

**ADDENDUM NO. 1  
TO TOWNSHIP OF MELANCTHON**

**DEVELOPMENT CHARGE  
BACKGROUND STUDY UPDATE**

**FOR PUBLIC CIRCULATION**

JULY 30, 2014



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# ADDENDUM REPORT

## 1. BACKGROUND

The Township of Melancthon has undertaken a process to update their Development Charges By-law. Commensurate with the provisions of the *Development Charges Act, 1997*, the Township undertook a Background Study, "Township of Melancthon Development Charge Background Study", dated July 2, 2014 and held the statutory public meeting on July 17, 2014. Council is anticipating the passage of a new Development Charges by-law on September 4, 2014.

Subsequent to the release of the above noted Background Study and public meeting, staff and Council have discussed the non-residential growth forecast and are recommending refinements to the growth in industrial employees anticipated. These refinements are provided herein and result in a change to the proposed non-residential charges and draft By-law.

## 2. DISCUSSION

### 2.1 Services to be Amended

The Township's Development Charges Background Study, dated July 2, 2014, reflected the anticipated growth in employees in various development forms including primary, industrial and commercial for two forecast periods, 10 years (2014-2023) and 18 years (2014-2031).

This addendum provides for numerical and textual refinements to the growth forecast and corresponding non-residential development charges. The result of the updates require both calculations and textual changes to that provided for in the July 2, 2014 Background Study.

Based on the above mentioned updates, the changes to be made the Background Study are as follows:

- Growth Forecast:
  - Updated the growth forecast (Chapter 3 and Appendix A) to refine the growth in primary and industrial employees anticipated over the forecast periods (10 year and 18 years). The refinement has been made to reflect that the recent trend in employment on agricultural lands being industrial in nature will not continue in the future at the same rate as which it has over the past few years. Therefore, the employment growth in the industrial sector has been decrease to 8 additional employees over the 10 year forecast (as opposed to 15 as provided in the July

2<sup>nd</sup> background study) and 13 additional employees over the 18 year forecast (as oppose to 26 provided in the July 2<sup>nd</sup> study).

- Draft By-law:
  - Updated draft By-law to reflect recalculation of non-residential development charges.

## **2.2 Updated Development Charges Calculations**

The above changes have been incorporated into the calculations. The summary below outlines the current charges vs. the charges as calculated in the 2014 DC report dated July 2, 2014 and the charges calculated in this addendum report for non-residential charges per sq.ft. Note that there is no change to the residential development charges as provided for in the July 4<sup>th</sup> DC report.

**Non-Residential (per ft<sup>2</sup>.) Comparison**

<b>Service</b>	<b>Current</b>	<b>Calculated July 2, 2014</b>	<b>Calculated July 28, 2014</b>
<b>Municipal Wide Services:</b>			
Roads and Related	2.97	1.59	2.56
Fire Protection Services	0.19	0.13	0.20
Police Services	-	-	0.01
Outdoor Recreation Services	0.05	0.01	0.02
Indoor Recreation Services	0.36	0.29	0.45
Library Services	0.05	0.04	0.05
Administration	0.20	0.31	0.48
<b>Total Municipal Wide Services</b>	<b>3.82</b>	<b>2.37</b>	<b>3.77</b>

## **2.3 Changes to Background Report Resulting from Above**

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

- Page (ii) – changes to table to reflect the updated growth forecast and textual changes to reflect updated calculated non-residential development charges.
- Page (iv) – recalculation of Table ES-1 schedule of development charges.
- Page 1-2 – Textual changes to Figure 1-1 to reflect this Addendum report.
- Pages 3-6 and 3-7 – Updated to reflect refinements to industrial and primary employment growth.
- Tables 6-1 to 6-3 – recalculation of the non-residential development charges.
- Appendix A – pages A-8 and A-9 – table updated to reflect refinements to industrial and primary employment growth.

- Appendix E – page E-15 – updated Schedule “B” to reflect recalculated non-residential development charges.

### **3. PROCESS FOR THE ADOPTION OF THE DEVELOPMENT CHARGES BY-LAW**

The changes herein form the basis for the draft By-law being presented to Council. If Council is satisfied with the above changes to the Background Study, and based on the public submissions made at the public meeting, the Background Study (as amended by this report), Addendum Report No. 1 and the amended draft By-law, may be considered for approval by Council.



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## AMENDED PAGES





Measure	10 Year 2014-2023	18 Year 2014-2031
(Net) Population Increase	306	472
Residential Unit Increase	151	246
Non-Residential Gross Floor Area Increase (ft <sup>2</sup> )	26,200	42,200

Source: Watson & Associates Economists Ltd. Forecast 2014

4. On November 5, 2009, the Township of Melancthon passed By-law 2009-22 under the *Development Charges Act, 1997*. The Township amended By-law 2009-22 on December 16, 2010 to include an exemption for non-residential agricultural developments. These by-laws impose development charges on residential and non-residential uses. By-law 2009-22, as amended, will expire on November 5, 2014. The Township is undertaking a development charge public process and anticipates passing a new by-law in advance of the expiry date. The mandatory public meeting has been set for July 17<sup>th</sup>, 2014 with adoption of the by-law subsequent to the public meeting.
5. The development charges currently in effect are \$5,256 for single detached dwelling units. Non-residential charges are \$3.82 per square foot. This report has undertaken a recalculation of the charge based on future identified needs (presented in Schedule ES-1 for residential and non-residential). Charges have been provided on a Township-wide basis for all services. The corresponding single-detached unit charge is \$6,737 and the non-residential charge is \$3.77 per square foot of building area. For Wind Turbines, the calculated rate is \$4,222 per unit. These rates are submitted to Council for its consideration.
6. The *Development Charges Act* 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 6-5. A summary of these costs is provided below:

Total gross expenditures planned over the next five years	\$ 3,561,649
Less:	
Benefit to existing development	\$ 2,214,500
Post planning period benefit	\$ 7,750
Ineligible re: Level of Service	\$ -
Mandatory 10% deduction for certain services	\$ 17,917
Grants, subsidies and other contributions	\$ 5,000
<b>Net Costs to be recovered from development charges</b>	<b>\$ 1,316,482</b>

**TABLE ES-1  
SCHEDULE OF DEVELOPMENT CHARGES**

Service	RESIDENTIAL				NON-RESIDENTIAL	
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per ft <sup>2</sup> of Gross Floor Area)	Wind Turbines
<b>Municipal Wide Services:</b>						
Roads and Related	3,921	2,093	1,311	2,790	2.56	3,921
Fire Protection Services	301	161	101	214	0.20	301
Police Services	11	6	4	8	0.01	-
Outdoor Recreation Services	66	35	22	47	0.02	-
Indoor Recreation Services	1,463	781	489	1,041	0.45	-
Library Services	183	98	61	130	0.05	-
Administration	792	423	265	564	0.48	-
<b>Total Municipal Wide Services</b>	<b>6,737</b>	<b>3,597</b>	<b>2,253</b>	<b>4,794</b>	<b>3.77</b>	<b>4,222</b>

In accordance with the legislation, the background study and proposed DC by-law will be available for public review on July 2, 2014.

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 development charge by-law adoption process.

**FIGURE 1-1  
SCHEDULE OF KEY DEVELOPMENT CHARGE PROCESS DATES  
FOR THE TOWNSHIP OF MELANCTHON**

1. Data collection	March-May 2014
2. Council Workshop	June 5, 2014
3. Public meeting advertisement placed in newspaper(s)	June 27, 2014
4. Background study and proposed by-law available to public	July 2, 2014
5. Public meeting of Council	July 17, 2014
6. Addendum Report and draft by-law available to public	July 30, 2014
7. Council considers adoption of background study, as amended and passage of by-law	September 4, 2014
8. Newspaper notice given of by-law passage	By 20 days after passage
9. Last day for by-law appeal	40 days after passage
10. Township makes pamphlet available (where by-law not appealed)	By 60 days after in force date

- Low density: 3.26
- Medium density: 2.32
- High density: 1.37

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

- Existing households as of 2014 are based on the 2011 Census households, plus estimated residential units constructed between 2011 and 2013 assuming a 6-month lag between construction and occupancy (see *Schedule 3*).
- The decline in average occupancy levels for existing housing units is calculated in *Schedules 2 through 4*, by aging the existing population over the forecast period. The forecast population decline in existing households over the 2014 to 2031 forecast period is estimated at approximately 330.

6. Employment (Appendix A, Schedules 8a through 10)

- The employment forecast is derived from the Dufferin County Growth Management Strategy (GMS), 2008. The employment forecasts by employment sector are largely based on the activity rate method, which is defined as the number of jobs in a municipality divided by the number of residents. Key employment sectors include primary, industrial, commercial/population-related, institutional, and work at home, which are considered individually below.
- The Township of Melancthon 2011<sup>1</sup> employment by place of work is outlined in *Schedule 8a*. The 2011 employment base is comprised of the following sectors:
  - 0 primary (approx. 0%);
  - 215 work at home employment (approx. 78%);
  - 35 industrial (approx. 13%);
  - 25 commercial/population related (approx. 9%); and
  - 0 institutional (approx. 0%).
- The 2011 employment estimate by usual place of work, including work at home, is estimated at 275. An additional 40 employees have been identified for the Township in 2011 that have no fixed place of work (NFPOW).<sup>2</sup> The 2011 employment base, including NFPOW, totals approximately 315.

<sup>1</sup> Derived from 2011 "Place of Work" employment data, Statistics Canada.

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

- Total employment, including work at home and NFPOW, for the Township of Melancthon is anticipated to reach approximately 360 by 2024 and 380 by 2031. This represents an employment increase of 40 for the 10-year forecast period, and 60 for the long-term (2014-2031) forecast period.
- *Schedule 8b*, Appendix A, summarizes the employment forecast, excluding work at home employment and NFPOW employment, which is the basis for the DC employment forecast. The impact on municipal services from work at home employees have already been included in the population forecast. The impacts of municipal services related to NFPOW employees have largely been included in the employment forecast by usual place of work (i.e. employment and GFA in the retail and accommodation sector generated from NFPOW construction employment). Furthermore, since these employees have no fixed work address, they cannot be captured in the non-residential gross floor area (GFA) calculation. Accordingly, work at home and NFPOW employees have been removed from the DC employment forecast and calculation.
- Total employment for the Township of Melancthon (excluding work at home and NFPOW employment) is anticipated to reach approximately 100 by 2024, and 120 by 2031. This represents an approximate employment increase of 30 and 50, over the 10-year and long-term (2014-2031) forecast periods, respectively.

7. Non-Residential Sq.ft. Estimates (Gross Floor Area (GFA), Appendix A, *Schedule 8b*)

- Square footage estimates were calculated in *Schedule 8b* based on the following employee density assumptions:
  - 2,000 sq.ft. per employee for industrial;
  - 600 sq.ft. per employee for commercial/population-related; and
  - 900 sq.ft. per employee for institutional employment.
- The Township-wide incremental Gross Floor Area (GFA) increase is anticipated to be approximately 26,200 sq.ft. over the 10-year, and 42,200 sq.ft. over the long-term (2014-2031) forecast period.
- In terms of percentage growth, the long-term incremental GFA forecast by sector is broken down as follows:
  - industrial – (approx. 62%);
  - commercial/population-related – (approx. 38%); and
  - institutional – (approx. 0%).

**TABLE 6-1**  
**TOWNSHIP OF MELANCTHON**  
**DEVELOPMENT CHARGE CALCULATION**  
**Municipal-wide Services**  
**2014-2031**

SERVICE	2014 \$ DC Eligible Cost		2014 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft <sup>2</sup>
	\$	\$	\$	\$
<b>1. Roads and Related</b>				
1.1 Roads	295,681	33,201	1,200	0.78
1.2 Depots and Domes	355,573	39,927	1,444	0.94
1.3 PW Rolling Stock	314,667	35,333	1,277	0.84
	965,921	108,461	3,921	2.56
<b>2. Fire Protection Services</b>				
2.1 Fire facilities	9,959	1,118	40	0.03
2.2 Fire vehicles	57,809	6,491	235	0.15
2.3 Small equipment and gear	6,386	717	26	0.02
	74,154	8,327	301	0.20
<b>3. Police Services</b>				
3.1 Small equipment and gear	2,643	297	11	0.01
	2,643	297	11	0.01
<b>TOTAL</b>	<b>\$1,042,718</b>	<b>\$117,085</b>	<b>\$4,233</b>	<b>\$2.77</b>
<b>DC ELIGIBLE CAPITAL COST</b>	<b>\$1,042,718</b>	<b>\$117,085</b>		
20 Year Gross Population / GFA Growth (ft <sup>2</sup> .)	803	42,200		
Cost Per Capita / Non-Residential GFA (ft <sup>2</sup> .)	\$1,298.53	\$2.77		
<b>By Residential Unit Type</b>	<b>p.p.u</b>			
Single and Semi-Detached Dwelling	3.26	\$4,233		
Apartments - 2 Bedrooms +	1.74	\$2,259		
Apartments - Bachelor and 1 Bedroom	1.09	\$1,415		
Other Multiples	2.32	\$3,013		

**TABLE 6-2**  
**TOWNSHIP OF MELANCTHON**  
**DEVELOPMENT CHARGE CALCULATION**  
**Municipal-wide Services**  
**2014-2023**

SERVICE	2014 \$ DC Eligible Cost		2014 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft <sup>2</sup>
	\$	\$	\$	\$
4. <u>Outdoor Recreation Services</u>				
4.1 Parkland development, amenities & trails	10,004	527	66	0.02
4.2 Parks vehicles and equipment	0	0	0	0.00
	10,004	527	66	0.02
5. <u>Indoor Recreation Services</u>				
5.1 Recreation facilities	221,304	11,648	1,463	0.45
5.2 Recreation vehicles and equipment	0	0	0	0.00
	221,304	11,648	1,463	0.45
6. <u>Library Services</u>				
6.1 Library facilities	16,245	855	107	0.03
6.2 Library materials	11,563	609	76	0.02
	27,808	1,464	183	0.05
7. <u>Administration</u>				
7.1 Studies	119,699	12,517	792	0.48
<b>TOTAL</b>	<b>\$378,815</b>	<b>\$26,155</b>	<b>\$2,504</b>	<b>\$1.00</b>
<b>DC ELIGIBLE CAPITAL COST</b>	<b>\$378,815</b>	<b>\$26,155</b>		
10 Year Gross Population / GFA Growth (ft <sup>2</sup> .)	493	26,200		
Cost Per Capita / Non-Residential GFA (ft <sup>2</sup> .)	\$768.39	\$1.00		
<u>By Residential Unit Type</u>	<u>p.p.u</u>			
Single and Semi-Detached Dwelling	3.26	\$2,504		
Apartments - 2 Bedrooms +	1.74	\$1,337		
Apartments - Bachelor and 1 Bedroom	1.09	\$838		
Other Multiples	2.32	\$1,783		

**TABLE 6-3**  
**TOWNSHIP OF MELANCTHON**  
**DEVELOPMENT CHARGE CALCULATION**  
**TOTAL ALL SERVICES**

	2014 \$ DC Eligible Cost		2014 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft <sup>2</sup>
	\$	\$	\$	\$
<b>Municipal-wide Services 18 Year</b>	1,042,718	117,085	4,233	2.77
<b>Municipal-wide Services 10 Year</b>	378,815	26,155	2,504	1.00
<b>TOTAL</b>	<b>1,421,533</b>	<b>143,240</b>	<b>6,736</b>	<b>3.77</b>

**SCHEDULE 8a  
TOWNSHIP OF MELANCTON  
EMPLOYMENT FORECAST, 2014 TO 2031**

Period	Activity Rate										Employment						Employment Total (Excluding NFPOW and Work at Home)
	Population	Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total	NFPOW <sup>1</sup>	Total Including NFPOW	Primary	Work at Home (Primary)	Industrial	Commercial/ Population Related	Institutional	Total	NFPOW <sup>1</sup>	
2001	2,796	0.007	0.075	0.009	0.009	0.007	0.107	0.014	0.122	20	210	25	25	20	300	40	340
2006	2,895	0.003	0.063	0.012	0.009	0.000	0.107	0.014	0.121	10	240	35	25	0	310	40	350
Mid 2011	2,859	0.000	0.076	0.012	0.009	0.000	0.097	0.014	0.111	0	215	35	25	0	275	40	315
Mid 2014	2,808	0.000	0.076	0.014	0.010	0.000	0.101	0.014	0.115	0	215	40	28	0	283	40	323
Mid 2024	3,114	0.002	0.071	0.015	0.014	0.000	0.103	0.013	0.116	7	220	48	45	0	320	40	360
Mid 2031	3,280	0.004	0.067	0.016	0.017	0.000	0.104	0.012	0.116	13	220	53	55	0	341	40	380
<b>2001 - 2006</b>	99	-0.004	0.008	0.003	0.000	-0.007	0.000	0.000	-0.001	-10	30	10	0	-20	10	0	10
<b>2006 - Mid 2011</b>	-56	-0.0035	-0.0072	0.0002	0.0002	0.0000	-0.0102	0.0003	-0.0099	-10	-25	0	0	0	-35	0	-35
<b>Mid 2011 - Mid 2014</b>	-31	0.0000	0.0007	0.0018	0.0011	0.0000	0.0037	0.0000	0.0041	0	0	5	3	0	8	0	8
<b>Mid 2014 - Mid 2024</b>	306	0.0024	-0.0058	0.0012	0.0044	0.0000	0.0022	-0.0019	0.0006	7	5	8	17	0	37	0	37
<b>Mid 2014 - Mid 2031</b>	472	0.0038	-0.0093	0.0019	0.0068	0.0000	0.0032	-0.0019	0.0008	13	5	13	27	0	58	0	58
<b>Annual Average</b>																	
<b>2001 - 2006</b>	20	-0.0074	0.00156	0.0063	-0.0006	-0.00143	-0.0004	-0.00010	-0.0014	-2	6	2	0	-4	2	6	6
<b>2006 - Mid 2011</b>	-11	-0.0007	-0.0014	0.0000	0.0000	0.0000	-0.0020	0.0001	-0.0020	-2	-5	0	0	0	-7	0	-7
<b>Mid 2011 - Mid 2014</b>	-10	0.0000	0.00024	0.0060	0.00038	0.0000	0.00123	0.00000	0.00136	0	0	2	1	0	3	0	3
<b>Mid 2014 - Mid 2024</b>	31	0.00024	-0.00058	0.0012	0.0044	0.00000	0.00022	-0.00011	0.00006	1	1	1	2	0	4	0	4
<b>Mid 2014 - Mid 2031</b>	28	0.00022	-0.00055	0.0011	0.0040	0.00000	0.00019	-0.00011	0.00005	1	0	1	2	0	3	0	3

Source: Watson & Associates Economists Ltd., 2014. Derived from the Ministry of Energy and Infrastructure memo regarding Dufferin County allocations, August 13, 2010. Forecasts contained in this memo are consistent with the Growth Plan for the Greater Golden Horseshoe targets, as identified in Schedule 3 of the Growth Plan.  
 1. Statistics Canada defines no fixed place of work (NFPOW) employees as "persons who do not go from home to the same work place location at the beginning of each shift". Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc.



**SCHEDULE 8b  
TOWNSHIP OF MELANCTHON  
EMPLOYMENT GROSS FLOOR AREA (GFA) FORECAST, 2014 TO 2031**

Period	Population	Employment				Gross Floor Area in Square Feet (Estimated) <sup>1</sup>				
		Primary	Industrial	Commercial/ Population Related	Institutional	Total	Industrial	Commercial/ Population Related	Institutional	Total
<b>2001</b>	2,796	20	25	25	20	90				
<b>2006</b>	2,895	10	35	25	0	70				
<b>Mid 2011</b>	2,839	0	35	25	0	60				
<b>Mid 2014</b>	2,808	0	40	28	0	68				
<b>Mid 2024</b>	3,114	7	48	45	0	100				
<b>Mid 2031</b>	3,280	13	53	55	0	121				
<b>Incremental Change</b>										
<b>2001 - 2006</b>	99	-10	10	0	-20	-20				
<b>2006 - Mid 2011</b>	-56	-10	0	0	0	-10				
<b>Mid 2011 - Mid 2014</b>	-31	0	5	3	0	8	10,000	1,800	0	11,800
<b>Mid 2014 - Mid 2024</b>	306	7	8	17	0	32	16,000	10,200	0	26,200
<b>Mid 2014 - Mid 2031</b>	472	13	13	27	0	53	26,000	16,200	0	42,200
<b>Annual Average</b>										
<b>2001 - 2006</b>	20	-2	2	0	-4	2	0	0	0	0
<b>2006 - Mid 2011</b>	-11	-2	0	0	0	-7	0	0	0	0
<b>Mid 2011 - Mid 2014</b>	-10	0	2	1	0	3	3,333	600	0	3,933
<b>Mid 2014 - Mid 2024</b>	31	1	1	2	0	3	1,600	1,020	0	2,620
<b>Mid 2014 - Mid 2031</b>	28	1	1	2	0	3	1,529	953	0	2,482

Source: Watson & Associates Economists Ltd., 2014. Derived from the Ministry of Energy and Infrastructure memo regarding Dufferin County allocations, August 13, 2010. Forecasts contained in this memo are consistent with the Growth Plan for the Greater Golden Horseshoe targets, as identified in Schedule 3 of the Growth Plan.

1. Square Foot Per Employee Assumptions
- Industrial 2,000
  - Commercial/ Population Related 600
  - Institutional 900

**SCHEDULE "B"**

BY-LAW NO. 2014 - \_\_\_\_\_

**SCHEDULE OF DEVELOPMENT CHARGES**

Service	RESIDENTIAL				NON-RESIDENTIAL (per ft <sup>2</sup> of Gross Floor Area)	Wind Turbines
	Single and Semi- Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples		
<b>Municipal Wide Services:</b>						
Roads and Related	3,921	2,093	1,311	2,790	2.56	3,921
Fire Protection Services	301	161	101	214	0.20	301
Police Services	11	6	4	8	0.01	-
Outdoor Recreation Services	66	35	22	47	0.02	-
Indoor Recreation Services	1,463	781	489	1,041	0.45	-
Library Services	183	98	61	130	0.05	-
Administration	792	423	265	564	0.48	-
<b>Total Municipal Wide Services</b>	<b>6,737</b>	<b>3,597</b>	<b>2,253</b>	<b>4,794</b>	<b>3.77</b>	<b>4,222</b>

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**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**

**By-law Number 2014-42**

**BEING A BY-LAW to establish development charges for the Township of Melancthon and to repeal Development Charge By-law Number 2009-22.**

**WHEREAS** subsection 2(1) of the *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended (the "Act"), provides that the council of a municipality may by by-law impose development charges against land to pay for increased capital costs required because of increased needs for services arising from development of the area to which the by-law applies;

**AND WHEREAS** a Development Charges Background Study for the Township of Melancthon, dated July 2, 2014 (the "Study") as required by section 10 of the Act was presented to Council along with a draft of this By-law as then proposed on July 2, 2014 and was completed within a one-year period prior to the enactment of this By-law;

**AND WHEREAS** notice of a public meeting was given pursuant to subsection 12(1) of the Act, and in accordance with the regulations under the Act, on or before June 27, 2014, and copies of the Study and this proposed development charge by-law were made available to the public not later than July 2, 2014 in accordance with subsection 12(1) of the Act;

**AND WHEREAS** a public meeting was held on July 17, 2014 and another public meeting was held on September 4, 2014, both in accordance with the Act to hear comments and representations from all persons who applied to be heard (the "Public Meeting");

**AND WHEREAS** any person who attended the public meetings were afforded an opportunity to make representations and the public generally were afforded an opportunity to make written submissions relating to this proposed By-law;

**AND WHEREAS** the Council of the Township of Melancthon has determined that no further public meeting is required in accordance with Section 12(3) of the *Development Charges Act, 1997*, S.O. 1997, c. 27;

**NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWNSHIP OF MELANCTHON ENACTS AS FOLLOWS:**

**1.0 DEFINITIONS**

1.1 In this By-law,

- (a) "Act" means the *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended, or any successor thereto;
- (b) "administration service" means any and all development related studies carried out by the municipality which are with respect to eligible services for which a development charge by-law may be imposed under the Act;
- (c) "accessory use" means where used to describe a use, building, or structure that the use, building or structure is naturally and normally incidental, subordinate in purpose of floor area or both, and exclusively devoted to a principal use, building or structure;
- (d) "agricultural use" means a farming operation conducted by a business with a

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valid Farm Business Registration Number issued by the Ontario Ministry of Agriculture, Food and Rural Affairs;

- (e) "apartment unit" means any residential unit within a building containing three or more dwelling units where access to each residential unit is obtained through a common entrance or entrances from the street level and the residential units are connected by an interior corridor;
- (f) "*Assessment Act*" means the *Assessment Act*, R.S.O. 1990, c. A.31, as amended or any successor thereto;
- (g) "bedroom" means a habitable room larger than seven square metres, including a den, study, or other similar area, but does not include a living room, dining room or kitchen
- (h) "benefiting area" means an area defined by map, plan or legal description in a front-ending agreement as an area that will receive a benefit from the construction of a service;
- (i) "board" has the same meaning as that specified in the *Education Act*, R.S.O. 1990, c. E.2, as amended or any successor thereto;
- (j) "*Building Code Act*" means the *Building Code Act, 1992*, S.O. 1992, c. 23, as amended, and all Regulations made under it including the Building Code, as amended, or any successors thereto;
- (k) "capital cost" means costs incurred or proposed to be incurred by the municipality or a local board thereof directly or by others on behalf of, and as authorized by, the municipality or local board
  - (a) to acquire land or an interest in land, including a leasehold interest;
  - (b) to improve land;
  - (c) to acquire, lease, construct or improve buildings and structures;
  - (d) to acquire, lease, construct or improve facilities including,
    - (i) rolling stock with an estimated useful life of seven years or more,
    - (ii) furniture and equipment, other than computer equipment, and
    - (iii) materials acquired for circulation, reference or information purposes by a library board as defined in the *Public Libraries Act*, R.. O. 1990, c. 57, and
    - (iv) to undertake studies in connection with any of the matters referred to in clauses (a) to (d);
  - (f) to complete the development charge background study under Section 10 of the Act;
  - (g) interest on money borrowed to pay for costs in (a) to (d); required for provision of services designated in this by-law within or outside the municipality;
- (l) "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;
- (m) "Council" means the Council of the Township of Melancthon;

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- (n) "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;
- (o) "development charge" means a charge imposed pursuant to this By-law;
- (p) "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;
- (q) "*Education Act*" means the *Education Act*, R.S.O. 1990, c. E.2, as amended or any successor thereto;
- (r) "existing industrial" means an industrial building or buildings existed on a lot in the Township on the day this By-law comes into effect or the first industrial building or buildings constructed and occupied on a vacant lot pursuant to site plan approval under section 41 of the Planning Act subsequent to this By-law coming into effect for which full Development Charges were paid
- (s) "grade" means the average level of finished ground adjoining a building or structure at all exterior walls;
- (t) "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; anda part of the building or structure below grade that is used for the parking of motor vehicles or for storage or other accessory use;
- (u) "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 the sale of commodities to the general public through a warehouse club, or any land, buildings or structures used for an agricultural use;
- (v) "institutional" means land, buildings, structures or any part thereof used by any organization, group or association for promotion of charitable, educational or benevolent objectives and not for profit or gain;
- (w) "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 municipality or any part or parts thereof;
- (x) "mixed use" means land, buildings or structures used, or designed or intended for use, for a combination of residential and non-residential uses;
- (y) "multiple dwellings" means all dwellings other than single-detached, semi-detached and apartment unit dwellings.
- (z) "municipality" (or the "Township") means The Corporation of the Township of Melancthon;
- (aa) "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;
- (bb) "owner" means the owner of land or a person who has made an application for approval for the development of land upon which a development charge is imposed;
- (cc) "Official Plan" means the Official Plan adopted for the municipality, as amended and approved;
- (dd) "place of worship" means a building or structure that is used primarily for worship and religious practices and purposes, including related administrative, assembly and associated spaces, but does not include portions of such building or structure used for any commercial use, including but not limited to daycare facilities;
- (ee) "*Planning Act*" means the *Planning Act*, R.S.O. 1990, c. P.13, as amended or any successor thereto;
- (ff) "rate" means the interest rate established weekly by the Bank of Canada based on Treasury Bills having a term of 91 days;
- (gg) "redevelopment" means the construction, erection or placing of one (1) or more buildings or structures on land where all or part of a building or structure has previously been demolished on such land, or changing the use of a building or structure from residential to non-residential or from non-residential to residential;
- (hh) "regulation" means any regulation made under the Act;
- (ii) "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;

- (jj) "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;
- (kk) "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;
- (ll) "service" means a service designed in Schedule "A" to this By-law, and "services" shall have a corresponding meaning;
- (mm) "Single detached dwelling" means a completely detached building containing only one dwelling unit;
- (nn) "Wind Turbine" means any wind energy system, comprising one or more turbines, that converts energy into electricity, with a combined nameplate generating capacity greater than 500 kilowatts and a height greater than 100 metres, that converts energy into electricity, and consists of a wind turbine, a tower, and associated control or conversion electronics. A wind turbine and energy system may be connected to the electricity grid in circuits at a substation to provide electricity off-site for sale to an electrical utility or other intermediary;
- (oo) "Zoning By-Law" means the Zoning By-Law of the Township or any successor thereof passed pursuant to Section 34 of the *Planning Act, S.O. 1998*;

## **2.0 DESIGNATION OF SERVICES**

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

- a) Library Services;
- b) Fire Protection Services;
- c) Police Services
- d) Indoor Recreation Services;
- e) Outdoor Recreation Services;
- f) Roads and Related; and
- g) Administration.

2.2 The components of the services designated in subsection 2.1 are described in Schedule "A" to this By-law.

## **3.0 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 clause 3.4(a).

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### **Area to Which By-law Applies**

- 3.2 Subject to subsection 3.3, this By-law applies to all lands in the geographic area of the Township of Melancthon.
- 3.3 This By-law shall not apply to lands that are owned by and used for the purposes of:
- a) the Township of Melancthon or a local board thereof;
  - b) a board as defined in section 1(1) of the *Education Act*; or
  - c) the Corporation of the County of Dufferin 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 of increasing the need for services.

### **Exemptions**

- 3.5 Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to:
- (a) an enlargement to an existing dwelling unit;
  - (b) one or two additional dwelling units in an existing single detached dwelling; or
  - (c) one additional dwelling unit in any other existing residential building;



- 3.6 Notwithstanding section 3.5(b), development charges shall be imposed if the total gross floor area of the additional one or two units exceeds the gross floor area of the existing dwelling unit.
- 3.7 Notwithstanding section 3.5, development charges shall be imposed if the additional unit has a gross floor area greater than
- i. in the case of a semi-detached or row dwelling, the gross floor area of the existing dwelling unit; and
  - ii. in the case of any other residential building, the gross floor area of the smallest dwelling unit contained in the residential building.
- 3.8 Exemption for Industrial Development:
- 3.8.1 Notwithstanding any other provision of this by-law, no development charge is payable with respect to an enlargement of the gross floor area of an existing industrial building where the gross floor area is enlarged by 50 percent or less.
- 3.8.2 If the gross floor area of an existing industrial building is enlarged by greater than 50 percent, the amount of the development charge payable in respect of the enlargement is the amount of the development charge that would otherwise be payable multiplied by the fraction determined as follows:
- 1) determine the amount by which the enlargement exceeds 50 percent of the gross floor area before the enlargement;
  - 2) divide the amount determined under subsection 1) by the amount of the enlargement
- 3.8.3 For the purpose of section 3.8 herein, "existing industrial building" is used as defined in the Regulation made pursuant to the Act.
- 3.9 Other Exemptions:
- 3.9.1 Notwithstanding the provisions of this By-law, development charges shall not be imposed with respect to Lands, buildings or structures used as a place of worship, cemetery or burial ground exempt from taxation under the *Assessment Act*.
- 3.9.2 Notwithstanding the provisions of this By-law, development charges shall not be imposed on "an agricultural use, including barns, silos, or other storage facilities for produce, livestock, or machinery and equipment used in connection with an existing agricultural operation, and other ancillary development to an agricultural use, but excluding a residential use"

### Amount of Charges

#### **Residential Uses**

- 3.10 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 Uses**

3.11 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.

### **Wind Turbines**

3.12 The development charges described in Schedule B to this by-law shall be imposed on wind turbines with respect to roads and related and fire protection services on a per unit basis.

### **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 5 years prior to the date of payment of development charges in regard to such redevelopment was, or is to be demolished, in whole or in part, or converted from one principal use to another principal use on the same land, in order to facilitate the redevelopment, the development charges otherwise payable with respect to such redevelopment shall be reduced by the following amounts:

- (a) in the case of a residential building or structure, or in the case of a mixed-use building or structure, the residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charge under subsection 3.10 by the number, according to type, of dwelling units that have been or will be demolished or converted to another principal use; and
- (b) in the case of a non-residential building or structure or, in the case of 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 3.11 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 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.

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#### 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, on January 1<sup>st</sup> of each year, in accordance with the prescribed index in the Act.

#### 6. SCHEDULES

- 6.1 The following schedules shall form part of this By-law:

Schedule A	-	Components of Services Designated in section 2.1
Schedule B	-	Schedule of Development Charges

#### 7. CONFLICTS

- 7.1 Where the Township of Melancthon 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.
- 7.2 Notwithstanding section 7.1, where a development which is the subject of an agreement to which section 7.1 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.

#### 8. SEVERABILITY

- 8.1 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.

#### 9. DATE BY-LAW IN FORCE

- 9.1 This By-law shall come into effect at 12:01 AM on September 5, 2014.

#### 10. DATE BY-LAW EXPIRES

- 10.1 This By-law will expire at 12:01 AM on September 4, 2019 unless it is repealed by Council at an earlier date.

**11. EXISTING BY-LAW REPEALED**

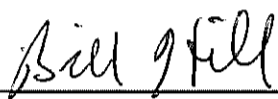
11.1 By-law Number 2009-22 is hereby repealed as of the date and time of this By-law coming into effect.

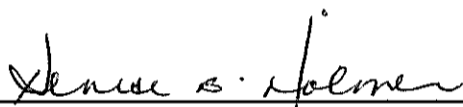
**12.0 SHORT TITLE**

12.1 This By-law may be referred to as the "Development Charges By-law".

**READ A FIRST AND SECOND TIME THIS 4<sup>th</sup> DAY OF SEPTEMBER, 2014.**

**READ A THIRD TIME AND FINALLY PASSED THIS 4<sup>th</sup> DAY OF SEPTEMBER, 2014.**

  
\_\_\_\_\_  
BILL HILL, MAYOR

  
\_\_\_\_\_  
DENISE HOLMES, CAO/CLERK

**Schedule "A"**

**Township of Melancthon  
Components of Service**

- 1.0 Library Services
- 2.0 Fire Protection Services
- 3.0 Police Services
- 4.0 Indoor Recreation Services
- 5.0 Outdoor Recreation Services
- 6.0 Roads and Related
- 7.0 Administration

SCHEDULE "B"  
 BY-LAW NO. 2014 - 42

SCHEDULE OF DEVELOPMENT CHARGES

Service	RESIDENTIAL				NON-RESIDENTIAL	Wind Turbines
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per ft <sup>2</sup> of Gross Floor Area)	
<b>Municipal Wide Services:</b>						
Roads and Related	3,921	2,093	1,311	2,790	2.56	3,921
Fire Protection Services	301	161	101	214	0.20	301
Police Services	11	6	4	8	0.01	-
Outdoor Recreation Services	66	35	22	47	0.02	-
Indoor Recreation Services	1,463	781	489	1,041	0.45	-
Library Services	183	98	61	130	0.05	-
Administration	792	423	265	564	0.48	-
<b>Total Municipal Wide Services</b>	<b>6,737</b>	<b>3,597</b>	<b>2,253</b>	<b>4,794</b>	<b>3.77</b>	<b>4,222</b>