-	1.864		
25-35	-	1.419	1.976	2.688	-	1.867		
35+	0.951	1.256	1.942	2.654	4.083	1.710		
Total	1.151	1.305	1.910	2.592	4.857	1.747		

Age of Dwelling	All Density Types					
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total
1-5	-	1.503	1.947	3.113	5.055	2.693
6-10	-	1.538	1.848	2.997	4.325	2.705
11-15	-	1.386	1.817	3.135	4.313	2.928
16-20	-	1.773	1.866	3.041	4.180	2.910
20-25	-	1.540	1.867	2.895	4.169	2.733
25-35	-	1.463	1.899	2.761	3.986	2.552
35+	1.367	1.308	1.929	2.729	3.924	2.468
Total	2.110	1.377	1.910	2.844	4.110	2.591

[1] Includes townhouses and apartments in duplexes.

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

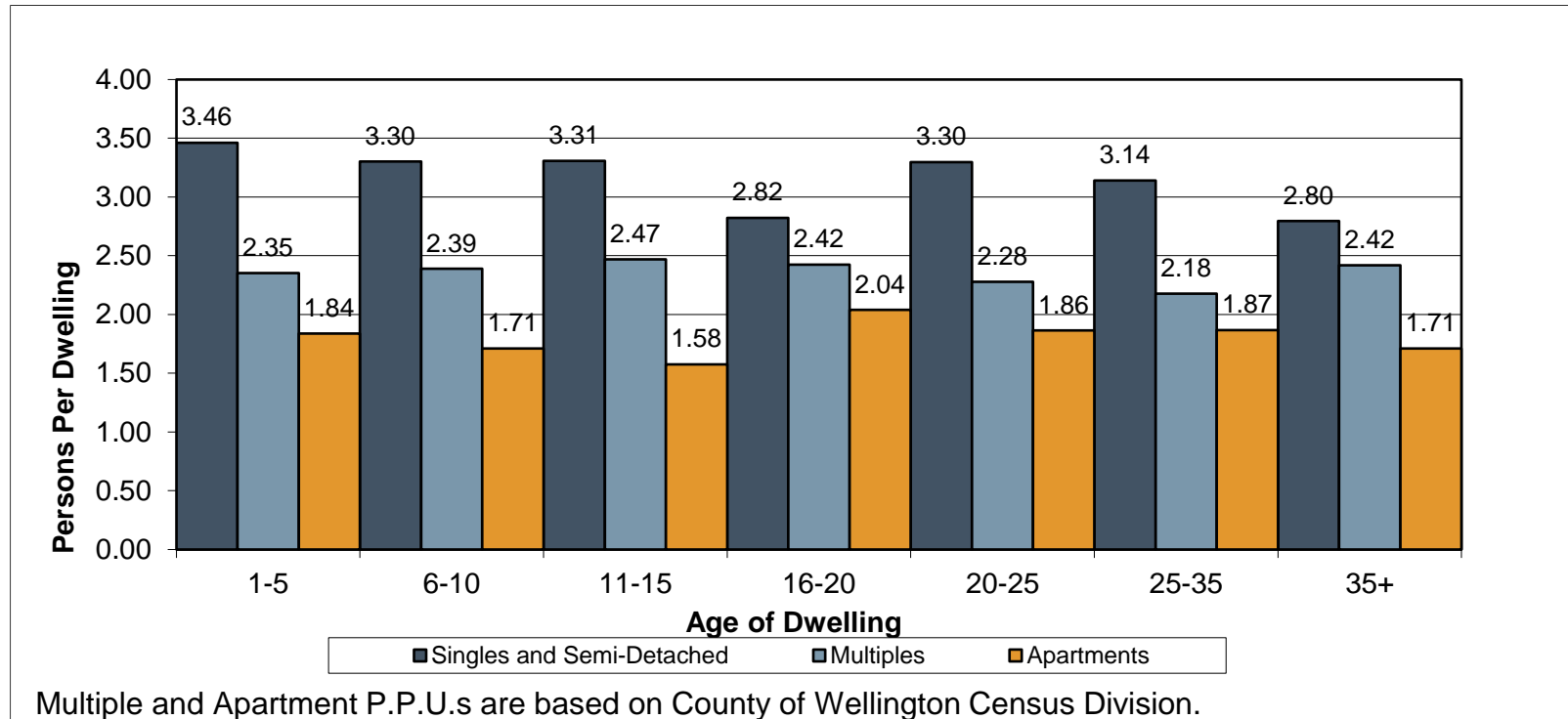
[3] Adjusted based on historical trends.

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

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



Schedule 8
Town of Erin
Person Per Unit Structural Type and Age of Dwelling
(2021 Census)





Schedule 9a Town of Erin Employment Forecast, 2024 to buildout

Period	Population	Activity Rate								Employment								Employment
		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.)	Total (Excluding Work at Home and N.F.P.O.W.)
Mid 2011	11,418	0.005	0.067	0.057	0.070	0.032	0.231	0.011	0.242	55	770	648	798	365	2,635	127	2,762	1,865
Mid 2016	11,439	0.013	0.074	0.059	0.080	0.036	0.261	0.039	0.301	150	845	670	915	410	2,990	449	3,439	2,145
Mid 2024	12,287	0.014	0.078	0.065	0.092	0.045	0.295	0.039	0.333	171	963	802	1,136	548	3,620	475	4,095	2,657
Buildout	25,500	0.007	0.076	0.040	0.061	0.025	0.208	0.027	0.235	171	1,928	1,017	1,549	632	5,298	684	5,982	3,370
Incremental Change																		
Mid 2011 - Mid 2016	21	0.008	0.006	0.002	0.010	0.004	0.031	0.028	0.059	95	75	23	118	45	355	322	677	280
Mid 2016 - Mid 2024	848	0.001	0.005	0.007	0.013	0.009	0.033	-0.001	0.033	21	118	132	221	138	630	26	656	512
Mid 2024 - Buildout	13,213	-0.007	-0.003	-0.025	-0.032	-0.020	-0.087	-0.012	-0.099	0	965	215	413	84	1,677	209	1,886	712
Annual Average																		
Mid 2011 - Mid 2016	4	0.002	0.001	0.000	0.002	0.001	0.006	0.006	0.012	19	15	5	24	9	71	64	135	56
Mid 2016 - Mid 2024	106	0.000	0.001	0.001	0.002	0.001	0.004	0.000	0.004	3	15	17	28	17	79	3	82	64

^[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 9b
Town of Erin
Employment and Gross Floor Area (G.F.A.) Forecast, 2024 to buildout

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	11,418	55	648	798	365	1,865				
Mid 2016	11,439	150	670	915	410	2,145				
Mid 2024	12,287	171	802	1,136	548	2,657				
Buildout	25,500	171	1,017	1,549	632	3,370				
Incremental Change										
Mid 2011 - Mid 2016	21	95	23	118	45	280				
Mid 2016 - Mid 2024	848	21	132	221	138	512				
Mid 2024 - Buildout	13,213	0	215	413	84	712	279,500	206,300	59,100	544,900
Annual Average										
Mid 2011 - Mid 2016	4	19	5	24	9	56				
Mid 2016 - Mid 2024	106	3	17	28	17	64				

^[1] Square Foot Per Employee Assumptions

Industrial	1,300
Commercial/Population-Related	500
Institutional	700

*Reflects Mid-2024 to Buildout forecast period.

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

Source: Watson & Associates Economists Ltd.



Schedule 9c
Town of Erin
Estimate of the Anticipated Amount, Type and Location of
Non-Residential Development for Which Development Charges Can Be Imposed

Development Location	Timing	Industrial G.F.A. S.F. ^[1]	Commercial G.F.A. S.F. ^[1]	Institutional G.F.A. S.F. ^[1]	Total Non-Residential G.F.A. S.F.	Employment Increase ^[2]
Hillsburgh/Erin (Village)	2024 - Buildout	279,500	206,300	59,100	544,900	712
Rural	2024 - Buildout	-	-	-	-	-
Town of Erin	2024 - Buildout	279,500	206,300	59,100	544,900	712

^[1] Square Foot Per Employee Assumptions

Industrial	1,300
Commercial/Population-Related	500
Institutional	700

^[2] Employment Increase does not include No Fixed Place of Work.

*Reflects Mid-2024 to Buildout forecast period.

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

Source: Derived by Watson & Associates Economists Ltd., 2024



Schedule 11
Town of Erin
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>	



Appendix B

Level of Service



Appendix B: Level of Service

SUMMARY OF SERVICE STANDARDS AS PER DEVELOPMENT CHARGES ACT, 1997, AS AMENDED							
Service Category	Sub-Component	15 Year Average Service Standard				Maximum Ceiling LOS	
		Cost (per capita)	Quantity (per capita)		Quality (per capita)		
Service Related to a Highway	Services Related to a Highway - Roads	\$62,617.47	0.1501	km of roadways	417,172	per km	827,364,631
	Services Related to a Highway - Bridges, Culverts & Structures	\$3,766.67	0.0042	Number of Bridges, Culverts & Structures	896,826	per item	49,769,011
	Services Related to a Highway - Sidewalks and Active Transportation	\$252.07	0.0010	km of sidewalks and active transportation	252,070	per km	3,330,601
	Services Related to a Highway - Traffic Signals & Streetlights	\$593.47	0.0698	No. of Traffic Signals	8,502	per signal	7,841,519
	Public Works - Facilities	\$678.35	1.5760	sq.ft. of building area	430	per sq.ft.	8,963,039
	Public Works - Vehicles & Equipment	\$524.12	0.0023	No. of vehicles and equipment	227,878	per vehicle	6,925,198
Fire Protection	Fire Protection Services - Facilities	\$1,051.08	1.3775	sq.ft. of building area	763	per sq.ft.	13,887,920
	Fire Protection Services - Vehicles & Equipment	\$694.03	0.0009	No. of vehicles	771,144	per vehicle	9,170,218
	Fire Protection Services - Small Equipment and Gear	\$172.17	0.0562	No. of equipment and gear	3,064	per item	2,274,882
Parks & Recreation	Parkland Development	\$900.21	0.0076	Acres of Parkland	118,449	per acre	11,894,475
	Parkland Amenities	\$352.83	0.0035	No. of parkland amenities	100,809	per amenity	4,661,943
	Parkland Trails	\$0.00	-	Linear Metres of Paths and Trails	#DIV/0!	per linear m	-
	Recreation Facilities	\$5,487.69	6.8333	sq.ft. of building area	803	per sq.ft.	72,508,848
	Parks & Recreation Vehicles and Equipment	\$63.92	0.0007	No. of vehicles and equipment	91,314	per vehicle	844,575



**Town of Erin
Service Standard Calculation Sheet**

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

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Hillsburgh Fire Hall (Station #50)	4,360	4,360	4,360	4,360	13,368	13,368	13,368	13,368	13,368	13,368	13,368	13,368	13,368	13,368	13,368	\$700	\$822
Erin Fire Hall (Station #10) w/Tower, Shed	4,845	4,845	4,845	4,845	4,845	4,845	4,845	4,845	4,845	4,845	4,845	4,845	4,845	4,845	4,845	\$500	\$633
Fire Office Space located in Municipal Building	258	258	258	258	258	258	258	258	258	258	258	258	258	258	258	\$600	\$711
Total	9,463	9,463	9,463	9,463	18,471	18,471	18,471	18,471	18,471	18,471	18,471	18,471	18,471	18,471	18,471		

Population	11,334	11,347	11,418	11,437	11,450	11,418	11,394	11,439	11,575	11,720	11,798	11,879	11,981	12,099	12,235
Per Capita Standard	0.83	0.83	0.83	0.83	1.61	1.62	1.62	1.61	1.60	1.58	1.57	1.55	1.54	1.53	1.51

15 Year Average	2009 to 2023
Quantity Standard	1.38
Quality Standard	\$763
Service Standard	\$1,051

D.C. Amount (before deductions)	Buildout
Forecast Population	13,213
\$ per Capita	\$1,051
Eligible Amount	\$13,887,920



**Town of Erin
Service Standard Calculation Sheet**

Service: Fire Protection Services - Vehicles & Equipment

Unit Measure: No. of vehicles

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/Vehicle)
Pumper	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	\$1,100,000
Tanker	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$850,000
Pumper Tanker	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$1,000,000
SCAT/Rescue Van	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$450,000
Fire Chiefs Pickup	-	-	-	1	1	1	1	1	1	-	-	-	-	-	-	\$100,000
Kubota ATV & Trailer	-	-	-	-	-	-	1	1	1	1	1	1	1	1	1	\$50,000
Total	9	9	9	10	10	10	11	11	11	10	10	10	10	10	10	

Population	11,334	11,347	11,418	11,437	11,450	11,418	11,394	11,439	11,575	11,720	11,798	11,879	11,981	12,099	12,235
Per Capita Standard	0.0008	0.0008	0.0008	0.0009	0.0009	0.0009	0.0010	0.0010	0.0010	0.0009	0.0008	0.0008	0.0008	0.0008	0.0008

15 Year Average	2009 to 2023
Quantity Standard	0.0009
Quality Standard	\$771,144
Service Standard	\$694

D.C. Amount (before deductions)	Buildout
Forecast Population	13,213
\$ per Capita	\$694
Eligible Amount	\$9,170,218



**Town of Erin
Service Standard Calculation Sheet**

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

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/item)
Equipped Firefighters	60	60	60	60	60	60	60	60	60	60	60	60	60	65	65	\$9,400
Radio Dispatch	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$12,500
Hydraulic Rescue Tools	2	2	2	2	2	2	2	2	2	2	4	4	4	4	4	\$30,000
Breathing Apparatus SCBA	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	\$17,300
Radio System (Tower)	-	-	-	-	-	-	-	1	1	2	2	3	3	3	3	\$130,000
SCBA Masks	65	65	65	65	65	65	65	65	65	65	65	65	65	65	65	\$150
SCBA Bottles	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	\$1,200
SCBA Packs	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	\$6,500
RIT Kits	1	1	1	1	1	1	2	2	2	2	2	2	2	2	2	\$5,000
Hoses 45mm	91	96	101	106	112	118	124	130	137	144	152	160	160	160	160	\$220
Hoses 65mm	57	60	63	66	70	74	77	81	86	90	95	100	100	100	100	\$400
Hoses 100mm	46	48	50	53	56	59	62	65	69	72	76	80	80	80	80	\$775
Nozzles	40	42	44	46	49	51	54	57	60	63	67	70	70	70	70	\$1,000
Misc. Equipment	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$150,000
Thermal Imaging	2	2	3	3	3	3	3	3	3	4	4	4	4	4	4	\$15,000
Portable Generators	8	8	9	9	10	10	11	11	12	13	13	14	14	14	14	\$1,500
Portable Pumps	7	7	8	8	8	9	9	10	10	11	11	12	12	12	12	\$5,000
Ventilation Fans	2	2	3	3	3	3	3	3	3	4	4	4	4	4	4	\$5,000
Portable Radios	23	24	25	27	28	29	31	33	34	36	38	40	40	40	40	\$1,300
Mobile (Truck) Radios	10	10	11	11	12	12	13	14	15	15	16	17	17	17	17	\$1,000
Total	530	545	561	577	595	613	633	655	676	700	726	752	752	757	757	

Population	11,334	11,347	11,418	11,437	11,450	11,418	11,394	11,439	11,575	11,720	11,798	11,879	11,981	12,099	12,235
Per Capita Standard	0.047	0.048	0.049	0.051	0.052	0.054	0.056	0.057	0.058	0.060	0.062	0.063	0.063	0.063	0.062

15 Year Average	2009 to 2023
Quantity Standard	0.0562
Quality Standard	\$3,064
Service Standard	\$172

D.C. Amount (before deductions)	Buildout
Forecast Population	13,213
\$ per Capita	\$172
Eligible Amount	\$2,274,882



**Town of Erin
Service Standard Calculation Sheet**

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

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/km)
Earth Roads	0.57	0.57	0.57	0.57	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	\$100,000
Gravel Roads	199.40	199.40	199.40	199.40	191.70	191.70	191.70	184.90	184.90	184.90	184.90	184.90	184.90	184.90	184.90	\$750,000
Surface Treated Roads	35.63	35.63	35.63	35.63	35.40	35.40	35.40	35.40	35.40	35.40	35.40	35.40	35.40	35.40	35.40	\$1,500,000
Hot Mix Asphalt Roads	58.36	58.36	58.36	58.36	66.30	66.30	66.30	73.10	73.10	73.10	73.10	73.10	73.10	73.10	73.10	\$2,500,000
Land (Acres)	1,453	1,453	1,453	1,453	1,451	1,451	1,451	1,451	1,451	1,451	1,451	1,451	1,451	1,451	1,451	\$250,000
Total	1,747	1,747	1,747	1,747	1,745	1,745	1,745	1,745	1,745	1,745	1,745	1,745	1,745	1,745	1,745	

Population	11,334	11,347	11,418	11,437	11,450	11,418	11,394	11,439	11,575	11,720	11,798	11,879	11,981	12,099	12,235
Per Capita Standard	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.14	0.14

15 Year Average	2009 to 2023
Quantity Standard	0.15
Quality Standard	\$417,172
Service Standard	\$62,617

D.C. Amount (before deductions)	Buildout
Forecast Population	13,213
\$ per Capita	\$62,617
Eligible Amount	\$827,364,631



**Town of Erin
Service Standard Calculation Sheet**

Service: Services Related to a Highway - Traffic Signals & Streetlights

Unit Measure: No. of Traffic Signals

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/item)
Streetlights (Units)	782	782	782	782	823	823	823	823	823	823	823	823	823	823	823	\$8,500
Total	782	782	782	782	823	823	823	823	823	823	823	823	823	823	823	

Population	11,334	11,347	11,418	11,437	11,450	11,418	11,394	11,439	11,575	11,720	11,798	11,879	11,981	12,099	12,235
Per Capita Standard	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07

15 Year Average	2009 to 2023
Quantity Standard	0.07
Quality Standard	\$8,502
Service Standard	\$593

D.C. Amount (before deductions)	Buildout
Forecast Population	13,213
\$ per Capita	\$593
Eligible Amount	\$7,841,519



**Town of Erin
Service Standard Calculation Sheet**

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

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/km)
Sidewalks (km)	11	11	11	11	11	11	11	11	12	12	12	12	12	12	12	\$250,000
Pedestrian Crosswalk	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$175,000
Total	11	11	11	11	11	11	11	11	12	13	13	13	13	13	13	

Population	11,334	11,347	11,418	11,437	11,450	11,418	11,394	11,439	11,575	11,720	11,798	11,879	11,981	12,099	12,235
Per Capita Standard	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010	0.0011	0.0011	0.0011	0.0011	0.0011	0.0011

15 Year Average	2009 to 2023
Quantity Standard	0.0010
Quality Standard	\$252,070
Service Standard	\$252

D.C. Amount (before deductions)	Buildout
Forecast Population	13,213
\$ per Capita	\$252
Eligible Amount	\$3,330,601



**Town of Erin
Service Standard Calculation Sheet**

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

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/item)
Bridges (Units)	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	\$1,800,000
Culverts (Units)	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	\$600,000
Total	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	

Population	11,334	11,347	11,418	11,437	11,450	11,418	11,394	11,439	11,575	11,720	11,798	11,879	11,981	12,099	12,235
Per Capita Standard	0.0043	0.0043	0.0043	0.0043	0.0043	0.0043	0.0043	0.0043	0.0042	0.0042	0.0042	0.0041	0.0041	0.0040	0.0040

15 Year Average	2009 to 2023
Quantity Standard	0.0042
Quality Standard	\$896,826
Service Standard	\$3,767

D.C. Amount (before deductions)	Buildout
Forecast Population	13,213
\$ per Capita	\$3,767
Eligible Amount	\$49,769,011



**Town of Erin
Service Standard Calculation Sheet**

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

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Storage Shed	3,234	3,234	3,234	3,234	3,234	3,234	3,234	3,234	3,234	3,234	3,234	3,234	3,234	3,234	3,234	\$100	\$191
Equipment Depot	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	6,600	\$600	\$825
Sand Dome	7,530	7,530	7,530	7,530	7,530	7,530	7,530	7,530	7,530	7,530	7,530	7,530	7,530	7,530	7,530	\$100	\$180
Salt Storage Structure (32 x 30 x 10)	-	-	-	-	-	-	-	-	960	960	960	960	960	960	960	\$100	\$128
Municipal Bldg Roads office space	188	188	188	188	188	188	188	188	188	188	188	188	188	188	188	\$600	\$791
Municipal Bldg Planning office space	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	\$600	\$791
Municipal Bldg Building office space	235	235	235	235	235	235	235	235	235	235	235	235	235	235	235	\$600	\$791
Total	17,887	17,887	17,887	17,887	17,887	17,887	17,887	17,887	18,847	18,847	18,847	18,847	18,847	18,847	18,847		

Population	11,334	11,347	11,418	11,437	11,450	11,418	11,394	11,439	11,575	11,720	11,798	11,879	11,981	12,099	12,235
Per Capita Standard	1.58	1.58	1.57	1.56	1.56	1.57	1.57	1.56	1.63	1.61	1.60	1.59	1.57	1.56	1.54

15 Year Average	2009 to 2023
Quantity Standard	1.5760
Quality Standard	\$430
Service Standard	\$678

D.C. Amount (before deductions)	Buildout
Forecast Population	13,213
\$ per Capita	\$678
Eligible Amount	\$8,963,039



**Town of Erin
Service Standard Calculation Sheet**

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

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/Vehicle)
Brush Chipper	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$66,000
Tandem Axle Trucks	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	\$500,000
Tractor	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$80,000
Tractor Attachments	5	5	5	5	5	5	5	5	5	6	6	6	6	6	6	\$115,000
Equipment Trailers	2	2	2	1	1	1	1	1	1	1	1	1	1	1	1	\$50,000
Grader	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	\$600,000
Loader	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$450,000
Culvert Steamer	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$30,000
Trackless Sidewalk Maintainer	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$275,000
Excavator	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$350,000
Pickup Trucks	2	2	2	2	2	2	3	3	3	3	3	3	3	3	3	\$70,000
One Ton Utility Truck	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$90,000
Roadside Mower	-	-	1	1	1	1	1	1	1	1	1	1	1	1	1	\$30,000
Snow Plow Blade	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$30,000
Car Mate	-	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$12,000
Water Trailer	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$15,000
Cube Van	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$70,000
Trailers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	\$8,000
Total	24	25	26	25	25	25	26	26	26	29	29	29	29	29	31	

Population	11,334	11,347	11,418	11,437	11,450	11,418	11,394	11,439	11,575	11,720	11,798	11,879	11,981	12,099	12,235
Per Capita Standard	0.0021	0.0022	0.0023	0.0022	0.0022	0.0022	0.0023	0.0023	0.0022	0.0025	0.0025	0.0024	0.0024	0.0024	0.0025

15 Year Average	2009 to 2023
Quantity Standard	0.0023
Quality Standard	\$227,878
Service Standard	\$524

D.C. Amount (before deductions)	Buildout
Forecast Population	13,213
\$ per Capita	\$524
Eligible Amount	\$6,925,198



**Town of Erin
Service Standard Calculation Sheet**

Service: Parkland Development
Unit Measure: Acres of Parkland

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/Acre)
Parkette adjacent to Medical Centre	1.21	1.21	1.21	1.21	1.21	1.21	1.21	1.21	1.21	1.21	1.21	1.21	1.21	1.21	1.21	\$50,000
Hillsburgh (105 Main St.)	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	\$50,000
Lions Club Park	0.86	0.86	0.86	0.86	0.86	0.86	0.86	0.86	0.86	0.86	0.86	0.86	0.86	0.86	0.86	\$150,000
Hulls Dam	16.80	16.80	16.80	16.80	16.80	16.80	16.80	16.80	16.80	16.80	16.80	16.80	16.80	16.80	16.80	\$50,000
Carberry Park	1.79	1.79	1.79	1.79	1.79	1.79	1.79	1.79	1.79	1.79	1.79	1.79	1.79	1.79	1.79	\$150,000
Mountainview Park	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	\$50,000
Athenwood (Orton)	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	\$150,000
Madison Lakes	7.14	7.14	7.14	7.14	7.14	7.14	7.14	7.14	7.14	7.14	7.14	7.14	7.14	7.14	7.14	\$50,000
Crewson Ridge	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	\$50,000
McMillan Park (109 Main St)	-	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	\$150,000
Barbour Field	28	28	28	28	28	28	68	68	68	68	68	68	68	68	68	\$150,000
Bailey Park (Ballinafad)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	\$150,000
Victoria Park	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	\$150,000
Total	65	65	65	65	65	65	105	105	105	105	105	105	105	105	105	

Population	11,334	11,347	11,418	11,437	11,450	11,418	11,394	11,439	11,575	11,720	11,798	11,879	11,981	12,099	12,235
Per Capita Standard	0.006	0.006	0.006	0.006	0.006	0.006	0.009	0.009	0.009	0.009	0.009	0.009	0.009	0.009	0.009

15 Year Average	2009 to 2023
Quantity Standard	0.0076
Quality Standard	\$118,449
Service Standard	\$900

D.C. Amount (before deductions)	Buildout
Forecast Population	13,213
\$ per Capita	\$900
Eligible Amount	\$11,894,475



**Town of Erin
Service Standard Calculation Sheet**

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

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/item)
Lighting of Fields	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	\$250,000
Bleachers	3	3	3	3	3	3	3	3	3	6	6	6	6	6	6	\$40,000
Tennis Courts	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	\$100,000
Lighting of Tennis Courts	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$250,000
Play Structures	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	\$75,000
Play Structures - Accessible	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$175,000
Soccer Field	9	9	9	9	10	10	10	10	10	10	10	10	10	10	10	\$50,000
Baseball Diamonds	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	\$75,000
Stakeboard Park, Boland Dr	-	-	-	1	1	1	1	1	1	1	1	1	1	1	1	\$250,000
McMillan Park Pavilion	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$90,000
Ballinafad CC Pavilion	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$65,000
Heritage Park Gazebo	-	-	-	-	-	-	-	1	1	1	1	1	1	1	1	\$30,000
McMillan Park Lighting/Structures	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$90,000
Tennis Clubhouse	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$120,000
Canteens/Concessions/Washrooms - Vic Park, Barbour Field	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	\$250,000
Total	37	37	37	38	39	39	39	40	40	44	44	44	44	44	44	

Population	11,334	11,347	11,418	11,437	11,450	11,418	11,394	11,439	11,575	11,720	11,798	11,879	11,981	12,099	12,235
Per Capita Standard	0.0033	0.0033	0.0032	0.0033	0.0034	0.0034	0.0034	0.0035	0.0035	0.0038	0.0037	0.0037	0.0037	0.0036	0.0036

15 Year Average	2009 to 2023
Quantity Standard	0.0035
Quality Standard	\$100,809
Service Standard	\$353

D.C. Amount (before deductions)	Buildout
Forecast Population	13,213
\$ per Capita	\$353
Eligible Amount	\$4,661,943



**Town of Erin
Service Standard Calculation Sheet**

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

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Community Hall - Ballinacfad	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	\$600	\$688
Hillsburgh Arena & Comm. Centre - 95 Trafalgar Rd, Hillsburgh	20,888	20,888	20,888	20,888	20,888	20,888	20,888	20,888	20,888	20,888	20,888	20,888	20,888	20,888	20,888	\$700	\$790
Centre 2000 Arena & Comm. Centre - 14 Boland Dr., Erin	50,729	50,729	53,861	53,861	53,861	53,861	53,861	53,861	53,861	53,861	53,861	53,861	53,861	53,861	53,861	\$700	\$819
Municipal Bldg Recreation office space	169	169	169	169	169	169	169	169	169	169	169	169	-	-	-	\$600	\$791
Total	76,786	76,786	79,918	79,918	79,918	79,918	79,918	79,918	79,918	79,918	79,918	79,918	79,749	79,749	79,749		

Population	11,334	11,347	11,418	11,437	11,450	11,418	11,394	11,439	11,575	11,720	11,798	11,879	11,981	12,099	12,235
Per Capita Standard	6.77	6.77	7.00	6.99	6.98	7.00	7.01	6.99	6.90	6.82	6.77	6.73	6.66	6.59	6.52

15 Year Average	2009 to 2023
Quantity Standard	6.83
Quality Standard	\$803
Service Standard	\$5,488

D.C. Amount (before deductions)	Buildout
Forecast Population	13,213
\$ per Capita	\$5,488
Eligible Amount	\$72,508,848



**Town of Erin
Service Standard Calculation Sheet**

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

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Value (\$/Vehicle)
Riding Mower	4	4	4	4	4	4	3	3	3	3	3	3	3	3	3	\$50,000
Ice Resurfacers	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	\$200,000
Truck (Dump)	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$90,000
Truck	1	1	1	1	1	1	1	1	2	2	2	2	2	2	3	\$70,000
Van	-	-	-	-	-	-	-	-	-	1	1	1	1	1	1	\$70,000
Trailer	-	-	-	-	-	-	-	1	1	1	1	1	1	1	1	\$8,000
Total	7	7	7	7	7	7	6	7	8	10	10	10	10	10	11	

Population	11,334	11,347	11,418	11,437	11,450	11,418	11,394	11,439	11,575	11,720	11,798	11,879	11,981	12,099	12,235
Per Capita Standard	0.0006	0.0006	0.0006	0.0006	0.0006	0.0006	0.0005	0.0006	0.0007	0.0009	0.0008	0.0008	0.0008	0.0008	0.0009

15 Year Average	2009 to 2023
Quantity Standard	0.0007
Quality Standard	\$91,314
Service Standard	\$64

D.C. Amount (before deductions)	Buildout
Forecast Population	13,213
\$ per Capita	\$64
Eligible Amount	\$844,575



Appendix C

Long-Term Capital and Operating Cost Examination



Appendix C: Long-Term Capital and Operating Cost Examination

Town of Erin

Annual Capital and Operating Cost Impact

As a requirement of the *Development Charges Act, 1997*, as amended, 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 development charge. 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 Town's approved 2022 Financial Information Return (F.I.R.).

In addition to the operational impacts, over time the initial capital projects will require replacement. This replacement of capital is often referred to as lifecycle cost. By definition, lifecycle costs are all the costs 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. The following factors were utilized to calculate the annual replacement cost of the capital projects (annual contribution = factor X capital asset cost) and are based on an annual growth rate of 2% (net of inflation) over the average useful life of the asset:



Table C-1
Town of Erin
Lifecycle Cost Factors and Average Useful Lives

Asset	Lifecycle Cost Factors	
	Average Useful Life	Factor
Water Infrastructure	80	0.005160705
Facilities	50	0.01182321
Services Related to a Highway	40	0.016555748
Parkland Development	40	0.016555748
Vehicles	15	0.057825472
Small Equipment & Gear	10	0.091326528

Table C-2 depicts the annual operating impact resulting from the proposed gross capital projects at the time they are all in place. It is important to note that, while Town program expenditures will increase with growth in population, the costs associated with the new infrastructure (i.e., facilities) would be delayed until the time these works are in place.



Table C-2
Town of Erin
Operating and Capital Expenditure Impacts for Future Capital Expenditures

SERVICE/CLASS OF SERVICE	GROSS COST LESS BENEFIT TO EXISTING	ANNUAL LIFECYCLE EXPENDITURES	ANNUAL OPERATING EXPENDITURES	TOTAL ANNUAL EXPENDITURES
1. Water Services				
1.1 Treatment, storage and distribution systems	80,440,570	2,382,699	1,779,386	4,162,085
2. Services Related to a Highway				
2.1 Roads and Related	39,547,098	1,506,464	3,639,583	5,146,047
2.2 Public Works Facilities, Vehicles, and Equipment	12,500,000	718,653	1,138,764	1,857,417
3. Fire Protection Services				
3.1 Fire facilities, vehicles & equipment	60,379,124	1,063,685	1,500,764	2,564,449
4. Parks and Recreation Services				
4.1 Park development, amenities, trails and recreation facilities	17,050,333	2,154,844	1,293,039	3,447,883
Total	209,917,125	7,826,345	9,351,535	17,177,880



Appendix D

D.C. Reserve Fund Policy



Appendix D: D.C. Reserve Fund Policy

D.1 Legislative Requirements

The *Development Charges Act, 1997*, as amended (D.C.A.) requires development charge (D.C.) collections (and associated interest) to be placed in separate reserve funds. Sections 33 through 36 of the D.C.A. provide the following regarding reserve fund establishment and use:

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

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

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

- opening balance;
- closing balance;



- description of each service and/or service category for which the reserve fund was established (including a list of services within a service category);
- transactions for the year (e.g. collections, draws) including each asset's capital costs to be funded from the D.C. reserve fund and the manner for funding the capital costs not funded under the D.C. by-law (i.e. non-D.C. recoverable cost share and post-period D.C. recoverable cost share);
- for projects financed by D.C.s, the amount spent on the project from the D.C. reserve fund and the amount and source of any other monies spent on the project;
- amounts borrowed, purpose of the borrowing, and interest accrued during previous year;
- amount and source of money used by the municipality to repay municipal obligations to the D.C. reserve fund;
- list of credits by service or service category (outstanding at the beginning of the year, given in the year, and outstanding at the end of the year by the holder);
- for credits granted under section 14 of the previous D.C.A., a schedule identifying the value of credits recognized by the municipality, the service to which it applies and the source of funding used to finance the credit; and
- a statement as to compliance with subsection 59 (1) of the D.C.A., whereby the municipality shall not impose, directly or indirectly, a charge related to a development or a requirement to construct a service related to development, except as permitted by the D.C.A. or another Act.

Recent changes arising from Bill 109 (*More Homes for Everyone Act, 2022*) provide that the Council shall make the statement available to the public by posting the statement on the website or, if there is no such website, in the municipal office. In addition, Bill 109 introduced the following requirements which shall be included in the treasurer's statement.

- For each service for which a development charge is collected during the year
 - 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, and
 - if the answer to subparagraph i is no, the amount the municipality now expects to incur and a statement as to why this amount is expected;



- For any service for which a development charge was collected during the year but in respect of which no money from a reserve fund was spent during the year, a statement as to why there was no spending during the year.

Additionally, as per subsection 35 (3) of the D.C.A.:

35(3) If a service is prescribed for the purposes of this subsection, beginning in the first calendar year that commences after the service is prescribed and in each calendar year thereafter, a municipality shall spend or allocate at least 60 per cent of the monies that are in a reserve fund for the prescribed service at the beginning of the year.

The services currently prescribed are water, wastewater, and services related to a highway. Therefore, as of 2023, a municipality shall spend or allocate at least 60 percent of the monies in the reserve fund at the beginning of the year. There are generally two (2) ways in which a municipality may approach this requirement:

- a) Include a schedule as part of the annual treasurer's statement; or
- b) Incorporate the information into the annual budgeting process.

Based upon the above, Figure 1 and Attachments 1 and 2, set out the format for which annual reporting to Council should be provided. Attachment 3 provides for the schedule for allocating reserve fund balances to projects.

D.2 D.C. Reserve Fund Application

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

“The money in a reserve fund established for a service may be spent only for capital costs determined under paragraphs 2 to 7 of subsection 5 (1).”

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



Figure D-1
Town of Erin
Annual Treasurer's Statement of Development Charge Reserve Funds

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

¹ Source of funds used to repay the D.C. reserve fund

² See Attachment 1 for details

³ See Attachment 2 for details

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



Figure D-2a
 Town of Erin
 Attachment 1
 Annual Treasurer's Statement of Development Charge Reserve Funds
 Amount Transferred to Capital (or Other) Funds – Capital Fund Transactions

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



Figure D-2b
 Town of Erin
 Attachment 1
 Annual Treasurer's Statement of Development Charge Reserve Funds
 Amount Transferred to Capital (or Other) Funds – Operating Fund Transactions

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



Figure D-3
Town of Erin
Attachment 2
Annual Treasurer's Statement of Development Charge Reserve Funds
Statement of Credit Holder Transactions

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



Figure D-4
Town of Erin
Attachment 3
Annual Treasurer's Statement of Development Charge Reserve Funds
Statement of Reserve Fund Balance Allocations

Service:	Water
Balance in Reserve Fund at Beginning of Year:	
60% of Balance to be Allocated (at a minimum):	

Projects to Which Funds Will be Allocated

Project Description	Project Number	Total Growth-related Capital Cost Remaining to be Funded	Share of Growth-related Cost Allocated to Date	Share of Growth-related Cost Allocated - Current Year
Total		\$0	\$0	\$0

Service:	Wastewater
Balance in Reserve Fund at Beginning of Year:	
60% of Balance to be Allocated (at a minimum):	

Projects to Which Funds Will be Allocated

Project Description	Project Number	Total Growth-related Capital Cost Remaining to be Funded	Share of Growth-related Cost Allocated to Date	Share of Growth-related Cost Allocated - Current Year
Total		\$0	\$0	\$0

Service:	Services Related to a Highway
Balance in Reserve Fund at Beginning of Year:	
60% of Balance to be Allocated (at a minimum):	

Projects to Which Funds Will be Allocated

Project Description	Project Number	Total Growth-related Capital Cost Remaining to be Funded	Share of Growth-related Cost Allocated to Date	Share of Growth-related Cost Allocated - Current Year
Total		\$0	\$0	\$0



Appendix E

Local Service Policy



Appendix E: Local Service Policy

Town of Erin

General Policy Guidelines on Development Charge and Local Service Funding for Road-Related, Water and Stormwater Management

1. Policy Statement

This policy is to establish three guiding principles when considering projects for D.C. funding:

1. Consideration of existing service levels;
2. Growth pays for growth; and
3. New initiatives to enhance the Town.

The Local Service Policy largely focuses on the principle of “Growth Pays for Growth” in the Town’s approach to infrastructure.

2. Scope

Purpose

This is the municipality’s General Policy Guidelines on development charge (D.C.) and local service funding for services related to a highway, parkland development, stormwater management, and underground linear services. The guidelines outline, in general terms, the size and nature of engineered infrastructure that is included in the study as a D.C. project, vs. infrastructure that is considered as a local service, to be emplaced separately by landowners, pursuant to a development agreement.

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



relationship to the proposed development and to existing and proposed development in the area.

Alignment with the Town's Strategic Direction

Corporate Strategic Plan's goal for Growth Management with the objective to "Establish the parameters to guide the Town's future growth as a community which leads to sustainable practices, wellness and takes account of community needs and views."

3. Roles and Responsibilities

All Town employees engaged in the development application approval process and associated spending and reimbursement decisions related to D.C. funding will abide by the principles, rules, and guidelines set out in this policy and associated procedures.

For works carried out by the developer(s) through a development agreement, staff shall review and approve the proposed works as detailed by the developer(s) to determine what portions of the works are creditable or reimbursable through D.C. funding.

Finance staff shall ensure that the D.C. funds are allocated in accordance with the guidelines detailed in this policy, and that all spending and reimbursement decisions are in accordance with the Town's financial policies.

4. General Provisions

Services Related to a Highway

1. Roads

- 1.1 **Collector Roads Internal to Development** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service).
- 1.2 **Roads (Collector and Arterial) External to Development** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. If the works are outside the area to which the plan relates, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. (dependent on local circumstances).



- 1.3 **Stream Crossing and Rail Crossing Road Works, Excluding Underground Utilities but Including all Other Works within Lands to be Dedicated to the Town or Rail Corridors** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. If the works are outside the area to which the plan relates, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. (dependent on local circumstances).

2. Traffic Signals

- 2.1 **Traffic Signalization External to Development** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. If the works are outside the area to which the plan relates, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A.

3. Intersection Improvements

- 3.1 **New Roads (Collector and Arterial) and Road (Collector and Arterial) Improvements** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. If the works are outside the area to which the plan relates, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. (dependent on local circumstances). These works are included as part of road costing noted in item 1 to the limits of the R.O.W.
- 3.2 **Intersections Improvement within Specific Developments and All Works Necessary to Connect to Entrances (Private and Specific Subdivision) to the Roadway** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. If the works are outside the area to which the plan relates, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. (dependent on local circumstances).
- 3.3 **Intersections with County Roads** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. Otherwise, include in the D.C.



calculation to the extent permitted under s. 5 (1) of the D.C.A. (dependent on local circumstances) and for the works for which the Town is responsible.

- 3.4 **Intersection Improvements on Other Roads Due to Development Growth Increasing Traffic** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. Otherwise, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. (dependent on local circumstances).

4. **Streetlights**

- 4.1 **Streetlights on External Roads** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. Otherwise, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. These works are included as part of road costing noted in item 1 to the limits of the R.O.W.
- 4.2 **Streetlights within Specific Developments** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates.

5. **Sidewalks**

- 5.1 **Sidewalks on M.T.O. and Regional Roads** – Include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. In exceptional circumstances, the works may be local improvement or direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates.
- 5.2 **Sidewalks on Area Municipal Roads** – Include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. These works are included as part of road costing noted in item 1 to the limits of the R.O.W.
- 5.3 **Other Sidewalks External to Development (which are a Local Service within the Area to which the Plan Relates)** – Direct



developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. Otherwise, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A., and as part of the costs of arterial, collector, local road, and stream crossing and rail crossing works.

6. Bike Routes/Bike Lanes/Bike Paths/Multi-use Trails/Naturalized Walkways

- 6.1 Bike Routes and Bike Lanes, within Road Allowance, External to Development** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. Otherwise, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. and consistent with the service standard provisions of the D.C.A., s. 5 (1). These works are included as part of road costing noted in item 1 to the limits of the R.O.W.
- 6.2 Bike Paths/Multi-use Trails/Naturalized Walkways External to Development** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates. Otherwise, include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. and consistent with the service standard provisions of the D.C.A., s. 5 (1). These works are included as part of road costing noted in item 1 to the limits of the R.O.W.
- 6.3 Bike Lanes, within Road Allowance, Internal to Development** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates.
- 6.4 Bike Paths/Multi-use Trails/Naturalized Walkways Internal to Development** – Direct developer responsibility as a local service provision (under s. 59 of D.C.A.) to the extent the works are within the area to which the plan relates.



6.5 **Trail Bridges/Underpasses and Associated Works** – Include in the area D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A. consistent with the service standard provisions of the D.C.A., s. 5 (1). These works are included as part of road costing noted in item 1 to the limits of the R.O.W.

7. **Noise Abatement Measures**

7.1 **Internal to Development** – Direct developer responsibility though local service provisions (s. 59 of the D.C.A.).

7.2 **External to Development** – Direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works are within the area to which the plan relates and are required to mitigate the impacts of development.

8. **Traffic Control Systems**

8.1 **Traffic Control Systems** – Include in the D.C. calculation to the extent permitted under s. 5 (1) of the D.C.A.

9. **Land Acquisition for Road Allowances**

9.1 **Land Acquisition for Arterial Roads** – Dedication under s. 51 of the *Planning Act* as a condition to the approval of the plan. In areas with limited or no development, include in the D.C. calculation to the extent permitted under s. 2 (4) and s. 5 (1) of the D.C.A.

9.2 **Land Acquisition for Collector Roads** – Dedication under s. 51 of the *Planning Act* as a condition to the approval of the plan. In areas with limited or no development, include in the D.C. calculation to the extent permitted under s. 2 (4) and s. 5 (1) of the D.C.A.

9.3 **Land Acquisition for Grade Separations (Beyond Normal Dedication Requirements)** – If an internal works, direct developer responsibility under s. 59 of the D.C.A. (as a local service) to the extent the works is within the area to which the plan relates. If an



external works, include in the D.C. calculation to the extent permitted under s. 2 (4) and s. 5 (1) of the D.C.A.

10. Land Acquisition for Easements

10.1 **Land Acquisition for Easements** – Dedication under s. 51 of the *Planning Act* as a condition to the approval of the plan.

Parkland Development

11. Recreational Trails

11.1 **Recreational Trails (Multi-use Trails)** that do not form part of the Town's active transportation network, and their associated infrastructure (landscaping, bridges, trail surface, etc.) – Include in area municipal parkland D.C. calculation.

12. Parkland

12.1 **Parkland Development for Community Parks, District Parks, Neighbourhood Parks and Village Squares** – Direct developer responsibility to provide at base condition, as follows:

- Clearing and grubbing. Tree removals as per the subdivision's tree preservation and removals plan.
- Topsoil stripping, screening, and stockpiling.
- Rough grading (pre-grading) to allow for positive drainage of the park, with minimum slopes of 2%. If necessary, this may include some minor drainage tile work and grading as per the overall subdivision grading design complete with any required swales or catch basins. Runoff from the development property shall not drain into the park unless approved by the Director of Infrastructure Services.
- Spreading of topsoil to 150 mm depth (import topsoil if existing on-site is insufficient to reach required depth).
- Seeding of site with Town-approved seed mix. Maintenance of seed until acceptance by Town.
- Parks shall be free of any contaminated soil or subsoil.



- Parks shall not be mined for fill.
- Parks shall be conveyed free and clear of all encumbrances.
- 100% of 1.5 m chain link perimeter fencing to the municipal standards to separate the development lands from the municipal lands or lands to be dedicated to the Town, unless the perimeter fencing is on land that will be dedicated to the Town to fulfil the requirement of parkland dedication under the *Planning Act*, in which case the cost shall be shared 50/50.
- When park parcels cannot be developed in a timely manner, they shall be graded to ensure positive drainage, and seeded to minimize erosion and dust. These shall be maintained by the developer until construction commences thereon.
- The park block shall not be used for topsoil or other construction material, equipment storage, or sales pavilions.
- Required heritage features within the park as set out within the planning approval conditions.

12.2 Program Facilities, Amenities, and Furniture within Parkland –
Included in the D.C. calculation.

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

13.1 The cost of developing all landscape buffer blocks, landscape features, cul-de- sac islands, berms, grade transition areas, walkway connections to adjacent arterial roads, open space and other remnant pieces of land conveyed to the Town – Direct developer responsibility as a local service. Such costs include but are not limited to:

- Seeding of site with Town-approved seed mix. Maintenance of seed until acceptance by Town.
- Parks shall be free of any contaminated soil or subsoil.



14. Natural Heritage System (N.H.S.)

- 14.1 N.H.S. includes engineered and in situ stream corridors, natural buffers for woodlots, wetland remnants, etc., as well as subwatersheds within the boundaries of the Town.
- 14.2 Direct developer responsibility as a local service provision including but not limited to the following:
- Riparian planting and landscaping requirements (as required by the Town, Conservation Authority or other authorities having jurisdiction) as a result of creation of, or construction within in the N.H.S. and associated buffers.
 - Perimeter fencing of the N.H.S. to the Municipal standard located on the public property side of the property line adjacent land uses (residential, industrial, commercial) as required by the Town.
 - All works to be in conformance with the Town's "Restoration Framework" for stream corridors, natural buffers, and subwatershed areas as directed by the approved studies and reports related to the Secondary Plan that development occurs in.
- 14.3 Infrastructure Assets Constructed by Developers
- All infrastructure assets constructed by developers must be designed in accordance with the Town's Engineering and Parks Standards.
 - All infrastructure assets shall be conveyed in accordance with the Town's Engineering and Parks Standards.
 - Any parks and open space infrastructure assets approved to be built by the developer on behalf of the Town shall be in accordance with the Town's Park Development Methods.

Stormwater Management

15. Stormwater Facilities

- 15.1 Stormwater facilities for quality and/or quantity management, including downstream erosion works, inclusive of land and all



associated infrastructure, such as landscaping and perimeter fencing – Direct developer responsibility under s. 59 of the D.C.A. (as a local service).

- 15.2 Oversizing cost of stormwater facilities capacity, excluding land, to accommodate runoff from new, widened, extended, or upgraded municipal arterial roads that are funded as a D.C. project – Included as part of road costing funded through D.C.s.
- 15.3 Erosion works, inclusive of all restoration requirements, related to a development application – Direct developer responsibility under s. 59 of the D.C.A. (as a local service).
- 15.4 Monitoring works – Included in D.C. calculation consistent with the D.C.A., s. 5 (1).
- 15.5 Storm sewer systems and drainage works that are required for a specific development, either internal or external to the area to which the plan relates – Direct developer responsibility under s. 59 of the D.C.A. (as a local service).
- 15.6 Note: for stormwater minimum pipe sizes, refer to section 16.

Underground Services

16. Stormwater, Water, and Wastewater

Underground services (linear infrastructure for stormwater, water, and sanitary services) within the road allowance are not included in the cost of road infrastructure and are treated separately. The responsibility for such services as well as stormwater management ponds and pumping stations, which are undertaken as part of new developments or redevelopments, will be determined by the following principles:

The costs of the following items shall be direct developer responsibilities as a local service:

- 16.1 Providing all underground services internal to the development, including storm, water, and sanitary services;



- 16.2 Providing service connections from existing underground services to the development;
- 16.3 Providing new underground services or upgrading existing underground services external to the development if the services are required to service the development, and if the pipe sizes do not exceed 250 mm for water and sanitary services and up to 900 mm for stormwater services. If external services are required by two or more developments, the developer for the first development will be responsible for the cost of the external services and may enter into front-ending/cost-sharing agreements with other developers independent of the Town;
- 16.4 Providing stormwater management ponds and other facilities required by the development including all associated features such as landscaping and fencing; and
- 16.5 Water booster pumping stations, reservoir pumping stations and/or sanitary pumping stations serving individual developments.

The costs of the following items shall be paid through D.C.s:

- 16.6 Water treatment, storage facilities, transmission mains, re-chlorination/sampling stations and wells associated with municipal service areas to be included in the D.C. calculation;
- 16.7 Wastewater treatment plants and transmission mains associated with municipal service areas shall be included in the D.C. calculation;
- 16.8 External underground services involving trunk infrastructure and pipe sizes exceeding 250 mm for water and sanitary services and 900 mm for stormwater services; and
- 16.9 Water reservoir and/or sanitary pumping stations not required for the individual development.



Appendix F

Asset Management Plan



Appendix F: Asset Management Plan

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

“The asset management plan shall,

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

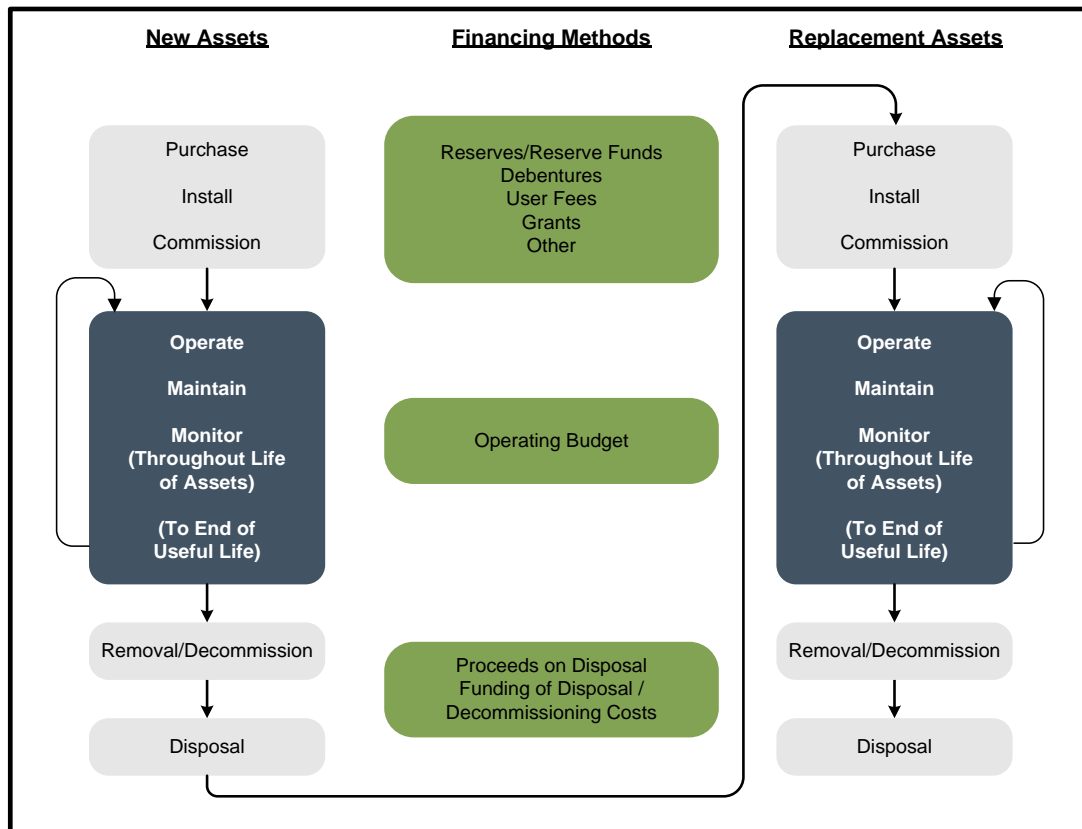
In regard to the above, section 8 of the regulations was amended to include subsections (2), (3), and (4) which set out specific detailed requirements for transit (only). For all services except transit, there are no prescribed requirements at this time, thus requiring the municipality to define the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

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

It should be noted that with the recent passing of the *Infrastructure for Jobs and Prosperity Act* (I.J.P.A.) municipalities are now required to complete A.M.P.s, based on certain criteria, which are to be completed by 2022 for core municipal services and 2024 for all other services. The amendments to the D.C.A. do not require municipalities to complete these A.M.P.s (required under I.J.P.A.) for the D.C. background study, rather



the D.C.A. requires that the D.C. background study include information to show the assets to be funded by the D.C. are sustainable over their full lifecycle.



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

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

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

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



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

Commensurate with the above, the Town prepared an A.M.P. in 2022 for its existing assets; however, it did not take into account future growth-related assets for all services included in the D.C. calculations. As a result, the asset management requirement for the D.C. must be undertaken in the absence of this information.

In recognition to the schematic above, the following table (presented in 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. As well, as all capital costs included in the D.C.-eligible capital costs are not included in the Town's A.M.P.s, the present infrastructure gap and associated funding plan have not been considered at this time. Hence the following does not represent a fiscal impact assessment (including future tax/rate increases) but provides insight into the potential affordability of the new assets:

1. The non-D.C. recoverable portion of the projects that will require financing from municipal financial resources (i.e., 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 approximately \$15.77 million.
5. Consideration was given to the potential new taxation and user fee revenues which will be generated as a result of new growth. These revenues will be available to finance the expenditures above. The new operating revenues are approximately \$8.78 million. This amount, totaled with the existing operating revenues of approximately \$39.79 million, provides annual revenues of approximately \$48.58 million by the end of the period.



6. In consideration of the above, the capital plan is deemed to be financially sustainable.

Town of Erin
Asset Management – Future Expenditures and Associated Revenues
2024\$

	20-Year (Total)
Expenditures (Annualized)	
Annual Debt Payment on Non-Growth Related Capital ¹	\$5,029,055
Annual Lifecycle	\$7,826,345
Incremental Operating Costs (for D.C. Services)	\$2,914,415
Total Expenditures	\$15,769,815
Revenue (Annualized)	
Total Existing Revenue ²	\$39,795,952
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)	\$8,782,022
Total Revenues	\$48,577,974

¹ Non-Growth Related component of Projects

² As per Sch. 10 of FIR



Appendix G

Proposed Development Charges By-law



Appendix G: Proposed Development Charges By-law

**The Corporation of the Town of Erin
By-Law Number 24 -
Being a By-law for the Imposition of Development Charges**

WHEREAS the Town of Erin will experience growth through development and re-development;

AND WHEREAS development and re-development requires the provision of physical and social services by the Town of Erin;

AND WHEREAS Council desires to ensure that the capital cost of meeting growth-related demands for or burden on municipal services does not place an excessive financial burden on the Town of Erin or its existing taxpayers while at the same time ensuring new taxpayers contribute no more than the net capital cost attributable to providing the current level of municipal services;

AND WHEREAS the *Development Charges Act, 1997* (the “Act”) provides that the council of a municipality may by by-law impose development charges against land to pay for increased capital costs required because of increased needs for services;

AND WHEREAS a development charge background study has been completed in accordance with the Act;

AND WHEREAS the Council of The Corporation of the Town of Erin has given notice of and held a public meeting on the 27th day of June, 2024 in accordance with the Act and the regulations thereto;



NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF ERIN ENACTS AS FOLLOWS:

1. INTERPRETATION

1.1 In this By-law the following items shall have the corresponding meanings:

“Act” means the *Development Charges Act, 1997*, as amended, or any successor thereof;

“Affordable Residential Unit” means a Dwelling Unit that meets the criteria set out in subsection 4.1 (2) or 4.1(3) of the Act;

“Apartment unit” means any residential unit within a building containing more than four dwelling units where the units are connected by a public corridor or passageway;

“Attainable Residential Unit” means a Dwelling Unit that meets the criteria set out in subsection 4.1(4) of the Act;

“Bed and breakfast” means a dwelling or part thereof in which the proprietor resides and supplies accommodation and meals to overnight guests on a temporary basis and contains no more than three guest rooms;

“Bedroom” means a habitable room which can be used as sleeping quarters, but does not include a bathroom, living room, dining room or kitchen;

“Board of education” has the same meaning as set out in the *Education Act*, R.S.O. 1990, Chap. E.2, as amended, or any successor thereof;

“Boarding, lodging or rooming house” means a dwelling in which meals are regularly served for a fee or compensation for three up to eight persons other than the owner, lessee or tenant of the dwelling, or members of his/her immediate family;

“Bona fide farm uses” means the proposed development will qualify as a farm business operating with a valid Farm Business Registration Number issued by the Ontario Ministry of Agriculture, Food and Rural Affairs and be assessed in the Farmland Realty Tax Class by the Ontario Property Assessment Corporation;



“*Building Code Act*” means the *Building Code Act*, S.O. 1992, as amended, or any successor thereof;

“Capital cost” shall have the same meaning as described in Section 5 of the *Development Charges Act, 1997*, as amended;

“Class” means a grouping of services combined to create a single service for the purposes of this By-law and as provided in Section 7 of the *Development Charges Act, 1997*, as amended;

“Commercial” means any use of land, structures or buildings for the purposes of buying or selling commodities and services, but does not include industrial or agricultural uses, but does include hotels, motels, motor inns and boarding, lodging and rooming houses;

“Council” means the Council of the Town;

“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 the effect of increasing the size of usability thereof, and includes redevelopment;

“Development charge” means a charge imposed with respect to this By-law;

“Dwelling unit” means any part of a building or structure used, designed or intended to be used as a domestic establishment in which one or more persons may sleep and are provided with culinary and sanitary facilities for their exclusive use;

“Existing” means the number, use and size that existed as of the date this by-law was passed;

“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;

“Garden suite” means a one-unit detached residential structure containing bathroom and kitchen facilities that is ancillary to an existing residential structure and that is designed to be temporary;



“Gross floor area” means:

- (a) in the case of a residential building or structure, the total area of all floors above grade of a dwelling unit measured between the outside surfaces of exterior walls or between the outside surfaces of exterior walls and the centre line of party walls dividing the dwelling unit from any other dwelling unit or other portion of a building; and
- (b) in the case of a non-residential building or structure, or in the case of a mixed-use building or structure in respect of the non-residential portion thereof, the total area of all building floors above or below grade measured between the outside surfaces of the exterior walls, or between the outside surfaces of exterior walls and the centre line of party walls dividing a non-residential use and a residential use, except for:
 - (i) a room or enclosed area within the building or structure above or below that is used exclusively for the accommodation of heating, cooling, ventilating, electrical, mechanical or telecommunications equipment that service the building;
 - (ii) loading facilities above or below grade; and
 - (iii) a part of the building or structure below grade that is used for the parking of motor vehicles or for storage or other accessory use;

“Hotel” means a building that contains four or more suites and that provides sleeping accommodation for the travelling public or for recreational purposes with or without kitchen facilities for the exclusive use of individual occupants and may include motel and hostel;

“Industrial” means lands, buildings or structures used or designed or intended for use for manufacturing, processing, fabricating or assembly of raw goods, warehousing or bulk storage of goods, and includes office uses and the sale of commodities to the general public where such uses are accessory to an industrial use, but does not include self storage facilities or the sale of commodities to the general public through a warehouse club;

“Institutional use” means development of a building or structure intended for use:



- (a) as a long-term care home within the meaning of subsection 2(1) of the Fixing Long-Term Care Act, 2021, S.O. 2021, c. 39, Sched. 1 (“Fixing Long-Term Care Act”);
- (b) as a retirement home within the meaning of subsection 2(1) of the Retirement Homes Act, 2010, S.O. 2010, c. 11
- (c) by any of the following post-secondary institutions for the objects of the institution:
 - (i) a university in Ontario that receives direct, regular, and ongoing operating funding from the Government of Ontario,
 - (ii) a college or university federated or affiliated with a university described in subclause (i), or
 - (iii) an Indigenous Institute prescribed for the purposes of section 6 of the Indigenous Institutes Act, 2017, S.O. 2017, c. 34, Sched. 20;

“Interest rate” means the annual rate of interest as set out in section 26.3 of the Act

“Local Board” means a school board, public utility, commission, transportation commission, public library board, board of park management, local board of health, board of commissioners of police, planning board, or any other board, commission, committee, body or local authority established or exercising any power or authority under any general or special Act with respect to any of the affairs or purposes, including school purposes, of the Town of Erin or any part or parts thereof;

“Local services” means those services, facilities or things which are under the jurisdiction of the Town and are related to a plan of subdivision or within the area to which the plan relates in respect of the lands under sections 41, 51 or 53 of the *Planning Act*, R.S.O. 1990, Chap. P.13, as amended, or any successor thereof;

“Multiple dwellings” means all residential dwellings other than single detached, semi-detached and apartment unit dwellings;



“Non-profit housing development” means Development of a building or structure that meets the criteria set out in section 4.2 of the Act;

“Non-residential use” means a building or structure of any kind whatsoever used, designed or intended to be used for other than a residential use;

“Official Plan” means the Official Plan adopted for the Town, as amended and approved;

“Owner” means the owner of land or a person who has made application for an approval for the development of land upon which a development charge is imposed’

“Place of worship” means that part of a building or structure that is exempt from taxation as a place of worship under the *Assessment Act*, R.S.O. 1990, Chap. A.31, as amended, or any successor thereof;

“Rate” means the interest rate established weekly by the Bank of Canada based on Treasury Bills having a term of 91 days;

“Regulation” means any regulation made pursuant to the Act;

“Rental housing development” means development of a building or structure with four or more residential units all of which are intended for use as rented residential premises;

“Residential dwelling” means a building, occupied or capable of being occupied as a home, residence or sleeping place by one or more persons, containing one or more dwelling units but not including motels, hotels, tents, truck campers, tourist trailers, mobile camper trailers or boarding, lodging or rooming houses;

“Residential use” means the use of a building or structure or portion thereof for one or more dwelling units. This also includes a dwelling unit on land that is used for an agricultural use;

“Semi-detached dwelling” means a dwelling unit in a residential building consisting of two dwelling units having one vertical wall or one horizontal wall, but not other parts, attached or another dwelling unit where the residential unit are not connected by an interior corridor;



“Service” means a service designed in Schedule “A” to this By-law, and “services” shall have a corresponding meaning;

“Servicing agreement” means an agreement between a landowner and the Town relative to the provision of municipal services to specified land within the Town;

“Single detached dwelling unit” means a residential building consisting of one dwelling unit and not attached to another structure;

“Special care facilities” means lands, buildings or structures used or designed or intended for uses for the purpose of providing supervision, nursing care or medical treatment, which do not comprise dwelling units, that are licensed, approved or supervised under any special or general statute, and excludes the special care/special dwelling portions of the building;

“Special care/special dwelling” a residential portion of a special care facilities building containing two or more dwelling units, which units have a common entrance from street level:

- (a) Where the occupants have the right to use in common, halls, stairs, yards, common rooms, and accessory buildings;
- (b) Which may or may not have exclusive sanitary and/or culinary facilities;
- (c) That is designed to accommodate persons with specific needs, including, but not limited to, independent permanent living arrangements;
- (d) Where support services such as meal preparation, grocery shopping, laundry, housekeeping, nursing, respite care and attendant services are provided at various levels; and
- (e) Includes, but is not limited to, retirement houses, nursing homes, group homes and hospices;

“Town” means the Corporation of the Town of Erin and/or the area within the geographic limits of the Town of Erin;



“Zoning By-Law” means the Zoning By-Law of the Town of Erin, including the former Village of Erin, the former Township of Erin or any successor thereof passed pursuant to section 34 of the *Planning Act*, S.O. 1998.

2. DESIGNATION OF SERVICES / CLASS OF SERVICES

2.1 The categories of services for which development charges are imposed under this By-law are as follows:

- (a) Services Related to a Highway;
- (b) Fire Protection Services;
- (c) Parks and Recreation Services; and
- (d) Water Services.

2.2 The components of the services designated in subsection 2.1 are described in Schedule A.

3. APPLICATION OF BY-LAW RULES

3.1 Development charges shall be payable in the amounts set out in this By-law where:

- (a) the lands are located in the area described in subsection 3.2; and
- (b) the development of the lands requires any of the approvals set out in subsection 3.4 (a).

Area to Which By-law Applies

3.2 Subject to subsection 3.3, this By-law applies to all lands in the Town whether or not the land or use thereof is exempt from taxation under section 13 of the *Assessment Act*.

3.3 Notwithstanding clause 3.2 above, this by-law shall not apply to lands that are owned by and used for the purposes of:

- (a) the Town or a local board thereof;



- (b) a board of education; or
- (c) the Corporation of the County of Wellington or a local board thereof.

Approvals for Development

- 3.4 (a) Development charges shall be imposed on all lands, buildings or structures that are developed for residential or non-residential uses if the development requires:
- (i) the passing of a zoning by-law or of an amendment to a zoning by-law 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, Chap. C.26, as amended, or any successor thereof; or
 - (vii) the issuing of a permit under the *Building Code Act* in relation to a building or structure.
- (b) No more than one development charge for each service designated in subsection 2.1 shall be imposed upon any lands, buildings or structures to which this By-law applies even though two or more of the actions described in subsection 3.4 (a) are required before the lands, buildings or structures can be developed.
- (c) Despite subsection 3.4 (b), if two or more of the actions described in subsection 3.4 (a) occur at different times, additional development



charges shall be imposed if the subsequent action has the effect or increasing the need for services.

Exemptions for Intensification of Existing or New Housing

- 3.5 Notwithstanding any other provision of this By-law, Development Charges shall not be imposed with respect to:
- (a) an enlargement to an existing Dwelling Unit;
 - (b) the creation of additional Dwelling Units equal to the greater of one (1) or 1% of the existing Dwelling Units in an existing Residential rental building containing four (4) or more Dwelling Units or prescribed ancillary structure to the existing Residential building;
- 3.6 Notwithstanding any other provision of this By-law, Development Charges shall not be imposed with respect to the creation of any of the following in existing Single Detached Dwellings, Semi-Detached Dwellings, Back-to-back Townhouse Dwellings or Stacked Townhouse Dwellings:
- (a) A second Dwelling Unit 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 Residential structure cumulatively contain no more than one (1) Dwelling Unit.
 - (b) A third Dwelling Unit 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 Residential structure contains any Dwelling Units.
 - (c) One Dwelling Unit on a parcel of urban Residential land, if the existing structure contains no more than two (2) Dwelling Units and no other building or structure ancillary to the existing Residential structure contains any Dwelling Units.
- 3.7 Notwithstanding any other provision of this By-law, Development Charges shall not be imposed with respect to the creation of any of the following in new Single Detached Dwellings, Semi-Detached Dwellings, Back-to-back Townhouse Dwellings or Stacked Townhouse Dwellings:



- (a) A second Dwelling Unit on a parcel of land on which Residential Use, other than ancillary Residential Use, is permitted, if all buildings and structures ancillary to the new Residential structure cumulatively will contain no more than one (1) Dwelling Unit.
- (b) A third Dwelling Unit on a parcel of land on which Residential Use, other than ancillary Residential Use, is permitted, if no building or structure ancillary to the new Residential structure contains any Dwelling Units.
- (c) One (1) Dwelling Unit in a building or structure ancillary to a new Residential structure on a parcel of urban Residential land, if the new Residential structure contains no more than two (2) Dwelling Units and no other building or structure ancillary to the new Residential structure contains any Dwelling Units

Rules with Respect to an Industrial Expansion Exemption

3.8 If a development includes the enlargement of the gross floor area of an existing industrial building, the amount of the development charge that is payable in respect of the enlargement is determined in accordance with the following:

- (a) Subject to subsection 3.8 (c), if the gross floor area is enlarged by 50 per cent or less of the lesser of:
 - (i) the gross floor area of the existing industrial building, or
 - (ii) the gross floor area of the existing industrial building before the first enlargement for which:
 - a. an exemption from the payment of development charges was granted, or
 - b. a lesser development charge than would otherwise be payable under this by-law, or predecessor thereof, was paid,
- pursuant to section 4 of the Act and this subsection,

the amount of the development charge in respect of the enlargement is zero;



- (b) Subject to subsection 3.8 (c), if the gross floor area is enlarged by more than 50 per cent or less of the lesser of:
- (i) the gross floor area of the existing industrial building, or
 - (ii) the gross floor area of the existing industrial building before the first enlargement for which:
 - a. an exemption from the payment of development charges was granted, or
 - b. a lesser development charge than would otherwise be payable under this by-law, or predecessor thereof, was paid,
- pursuant to section 4 of the Act and this subsection,
- the amount of the development charge in respect of the enlargement is the amount of the development charge that would otherwise be payable multiplied by the fraction determined as follows:
- (i) determine the amount by which the enlargement exceeds 50 per cent of the gross floor area before the first enlargement, and
 - (ii) divide the amount determined under subsection (i) by the amount of the enlargement.
- (c) For the purposes of calculating the extent to which the gross floor area of an existing industrial building is enlarged in subsection 3.8 (b), the cumulative gross floor area of any previous enlargements for which:
- (i) An exemption from the payment of development charges was granted, or
 - (ii) A lesser development charge than would otherwise be payable under this by-law, or predecessor thereof, was paid,
- pursuant to section 4 of the Act and this subsection,
- shall be added to the calculation of the gross floor area of the proposed enlargement.



- (d) For the purposes of this subsection, the enlargement must not be attached to the existing industrial building by means only of a tunnel, bridge, passageway, canopy, shared below grade connection, such as a service tunnel, foundation, footing or parking facility.

3.9 For the purpose of section 3.8 herein, “existing industrial building” is used as defined in the Regulation made pursuant to the Act.

Other Exemptions

3.10 Notwithstanding the provision of this by-law, development charges shall not be imposed with respect to:

- (a) lands, buildings or structures used or to be used for a place of worship or for the purposes of a cemetery or burial ground exempt from taxation under the *Assessment Act*;
- (b) a public hospital receiving aid under the *Public Hospitals Act*, R.S.O. 1990, Chap. P.40, as amended, or any successor thereof;
- (c) the development of non-residential farm buildings constructed for bona fide farm uses, which qualify as a farm business, being that which operates with a valid Farm Business Registration Number and is assessed in the Farmland Realty Tax Class;
- (d) one additional dwelling unit in any other existing residential accessory building;
- (e) garden suite constructed in accordance with the *Planning Act*;
- (f) bed and breakfast establishment that is not considered a hotel;
- (g) boarding, lodging or rooming house that is not considered a hotel;
- (h) Land vested in or leased to a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education is exempt from development charges imposed under the Development Charges Act, 1997 if the development in respect of which



development charges would otherwise be payable is intended to be occupied and used by the university;

- (i) Non-profit Residential Development;
- (j) Affordable Residential Units required pursuant to section 34 and 16(4) of the Planning Act (Inclusionary Zoning).
- (k) As of the date on which section 4.1 of the Act is proclaimed into force, the following shall be exempt from Development Charges:
 - (i) Affordable Residential Units; and
 - (ii) Attainable Residential Units
- (l) Notwithstanding any other provision of this By-law, the Development Charges payable for Residential Developments, where the Dwelling Units are intended as Rental Housing, will be reduced based on the number of bedrooms in each Dwelling Unit in accordance with section 26.2(1.1) of the Act, as follows:
 - (i) Three (3) or more Bedrooms – 25% reduction;
 - (ii) Two (2) Bedrooms – 20% reduction; and
 - (iii) Fewer than two (2) Bedrooms – 15% reduction

Amount of Charges

Residential

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



Non-Residential

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

Reduction of Development Charges for Redevelopment

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

- (a) in the case of a residential building or structure, or in the case of a mixed-use building or structure, the residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charge under subsection 3.11 by the number, according to type, of dwelling units that have been or will be demolished or converted to another principal use; and
- (b) in the case of a non-residential building or structure or, in the case of mixed-use building or structure, the non-residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charges under subsection 3.12, by the gross floor area that has been or will be demolished or converted to another principal use;

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

Time of Payment of Development Charges

3.14 Development charges imposed under this by-law are calculated, payable, and collected upon issuance of a building permit for the development.



- 3.15 Notwithstanding subsection 3.14, development charges for rental housing and institutional developments are due and payable in six equal annual instalment payments commencing with the first instalment payable on the date of occupancy, and each subsequent instalment, including interest (calculated in accordance with Section 26.3 of the Act), payable on the anniversary date each year thereafter.
- 3.16 Where the development of land results from the approval of a site plan or zoning by-law amendment application received on or after January 1, 2020, and the approval of the application occurred within two years of building permit issuance, the development charges under sections 3.14 and 3.15 of this by-law shall be calculated on the rates set out in Schedule "B" on the date of the receipt of a complete planning application, including interest. Where both planning applications apply development charges under sections 3.14 and 3.15 of this by-law shall be calculated on the rates payable on the anniversary date each year thereafter, set out in Schedule "B" on the date of the later planning application, including interest (calculated in accordance with section 26.3 of the Act).
- 3.17 Despite section 3.14, Council from time to time, and at any time, may enter into agreements providing for all or any part of a development charge to be paid before or after it would otherwise be payable, in accordance with section 27 of the Act.

Complaints

- 3.18 Complaints about development charges may be filed to Council in accordance to section 20 of the Act.

4. PAYMENT BY SERVICES

- 4.1 Despite the payment required under subsections 3.11 and 3.12, Council may, by agreement, give a credit towards a development charge in exchange for work that relates to a service to which a development charge relates under this By-law.



5. INDEXING

- 5.1 Development charges imposed pursuant to this by-law shall be adjusted annually, without amendment to this by-law, commencing on January 1st each year thereafter, in accordance with the prescribed index in the Act.

6. PHASE-IN

- 6.1 The amount of the Development Charges described in Schedule "B" to this By-law shall be reduced in accordance with section 5(8) of the Act. Therefore, commencing in the year this By-law comes into force and subject to annual indexing in accordance with section 5 of this By-law, the following percentages of the charges provided in Schedule "B" will be imposed:

- (a) Year 1 - 80 per cent;
- (b) Year 2 - 85 per cent;
- (c) Year 3 - 90 per cent;
- (d) Year 4 - 95 per cent;
- (e) Year 5 to expiry - 100 per cent

7. SCHEDULES

- 7.1 The following schedules shall form part of this by-law:

Schedule A – Components of Services Designated in subsection 2.1

Schedule B – Residential and Non-Residential Schedule of Development Charges

8. CONFLICTS

- 8.1 Where the Town and an owner or former owner have entered into an agreement with respect to land within the area to which this by-law applies, and a conflict exists between the provisions of this by-law and such agreement, the provisions of the agreement shall prevail to the extent that there is a conflict.



8.2 Notwithstanding section 8.1, where a development which is the subject of an agreement to which section 8.1 applies, is subsequently the subject of one or more of the actions described in subsection 3.4 (a), an additional development charge in respect of the development permitted by the action shall be calculated, payable and collected in accordance with the provisions of this by-law if the development has the effect of increasing the need for services, unless such agreement provides otherwise.

9. SEVERABILITY

9.1 If, for any reason, any provision of this by-law is held to be invalid, it is hereby declared to be the intention of Council that all the remainder of this by-law shall continue in full force and effect until repealed, re-enacted, amended or modified.

10. DATE BY-LAW IN FORCE

10.1 This By-law shall come into effect at 12:01 AM on _____, 2024.

11. DATE BY-LAW EXPIRES

11.1 This By-law will expire at 12:01 AM on _____, 2034 unless it is repealed by Council at an earlier date.

12. EXISTING BY-LAW REPEALED

12.1 By-law Number 19-32 is hereby repealed as of the date and time of this By-law coming into effect.

**READ A FIRST, SECOND, AND THIRD TIME
AND FINALLY PASSED THIS**

_____ day of _____, 2024.

Mayor

Clerk



SCHEDULE "A" TO BY-LAW _____

COMPONENTS OF SERVICES DESIGNATED IN SUBSECTION 2.1

- Services Related to a Highway
 - Roads
 - Sidewalks, Streetlights and Bridges
 - Public Works Facilities
 - Vehicles and Equipment
- Fire Protection Services
 - Fire Facilities
 - Fire Vehicles, Equipment and Gear
- Parks and Recreation Services
 - Parkland Development, Amenities and Trails
 - Recreation Facilities
 - Parks and Recreation Vehicles and Equipment
- Water Services
 - Facilities and Storage
 - Distribution Systems

DRAFT



**SCHEDULE B TO BY-LAW _____
SCHEDULE OF DEVELOPMENT CHARGES**

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)
Town Wide Services:						
Services Related to a Highway	11,582	8,690	7,037	5,139	3,962	4.78
Fire Protection Services	3,794	2,847	2,305	1,683	1,298	1.56
Parks and Recreation Services	13,718	10,293	8,335	6,087	4,692	3.32
Total Town Wide Services	29,094	21,830	17,677	12,909	9,952	9.66
Urban Services						
Water Services	18,542	13,912	11,266	8,227	6,342	7.38
Total Urban Services	18,542	13,912	11,266	8,227	6,342	7.38
GRAND TOTAL RURAL AREA	29,094	21,830	17,677	12,909	9,952	9.66
GRAND TOTAL URBAN AREA	47,636	35,742	28,943	21,136	16,294	17.04