



# Development Charges Background Study

Township of Melancthon

June 14, 2019

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## List of Acronyms and Abbreviations

Acronym	Full Description of Acronym
A.M.P.	Asset management plan
D.C.	Development charge
D.C.A.	Development Charges Act, 1997, as amended
F.I.R.	Financial Information Return
G.F.A.	Gross floor area
L.P.A.T.	Local Planning Appeal Tribunal
N.F.P.O.W.	No Fixed Place of Work
O.M.B.	Ontario Municipal Board
O.P.P.	Ontario Provincial Police
O.Reg.	Ontario Regulation
P.O.A.	Provincial Offences Act
P.P.U.	Persons per unit
sq.ft.	square foot



# Executive Summary



# Executive Summary

1. The report provided herein represents the Development Charges (D.C.) Background Study for the Township of Melancthon required by the Development Charges Act, 1997 (D.C.A.). This report has been prepared in accordance with the methodology required under the D.C.A. The contents include the following:
  - Chapter 1 – Overview of the legislative requirements of the Act;
  - Chapter 2 – Review of present D.C. policies of the Township;
  - Chapter 3 – Summary of the residential and non-residential growth forecasts for the Township;
  - Chapter 4 – Approach to calculating the D.C.;
  - Chapter 5 – Review of historical service standards and identification of 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;
    - Statutory 10% deduction (soft services);
    - Amounts in excess of 10-year historical service calculation;
    - 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. charge.
3. A number of changes to the D.C. process need to be addressed as a result of the Smart Growth for our Communities Act, 2015 (Bill 73). These changes have been incorporated throughout the report and in the updated draft by-law, as necessary. These items include:
- a. Area-rating: Council must consider the use of area-specific charges.
  - b. Asset Management Plan for New Infrastructure: The D.C. background study must include an asset management plan that deals with all assets proposed to be funded, in whole or in part, by D.C.s. The asset management plan must show that the assets are financially sustainable over their full lifecycle.
  - c. 60-day Circulation Period: The D.C. background study must be released to the public at least 60-days prior to passage of the D.C. by-law.
  - d. Timing of Collection of Development Charges: The D.C.A. now requires D.C.s to be collected at the time of the first building permit.
4. The growth forecast (Chapter 3) on which the Township-wide D.C. is based, projects the following population, housing and non-residential floor area for the 10-year (2019 to 2028) and 13-year (2019 to 2031) periods.

Measure	10 Year 2019-2028	13 Year 2019-2031
(Net) Population Increase	193	231
Residential Unit Increase	125	149
Non-Residential Gross Floor Area Increase (ft <sup>2</sup> )	23,300	27,100

Source: Watson & Associates Economists Ltd. Forecast 2019

5. On September 4, 2014, the Township of Melancthon passed By-law 2014-42 under the D.C.A. The by-law imposes D.C.s on residential and non-residential uses. This by-law will expire on September 4, 2019. The Township is



undertaking a D.C. public process and anticipates passing a new by-law in advance of the expiry date. The mandatory public meeting has been set for July 18, 2019 with adoption of the by-law on August 15, 2019.

6. The Township's D.C.s currently in effect are \$6,737 for single detached dwelling units for full services. Non-residential charges are \$3.77 per square foot for full services. The charge for Wind Turbines is \$4,222 per unit. 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 \$6,884. The non-residential charge is \$4.03 per square foot of building area. For Wind Turbines, the calculated rate is \$2,975 per unit. These rates are submitted to Council for its consideration.
7. 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:

Total gross expenditures planned over the next five years	\$ 782,831
Less:	
Benefit to existing development	\$ 332,421
Post planning period benefit	\$ 11,300
Ineligible re: Level of Service	\$ -
Mandatory 10% deduction for certain services	\$ 14,365
Grants, subsidies and other contributions	\$ 41,250
<b>Net Costs to be recovered from development charges</b>	<b>\$ 383,494</b>

This suggests that for the non-D.C. cost over the five-year D.C. by-law (benefit to existing development, mandatory 10% deduction, and the grants, subsidies and other contributions), approximately \$400,000 (or an annual amount of \$80,000) will need to be contributed from taxes and rates, or other sources. With respect to the post period benefit amount of \$11,300, it will be included in subsequent D.C. study updates to reflect the portion of capital that benefits growth in the post period D.C. forecasts.

Based on the above table, the Township plans to spend approximately \$782,000 over the next five years, of which \$380,000 (49%) is recoverable from D.C.s. Of this net amount, \$340,000 is recoverable from residential development and



\$40,000 from non-residential development. It is noted also that any exemptions or reductions in the charges would reduce this recovery further.

8. 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 a 13-year forecast:

- Services Related to a Highway;
- Police Services; and
- Fire Protection Services.

All other services are calculated based on a 10-year forecast. These include:

- Outdoor Recreation Services;
- Indoor Recreation Services;
- Library Services;
- Administration – Essential Services; and
- Administration – Community Based 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 F. 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-1  
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 sq.ft. of Gross Floor Area)	
<b>Municipal Wide Services:</b>						
Services Related to a Highway	1,895	913	656	1,483	1.43	1,895
Fire Protection Services	1,080	521	374	845	0.80	1,080
Police Services	12	6	4	9	0.01	-
Outdoor Recreation Services	56	27	19	44	0.02	-
Indoor Recreation Services	2,156	1,039	747	1,687	0.60	-
Library Services	172	83	60	135	0.05	-
Administration - Studies - Essential Services	514	248	178	402	0.38	-
Administration - Studies - Community Based Services	999	482	346	782	0.73	-
<b>Total Municipal Wide Services</b>	<b>6,884</b>	<b>3,319</b>	<b>2,384</b>	<b>5,387</b>	<b>4.03</b>	<b>2,975</b>



# Report



# Chapter 1

## Introduction



# 1. Introduction

## 1.1 Purpose of this Document

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This background study has been prepared pursuant to the requirements of the D.C.A. (section 10) and, accordingly, recommends new D.C.s and policies for the Township of Melancthon.

The Township retained Watson & Associates Economists Ltd. (Watson), to undertake the D.C.s (D.C.) study process throughout 2019.

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

This report has been prepared, in the first instance, to meet the statutory requirements applicable to the Township's D.C. background study, as summarized in Chapter 4. It also addresses the 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 F).

In addition, the report is designed to set out sufficient background on the legislation (Chapter 4), Melancthon'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

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The public meeting required under section 12 of the D.C.A., has been scheduled for July 18, 2019. Its purpose is to present the study to the public and to solicit public input.

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The meeting is also being held to answer any questions regarding the study's purpose, methodology and the proposed modifications to the Township'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 June 14, 2019.

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 Township of Melancthon

1. Data collection, staff review, engineering work, D.C. calculations and policy work	January 2019 to May 2019
2. Public meeting advertisement placed in newspaper(s)	No later than June 27, 2019
3. Background study and proposed by-law available to public	June 14, 2019
4. Public meeting of Council	July 18, 2019
5. Council considers adoption of background study and passage of by-law	August 15, 2019
6. Newspaper notice given of by-law passage	By 20 days after passage
7. Last day for by-law appeal	40 days after passage
8. Township makes pamphlet available (where by-law not appealed)	By 60 days after in force date





## **1.3 Changes to the D.C.A.: Bill 73 – Smart Growth for our Communities Act, 2015**

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With the amendment of the D.C.A. (as a result of Bill 73 and O.Reg. 428/15), there are a number of areas that must be addressed to ensure that the Township is in compliance with the D.C.A., as amended. The following provides an explanation of the changes to the Act that affect the Township's background study and how they have been dealt with to ensure compliance with the amended legislation.

### ***1.3.1 Area Rating***

Bill 73 has introduced two new sections where Council must consider the use of area-specific charges:

- 1) Section 2 (9) of the Act now requires a municipality to implement area-specific D.C.s for either specific services 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) Section 10 (2) c. 1 of the D.C.A. requires that, "the development charges background study shall include consideration of the use of more than one development charge by-law to reflect different needs for services in different areas."

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

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

The new legislation now requires that a D.C. background study must include an Asset Management Plan (subsection 10 (2) (c.2)). The asset management plan 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 asset management plan related to transit services; however, they are silent with respect to how the asset management plan is to be provided for all other services. As part of any asset



management plan, the examination should be consistent with the municipality's existing assumptions, approaches and policies on asset management planning. This examination may include both qualitative and quantitative measures such as examining the annual future lifecycle contributions needs (discussed further in Appendix F of this report).

### ***1.3.3 60-Day Circulation of D.C. Background Study***

Previously the legislation required that a D.C. background study be made available to the public at least two weeks prior to the public meeting. The amended legislation now provides that the D.C. background study must be made available to the public (including posting on the municipal website) at least 60 days prior to passage of the D.C. by-law. No other changes were made to timing requirements for such things as notice of the public meeting and notice of by-law passage.

This D.C. study is being provided to the public on June 14, 2019 to ensure the new requirements for release of the study is met.

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

The D.C.A. has been refined by Bill 73 to require that D.C.s are collected at the time of the first building permit. For the majority of development, this will not impact the Township's present process. There may be instances, however, where several building permits are to be issued and either the size of the development or the uses will not be definable at the time of the first building permit. In these instances, the Township may enter into a delayed payment agreement in order to capture the full development.

### ***1.3.5 Other Changes***

It is also noted that a number of other changes were made through Bill 73 and O.Reg. 428/15 including changes to the way in which Transit D.C. service standards are calculated, the inclusion of Waste Diversion and the ability for collection of additional levies; however, these sections do not impact the Township's D.C.



## 1.4 Proposed Changes to the D.C.A.: Bill 108 – An Act to Amend Various Statutes with Respect to Housing, Other Development and Various Other Matters

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On May 2, 2019, the Province introduced Bill 108 which proposes changes to the D.C.A. The Bill has been 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, however, a number of schedules in the Bill do not come into force until the date of proclamation. As of the date of this report, no scheduled timeline for proclamation has been provided. Draft regulations for this Bill are anticipated to be released over the next month and the Province will be considering feedback on the draft regulations before proclamation.

The Act proposes that any D.C. by-laws passed after May 2, 2019 will be affected by these proposed changes. Any by-laws which were passed prior to this date will remain in effect until it is either repealed or expires. A summary of the proposed changes to the D.C.A. is provided below:

**Changes to Eligible Services** – the Bill will remove "Soft Services" from the D.C.A. These services will be considered as part of a new Community Benefit Charge (discussed below) imposed under the *Planning Act*. Eligible services which will remain under the D.C.A. 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 as defined in subsection 1 (1) of the *Municipal Act, 2001* or subsection 3 (1) of the *City of Toronto Act, 2006*, as the case may be;
- Electrical power services;
- Policing services;
- Fire protection services;
- Toronto-York subway extension, as defined in subsection 5.1 (1) of the D.C.A.;
- Transit services other than the Toronto-York subway extension;
- Waste diversion services;
- Ambulance services; and
- Other services as prescribed.



**Waste Diversion** – the Bill will remove the mandatory 10% deduction for this service.

**Payment in Installments over Five Years** – the Bill proposes that Rental Housing and Commercial/Industrial/Institutional developments pay their development charges in six equal annual payments commencing the earlier of the date of issuance of a building permit or occupancy. Non-Profit Housing will pay their development charges in 21 equal annual installments. If payments are not made, interest may be charged (at a prescribed rate) and may be added to the property and collected as taxes.

**When D.C. Amount is Determined** – the Bill proposes that the D.C. amount for all developments proceeding by Site Plan or requiring a zoning amendment, shall be determined based on the D.C. rates in effect on the day of the application for Site Plan or zoning amendment. If the development is not proceeding via these planning approvals then the amount is determined the earlier of the date of issuance of a building permit or occupancy.

**Soft Services to be Included in a new Community Benefit Charge under the Planning Act** – it is proposed that a municipality may by by-law impose community benefits charges 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. These services may not include services authorized by the D.C.A. Various provisions are provided as follows:

- Before passing a community benefits charge by-law, the municipality shall prepare a community benefits charge strategy that:
- (a) identifies the facilities, services and matters that will be funded with community benefits charges
- (b) complies with any prescribed requirements;
- The amount of a community benefits charge payable shall not exceed an amount equal to the prescribed percentage of the value of the land as of the valuation date;
- The valuation date is the day before building permit issuance;
- Valuations will be based on appraised value of land. Various requirements are set out in this regard;
- All money received by the municipality under a community benefits charge by-law shall be paid into a special account;



- In each calendar year, a municipality shall spend or allocate at least 60 percent of the monies that are in the special account at the beginning of the year;
- Requirements for annual reporting shall be prescribed; and
- Transitional provisions are set out regarding the D.C. reserve funds and D.C. credits.



# Chapter 2

## Current Township of Melancthon Policy



## 2. Current Township of Melancthon Policy

### 2.1 Schedule of Charges

On September 4, 2014, the Township of Melancthon passed By-law 2014-42 under the D.C.A.

This by-law imposes D.C.s for residential and non-residential uses. The table below provides the rates currently in effect.

Table 2-1  
Township of Melancthon  
Current D.C. Rates

Service	Residential				Non-Residential	Wind Turbines
	Single & Semi Detached	Other Multiples	Apartments - 2 Bedrooms+	Apartments - Bachelor and 1 Bedroom	per sq.ft.	
<b>Municipal Wide Services</b>						
Services Related to a Highway	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</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>

### 2.2 Services Covered

The following services are covered under By-laws 2014-42:

- Roads and Related (Now Services Related to a Highway);
- Fire Protection Services;
- Police Services;
- Outdoor Recreation Services;
- Indoor Recreation Services;
- Library Services; and
- Administration.

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

D.C.s are calculated, payable, and collected upon issuance of a building permit for the development.



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 D.C.A.

## **2.4 Indexing**

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Rates shall be indexed on January 1<sup>st</sup> of each year in accordance with the prescribed index in the Act.

## **2.5 Redevelopment Allowance**

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

- (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 D.C. 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 D.C.s 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 D.C.s otherwise payable with respect to the redevelopment.

## **2.6 Exemptions**

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The following non-statutory exemptions are provided under By-law 2014-42.

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- Lands, buildings or structures used as a place of worship, cemetery or burial ground exempt from taxation under the *Assessment Act*; and
- 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.



# Chapter 3

## Anticipated Development in the Township of Melancthon



## 3. Anticipated Development in the Township of Melancthon

### 3.1 Requirement of the Act

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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 Section 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.”

The growth forecast contained in this chapter (with supplemental tables in Appendix A) provides for the anticipated development for which the Township of Melancthon will be required to provide services, over a 10-year and a longer term (13-year) time horizon.

### 3.2 Basis of Population, Household and Non-Residential Gross Floor Area Forecast

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The D.C. growth forecast has been derived by Watson & Associates Economists Ltd. (Watson). In preparing the growth forecast, the following information sources were consulted to assess the residential and non-residential development potential for the Township of Melancthon over the forecast period, including:

- Township of Melancthon Development Charges Background Study, Watson & Associates Economists Ltd., July 2, 2014;
- Township of Melancthon Official Plan, Approved by the Ontario Municipal Board, September 5, 2017;
- Dufferin County Official Plan, Issued for Council Adoption, September 2014;
- 2006, 2011 and 2016 population, household and employment Census data; and
- Historical residential and non-residential building permit data over the 2013 to 2018 period, received from the Township of Melancthon.



### 3.3 Summary of Growth Forecast

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

As identified in Table 3-1 and Appendix A, *Schedule 1*, the Township's population is anticipated to reach approximately 3,270 by mid-2029 and 3,310 by mid-2031, resulting in an increase of 193 and 231 persons, respectively, over the 10-year and 13-year forecast periods.<sup>1</sup>

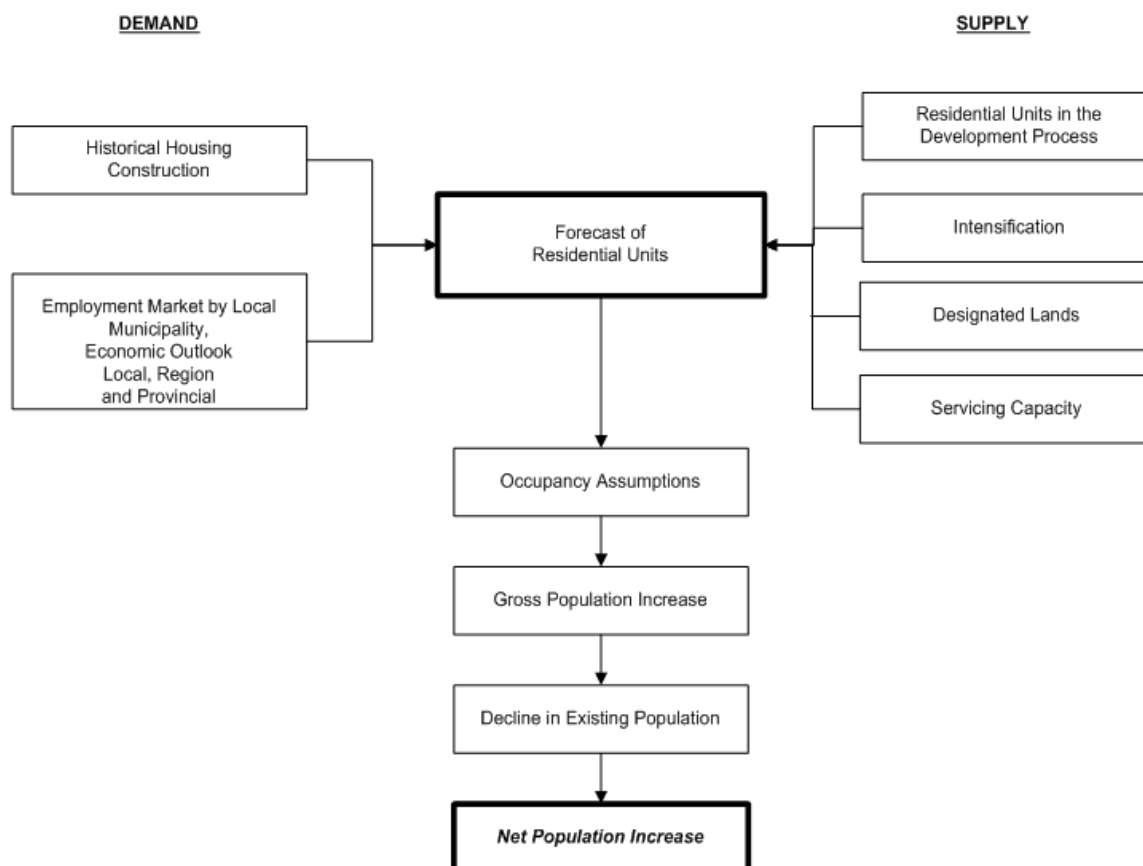
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<sup>1</sup> The population figures used in the calculation of the 2019 D.C. exclude the net Census undercount, which is estimated at approximately 3.2%.

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





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

Year		Population (Including Census Undercount) <sup>1</sup>	Excluding Census Undercount			Housing Units					Person Per Unit (P.P.U.): Total Population/ Total Households
			Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi- Detached	Multiple Dwellings <sup>2</sup>	Apartments <sup>3</sup>	Other	Total Households	
Historical	Mid 2016	3,100	3,008	3	3,005	1,010	25	0	0	1,035	2.906
Forecast	Mid 2019	3,180	3,077	3	3,074	1,044	25	0	0	1,069	2.878
	Mid 2029	3,370	3,270	3	3,267	1,169	25	0	0	1,194	2.739
	Mid 2031	3,410	3,308	3	3,305	1,193	25	0	0	1,218	2.716
Incremental	Mid 2016 - Mid 2019	80	69	0	69	34	0	0	0	34	
	Mid 2019 - Mid 2029	190	193	0	193	125	0	0	0	125	
	Mid 2019 - Mid 2031	230	231	0	231	149	0	0	0	149	

Source: Watson & Associates Economists Ltd., 2019. Derived from the Township of Melancthon Official Plan, Approved by the Ontario Municipal Board, September 5, 2017.

Forecasts are consistent with the Growth Plan for the Greater Golden Horseshoe targets, as identified in Schedule 3 of the Growth Plan.

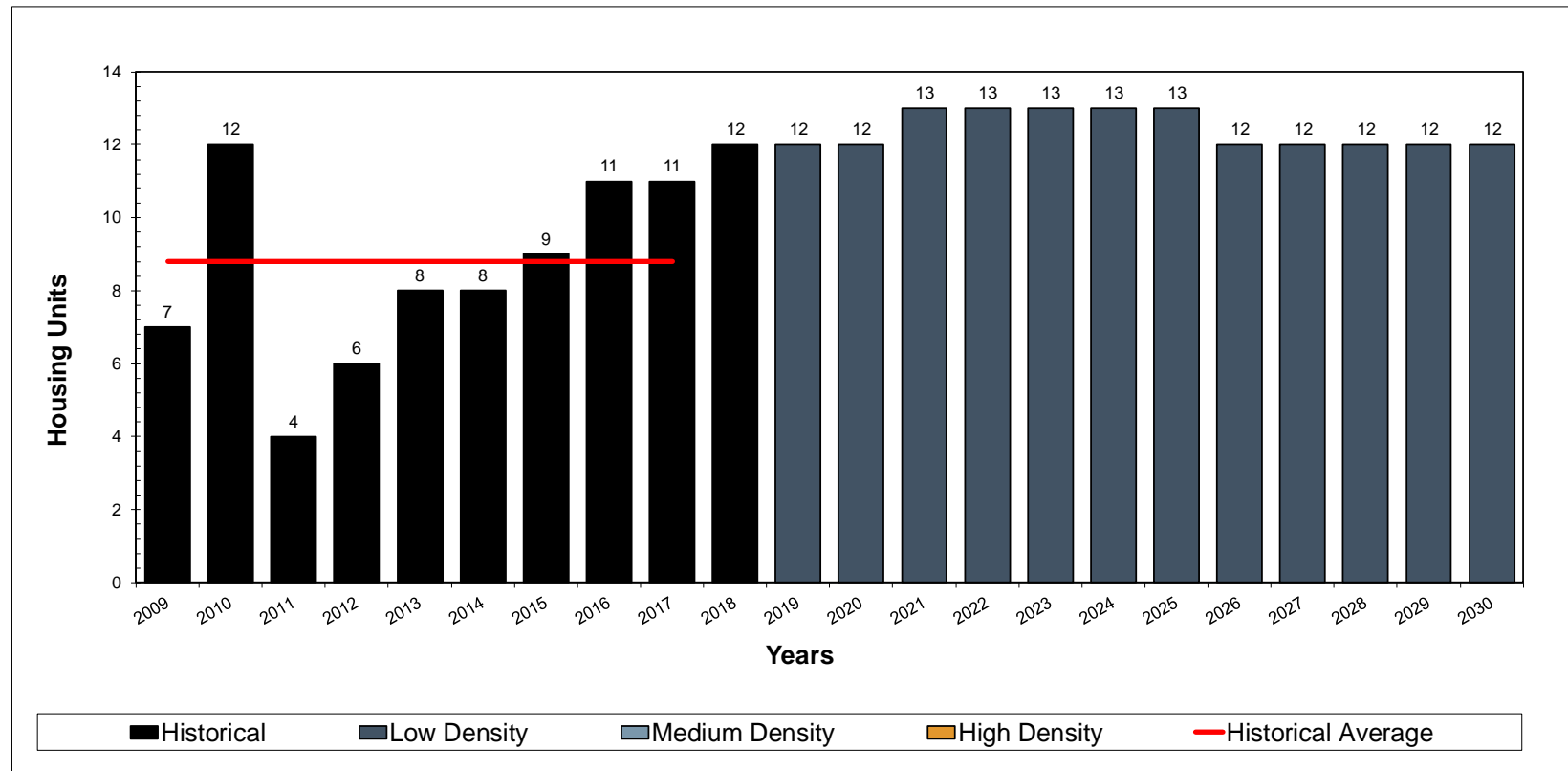
<sup>1</sup> Census undercount estimated at approximately 3.2%. Note: Population including the undercount has been rounded.

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

<sup>3</sup> Includes bachelor, 1-bedroom and 2-bedroom+ apartments.



Figure 3-2  
Township of Melancthon  
Annual Housing Forecast



Source: Historical housing activity from 2009 to 2013 derived from Statistics Canada building permit data for the Township of Melancthon. 2014 to 2018 data received from the Township of Melancthon.

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



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

### 1. Housing Unit Mix (Appendix A – Schedules 1 and 5)

- The housing unit mix for the Township was derived from a detailed review of historical development activity (as per Schedule 5) and discussions with Township staff regarding anticipated development trends for Melancthon.
- Based on the above indicators, the 2019 to 2031 household growth forecast is comprised of a unit mix of 100% low density (single detached and semi-detached), 0% medium density (multiples except apartments) and 0% high density (bachelor, 1-bedroom and 2-bedroom apartments).

### 2. Planning Period

- Short and longer-term time horizons are required for the D.C. process. The D.C.A. limits the planning horizon for certain services, such as parks, recreation and libraries, to a 10-year planning horizon. Services related to a highway, public works, fire, police, stormwater, water and wastewater services can utilize a longer planning period.

### 3. Population in New Housing Units (Appendix A - Schedules 2, 3 and 4)

- The number of housing units to be constructed in the Township of Melancthon during the short- and long-term periods is presented on Figure 3-2. Over the 2019 to 2031 forecast period, the Township is anticipated to average approximately 12 new housing units per year.
- Institutional population<sup>1</sup> is not anticipated to grow between 2019 to 2031.
- Population in new units is derived from Schedules 2, 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.

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<sup>1</sup> Institutional 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 these special care facilities.





- Schedules 6a and 6b summarize the average P.P.U. assumed for the new housing units by age and type of dwelling based on a 2016 custom Census data. The total calculated P.P.U. for all density types has been accordingly adjusted to account for the P.P.U. trends which has been recently experienced in both new and older units. Forecasted 15-year average P.P.U.s by dwelling type are as follows:
  - Low density: 3.278
  - Medium density: 2.565
  - High density<sup>1</sup>: 1.443

#### 4. Existing Units and Population Change (Appendix A - Schedules 2, 3 and 4)

- Existing households for mid-2019 are based on the 2016 Census households, plus estimated residential units constructed between mid-2016 and 2019 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 2019 to 2031 forecast period is approximately 260.

#### 5. Employment (Appendix A, Schedules 8a, 8b, 9 and 10)

- Employment projections 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.
- 2016 employment data<sup>2</sup> (place of work) for the Township of Melancthon is outlined in Schedule 8a. The 2016 employment base is comprised of the following sectors:
  - 65 primary (14%);

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<sup>1</sup> Includes bachelor, 1-bedroom and 2 or more bedroom apartments

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



- 185 work at home employment (38%);
  - 110 industrial (23%);
  - 75 commercial/population related (16%); and
  - 45 institutional (9%).
- The 2016 employment by usual place of work, including work at home, is approximately 480. An additional 137 employees have been identified for the Township in 2016 that have no fixed place of work (N.F.P.O.W.).<sup>1</sup> The 2016 employment base, including N.F.P.O.W., totals 617.
  - Total employment, including work at home and N.F.P.O.W. for the Township of Melancthon is anticipated to reach approximately 680 by mid-2029 and 690 by mid-2031. This represents an employment increase of approximately 50 for the 10-year forecast period and 60 for the 13-year forecast period.
  - Schedule 8b, 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 gross floor area (G.F.A.) calculation.
  - Total employment for the Township of Melancthon (excluding work at home and N.F.P.O.W. employment) is anticipated to reach 329 by mid-2029 and 334 by mid-2031. This represents an employment increase of 27 and 32 over the 10-year and 13-year forecast periods, respectively.

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<sup>1</sup> Statistics Canada defines "No Fixed Place of Work" (N.F.P.O.W.) employees as, "persons who do not go from home to the same work place location at the beginning of each shift. Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc."



## 7. Non-Residential Sq.ft. Estimates (Gross Floor Area (G.F.A.), 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 (G.F.A.) is anticipated to increase by 23,300 sq.ft. over the 10-year forecast period and 27,100 sq.ft. over the 13-year forecast period.
- In terms of percentage growth, the 2019 to 2031 incremental G.F.A. forecast by sector is broken down as follows:
  1. industrial – 59%;
  2. commercial/population-related – 31%; and
  3. institutional – 10%.



# Chapter 4

## The Approach to the Calculation of the Charge



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

### 4.1 Introduction

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

### 4.2 Services Potentially Involved

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Table 4-1 lists the full range of municipal service categories which are provided within the Township.

A number of these services are defined 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 which are potentially eligible for inclusion in the Township’s D.C. are indicated with a “Yes.”



## 4.3 Increase in the Need for Service

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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 Township 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

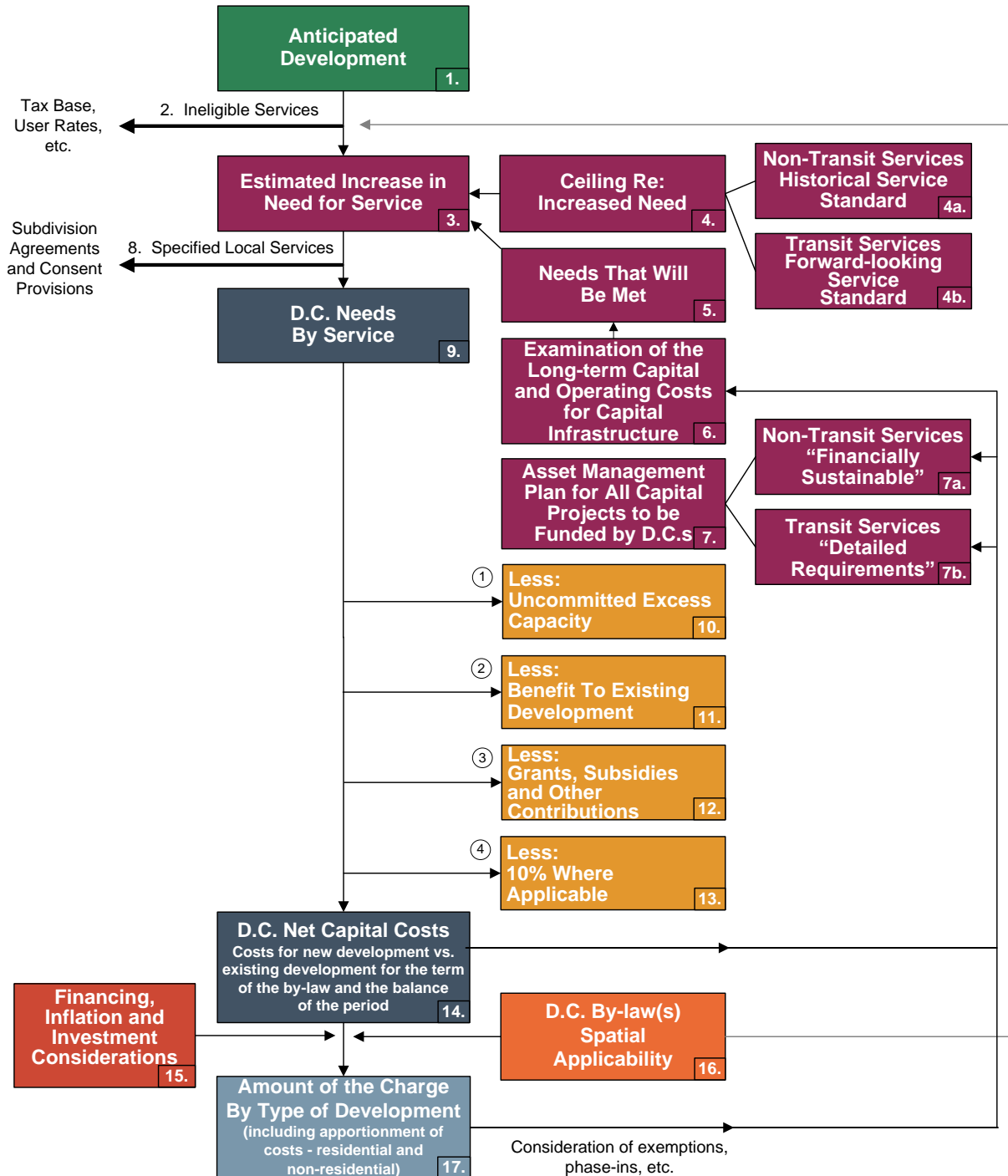




Table 4-1  
Categories of Municipal Services to be Addressed as Part of the Calculation

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 <sup>1</sup> & facilities	100
	n/a	2.2 Other transit infrastructure	100
	n/a	2.3 Municipal parking spaces - indoor	90
	No	2.4 Municipal parking spaces - outdoor	90
	Yes	2.5 Works Yards	100
	Yes	2.6 Rolling stock <sup>1</sup>	100
	n/a	2.7 Ferries	90
	n/a	2.8 Airport	90

<sup>1</sup>with 7+ year life time

\*same percentage as service component to which it pertains  
computer equipment excluded throughout



Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
3. Stormwater Drainage and Control Services	No	3.1 Main channels and drainage trunks	100
	No	3.2 Channel connections	100
	No	3.3 Retention/detention ponds	100
4. Fire Protection Services	Yes	4.1 Fire stations	100
	Yes	4.2 Fire pumpers, aerials and rescue vehicles <sup>1</sup>	100
	Yes	4.3 Small equipment and gear	100
5. Outdoor Recreation 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	90
	Yes	5.3 Development of district parks	90
	Yes	5.4 Development of municipal-wide parks	90
	Yes	5.5 Development of special purpose parks	90
	Yes	5.6 Parks rolling stock <sup>1</sup> and yards	90
6. Indoor Recreation Services	Yes	6.1 Arenas, indoor pools, fitness facilities, community centres, etc. (including land)	90
	Yes	6.2 Recreation vehicles and equipment <sup>1</sup>	90
7. Library Services	Yes	7.1 Public library space (incl. furniture and equipment)	90
	Yes	7.2 Library vehicles <sup>1</sup>	90
	Yes	7.3 Library materials	90
8. Electrical Power Services	Ineligible	8.1 Electrical substations	0
	Ineligible	8.2 Electrical distribution system	0
	Ineligible	8.3 Electrical system rolling stock	0

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<sup>1</sup>with 7+ year life time



Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
9. Provision of Cultural, Entertainment and Tourism Facilities and Convention Centres	Ineligible	9.1 Cultural space (e.g. art galleries, museums and theatres)	0
	Ineligible	9.2 Tourism facilities and convention centres	0
10. Wastewater Services	n/a	10.1 Treatment plants	100
	n/a	10.2 Sewage trunks	100
	n/a	10.3 Local systems	0
	n/a	10.4 Vehicles and equipment <sup>1</sup>	100
11. Water Supply Services	n/a	11.1 Treatment plants	100
	n/a	11.2 Distribution systems	100
	n/a	11.3 Local systems	0
	n/a	11.4 Vehicles and equipment <sup>1</sup>	100
12. Waste Management Services	Ineligible	12.1 Landfill collection, transfer vehicles and equipment	0
	Ineligible	12.2 Landfills and other disposal facilities	0
	n/a	12.3 Waste diversion facilities	90
	n/a	12.4 Waste diversion vehicles and equipment <sup>1</sup>	90
13. Police Services	No	13.1 Police detachments	100
	No	13.2 Police rolling stock <sup>1</sup>	100
	Yes	13.3 Small equipment and gear	100
14. Homes for the Aged	n/a	14.1 Homes for the aged space	90
	n/a	14.2 Vehicles <sup>1</sup>	90
15. Child Care	n/a	15.1 Child care space	90
	n/a	15.2 Vehicles <sup>1</sup>	90
16. Health	n/a	16.1 Health department space	90
	n/a	16.2 Health department vehicles <sup>1</sup>	90
17. Social Housing	n/a	17.1 Social Housing space	90
18. Provincial Offences Act (P.O.A.)	n/a	18.1 P.O.A. space	90
19. Social Services	n/a	19.1 Social service space	90

<sup>1</sup>with 7+ year life time



Categories of Municipal Services	Eligibility for Inclusion in the D.C. Calculation	Service Components	Maximum Potential D.C. Recovery %
20. Ambulance	n/a n/a	20.1 Ambulance station space 20.2 Vehicles <sup>1</sup>	90 90
21. Hospital Provision	Ineligible	21.1 Hospital capital contributions	0
22. Provision of Headquarters for the General Administration of Municipalities and Area Municipal Boards	Ineligible Ineligible Ineligible	22.1 Office space 22.2 Office furniture 22.3 Computer equipment	0 0 0
23. Other Services	Yes          Yes	23.1 Studies in connection with acquiring buildings, rolling stock, materials and equipment, and improving land <sup>2</sup> and facilities, including the D.C. background study cost 23.2 Interest on money borrowed to pay for growth-related capital	         0-100 0-100

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

<sup>2</sup>same percentage as service component to which it pertains

## 4.4 Local Service Policy

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

## 4.5 Capital Forecast

Paragraph 7 of subsection 5 (1) of the D.C.A. requires that “the capital costs necessary to provide the increased services must be estimated.” The Act goes on to require 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;
- e) interest on money borrowed to pay for the above-referenced costs;
- f) costs to undertake studies in connection with the above-referenced matters; and
- g) costs of the D.C. background study.

In order for an increase in need for service to be included in the D.C. calculation, Township Council must indicate "...that it intends to ensure that such an increase in need will be met" (subsection 5 (1) 3). This can be done if the increase in service forms part of a Council-approved Official Plan, capital forecast or similar expression of the intention of Council (O.Reg. 82/98 section 3). The capital program contained herein reflects the Township's approved and proposed capital budgets and master servicing/needs studies, as well as the Township's proportionate shares of capital infrastructure where facilities are jointly shared with neighbouring municipalities.

## 4.6 Treatment of Credits

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



avoid a funding shortfall with respect to future service needs. There are no outstanding credit obligations in the D.C. calculations.

## 4.7 Existing Reserve Funds

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

“The money in a reserve fund established for a service may be spent only for capital costs determined under paragraphs 2 to 8 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 future.

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

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

The Township’s D.C. Reserve Fund Balance by service at December 31, 2018 (adjusted to recognize outstanding commitments) is shown below:

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<sup>1</sup> Reserve balance to be combined with Administration Studies.





Service	Totals	Commitments /Adjustments	Total After Adjustments
Roads and Related	\$254,529.19	\$84,193.46	\$170,335.73
Fire Protection Services	\$59,013.10		\$59,013.10
Police Services	\$15,041.85		\$15,041.85
Outdoor Recreation Services	\$6,647.07		\$6,647.07
Indoor Recreation Services	\$147,343.43		\$147,343.43
Library Services	\$11,591.76		\$11,591.76
Administration	\$47,544.42	\$61,442.69	(\$13,898.27)
<b>Total</b>	<b>\$541,710.82</b>	<b>\$145,636.15</b>	<b>\$396,074.67</b>

Note: Amounts in brackets are deficit balances.

## 4.8 Deductions

The D.C.A. potentially requires that five 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;
- anticipated grants, subsidies and other contributions; and
- 10% reduction for certain services.

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

### 4.8.1 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 10-year period immediately preceding the preparation of the background study...” 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 factor are multiplied together, they produce a measure of the level of service, which meets the requirements of the Act, i.e. cost per unit.

With respect to transit services, the changes to the Act as a result of Bill 73 have provided for an alternative method for calculating the services 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.

#### ***4.8.2 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 Township'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.

#### ***4.8.3 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 services cap in section 4.4 is related but is not the identical requirement. Sanitary, storm and water trunks are highly localized to growth areas and can be more readily allocated in this regard than other services such as services related to a highway, which do not have a fixed service area.

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

In the case of services such as recreation facilities, community parks, libraries, etc., the service is typically provided on a Township-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 Wednesday in one arena and Thursday in another). As a result, residents will travel to different facilities to access the services they want at the times they wish to use them, and facility location generally does not correlate directly with residence location. Even where it does, displacing users from an existing facility to a new facility frees up capacity for use by others and generally results in only a very limited benefit to existing development. Further, where an increase in demand is not met for a number of years, a negative service impact to existing development is involved for a portion of the planning period.



#### **4.8.4 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 local responsibilities required through development agreements) 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).

#### **4.8.5 The 10% Reduction**

Paragraph 8 of subsection 5 (1) of the D.C.A. requires that, “the capital costs must be reduced by 10 per cent.” This paragraph does not apply to water supply services, wastewater services, storm water drainage and control services, services related to a highway, police and fire protection services. The primary services to which the 10% reduction does apply include services such as parks, recreation, libraries, childcare/ social services, the Provincial Offences Act, ambulance, homes for the aged, and health.

The 10% is to be netted from the capital costs necessary to provide the increased services, once the other deductions have been made, as per the infrastructure costs sheets in Chapter 5.

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

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This step involves determining whether all the subject costs are to be recovered on a uniform municipal-wide basis or whether some or all are to be recovered on an area-specific basis. Under the amended D.C.A., it is now mandatory to “consider” area-rating of services (providing charges for specific areas and services), however, it is not mandatory to implement area-rating. Further discussion is provided in section 7.4.4.



## 4.10 Allocation of Development

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

## 4.11 Asset Management

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

## 4.12 Transit

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The most significant changes to the Act relate to the transit service. These changes relate to four areas of the calculations, as follows:

- A. Transit no longer requires the statutory 10% mandatory deduction from the net capital cost (subsection 5.2 (i) of the D.C.A.).
- B. The background study requires the following in regard to transit costs (as per subsection 8 (2) of the Regulations):
  - 1. The calculations that were 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.
  - 2. An identification of the portion of the total estimated capital cost relating to the transit services that would benefit,



- i. the anticipated development over the 10-year period immediately following the preparation of the background study, or
    - ii. the anticipated development after the 10-year period immediately following the preparation of the background study.
  3. 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.
  4. 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 forecasted ridership will be from existing or planned development.
  5. 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.
- C. A new forward-looking service standard (as per subsection 6.1 (2) of the Regulations):
1. The service is a discrete service.
  2. 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.
  3. 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.
- D. A very detailed asset management strategy and reporting requirements (subsection 6.1 (3) of the Regulation) 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 Township does not currently, and in the near future does not intend to, provide transit services. Therefore, the above calculations and reporting requirements are not required.



# Chapter 5

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





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

### 5.1 Introduction

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This chapter outlines the basis for calculating eligible costs for the D.C.s to be applied on a uniform basis. In each case, the required calculation process set out in subsection 5 (1) paragraphs 2 to 8 in the D.C.A. and described in Chapter 4, was followed in determining D.C.-eligible costs.

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

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

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



### **5.2.1 Outdoor Recreation Services**

The Township currently provides 2.47 acres of parkland at Horning Mills Park. This provides an average of 0.9 acres of parkland per 1,000 population or \$43 per capita. When applied over the forecast period, this average level of service translates into a D.C.-eligible amount of \$8,284

The Development of additional amenities at Horning Mills Park have been identified for inclusion in the D.C. at a total cost of \$25,000. From this amount, deductions of \$5,000 for existing benefit and \$5,000 from other sources and results in a net \$14,900 from growth within the 10-year forecast period. An allocation of the Recreation reserve fund balance of \$6,647 has also been deducted from the D.C. calculations. After the 10% mandatory deduction the amount for inclusion in the DC is \$7,428.

As the predominant users of outdoor recreation tend to be residents of the Township, the forecast growth-related costs have been allocated 95% to residential and 5% to non-residential.



### Infrastructure Costs Included in the Development Charges Calculation

Township of Melancthon  
Service Parkland Development

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Subtotal	Less:	Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development		Other (e.g. 10% Statutory Deduction)	Total	Residential Share	Non-Residential Share
	2019-2028											95%	5%
1	Horning Mills Park Development - Provision for Additional Amenities	2019-2028	25,000	-		25,000	5,100	5,000	14,900	1,490	13,410	12,740	671
2	Reserve Fund Adjustment						6,647		(6,647)	(665)	(5,982)	(5,683)	(299)
	<b>Total</b>		<b>25,000</b>	<b>-</b>	<b>-</b>	<b>25,000</b>	<b>11,747</b>	<b>5,000</b>	<b>8,253</b>	<b>825</b>	<b>7,428</b>	<b>7,056</b>	<b>371</b>



### **5.2.2 Indoor Recreation Facilities**

With respect to recreation facilities, the Township currently provides the service from a number of facilities that are shared with neighbouring municipalities as well as the Hornings Mills Hall which is located within the Township. Based on the shared portions Melancthon is responsible for, these facilities amount to a total of 24,000 sq.ft. of space. The average historic level of service for the previous ten years has been approximately 8.06 sq.ft. of space per capita or an investment of \$1,732 per capita. Based on this service standard, the Township would be eligible to collect \$334,324 from D.C.s for facility space.

The Township has provided for their portion (15%) of the Centre Dufferin Recreation Complex Arena Project which includes the addition of a second ice pad and walking track (as identified in Shelburne's 2015 D.C. study). The Township's share of this project equates to a total of \$736,700 with \$287,100 attributable to existing development, \$48,000 attributable to growth in the post 10-year forecast period, and the balance of \$401,600 attributable to growth within the 10-year forecast period. The Township has also provided for their portion (50%) of the North Dufferin Community Centre Arena at a gross capital cost of \$155,000. After a deduction of \$77,500 to account for grants, subsidies, and other contributions and the 10% mandatory deduction, the net amount included for this facility is \$69,750. A deduction for the surplus balance in the DC reserve fund of \$147,343 has also been made. Therefore, the net balance after the mandatory 10% deduction, of \$283,847 has been included in the development charge.

While indoor recreation service usage is predominately residential based, there is some use of the facility by non-residential users. To acknowledge this use, the growth-related capital costs have been allocated 95% residential and 5% non-residential.



### Infrastructure Costs Included in the Development Charges Calculation

Township of Melancthon  
Service Indoor Recreation Facilities

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Subtotal	Less: Other (e.g. 10% Statutory Deduction)	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%
	<b>2019-2028</b>												
1	Melancthon Share of Centre Dufferin Recreation Complex Arena Project - Second Ice Pad and Walking Track - Shared with Shelburne (15%)	2026	736,700	48,000		688,700	287,100		401,600	40,160	361,440	343,368	18,072
2	North Dufferin Community Centre (Honeywood) Arena - Partial replacement and expansion (shared with Mulmur 50%)	2019-2028	155,000	-		155,000	-	77,500	77,500	7,750	69,750	66,263	3,488
3	Reserve Fund Adjustment						147,343		(147,343)		(147,343)	(139,976)	(7,367)
	<b>Total</b>		<b>891,700</b>	<b>48,000</b>	<b>-</b>	<b>843,700</b>	<b>434,443</b>	<b>77,500</b>	<b>331,757</b>	<b>47,910</b>	<b>283,847</b>	<b>269,654</b>	<b>14,192</b>



### **5.2.3 Library Services**

The Township provides Library facility space through shared agreements with Shelburne and Southgate. Based on Melancthon's share, there is a total of 784 sq.ft. of floor area. Over the past ten years, the average level of service was 0.29 sq.ft. of space per capita or an investment of \$76 per capita. Based on this service standard, the Township would be eligible to collect \$14,718 from D.C.s for library facility space.

Currently a provision for expansion of library space has been included at an amount of \$14,000. After the 10% mandatory deduction of \$1,400, \$12,600 has been included in the D.C. calculation.

In addition to facility space, Melancthon shares in the cost of the collection of books and periodicals at the Shelburne library. The Township's share provides for a total of 6,568 items which translates into a service standard of \$65 per capita or 2.17 items per capita. This service standard provides the Township with an eligible amount of \$12,555 from D.C.s for additional library collection items. Growth will result in the need for the collection to increase over time, therefore, a provision of \$46,600 has been included with \$22,600 attributable to growth in the post 10-year forecast period and \$24,000 attributable to growth in the current 10-year forecast period. In addition to this provision, a deduction has been included to recognize the surplus in the D.C. reserve fund of \$11,592. The net amount, after the mandatory deduction of 10%, that has been included in the development charge calculations is \$10,008.

While library usage is predominately residential based, there is some use of the facility by non-residential users. To acknowledge this, use the growth-related capital costs have been allocated 95% residential and 5% non-residential.



## Infrastructure Costs Included in the Development Charges Calculation

Township of Melancthon  
Service Library Facilities

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Subtotal	Less:	Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development		Other (e.g. 10% Statutory Deduction)	Total	Residential Share  95%	Non- Residential Share  5%
	2019-2028												
1	Provision for Expansion of Library Space	2019-2028	14,000	-		14,000	-		14,000	1,400	12,600	11,970	630
	<b>Total</b>		<b>14,000</b>	<b>-</b>	<b>-</b>	<b>14,000</b>	<b>-</b>	<b>-</b>	<b>14,000</b>	<b>1,400</b>	<b>12,600</b>	<b>11,970</b>	<b>630</b>



### Infrastructure Costs Included in the Development Charges Calculation

Township of Melancthon  
Service: Library Collection Materials

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Subtotal	Less:	Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development		Other (e.g. 10% Statutory Deduction)	Total	Residential Share	Non-Residential Share
	2019-2028											95%	5%
1	Additional Collection Materials	2019-2028	46,600	22,600		24,000	-		24,000	2,400	21,600	20,520	1,080
2	Reserve Fund Adjustment						11,592		(11,592)		(11,592)	(11,012)	(580)
	<b>Total</b>		<b>46,600</b>	<b>22,600</b>	<b>-</b>	<b>24,000</b>	<b>11,592</b>	<b>-</b>	<b>12,408</b>	<b>2,400</b>	<b>10,008</b>	<b>9,508</b>	<b>500</b>





### **5.2.4 Administration Studies – Essential Services**

The D.C.A. permits the inclusion of studies undertaken to facilitate the completion of the Township's capital works program. The Township has made provision for the inclusion of new studies undertaken to facilitate this D.C. process, as well as other studies which benefit growth (in whole or in part). The list of studies includes such studies as the following:

- Development charges studies;
- Fire Master Plan; and
- A provision for other unidentified studies.

The cost of these studies, including the reserve fund deficit of \$13,898 is \$78,400. The net growth-related capital cost, after the mandatory 10% deduction and the application of the existing reserve deficit, is \$73,060 and has been included in the D.C.

These costs have been allocated 88% residential and 12% non-residential based on the incremental growth in population to employment for the 10-year forecast period.



### Infrastructure Costs Included in the Development Charges Calculation

Township of Melancthon  
Service Administration Studies - Essential Services

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Subtotal	Less:	Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development		Other (e.g. 10% Statutory Deduction)	Total	Residential Share  88%	Non- Residential Share  12%
	2019-2028												
1	Development Charge Study	2019	26,700	-		26,700	-		26,700	2,670	24,030	21,146	2,884
2	Development Charge Study	2024	26,700	-		26,700	-		26,700	2,670	24,030	21,146	2,884
3	Fire Master Plan (Share of Shelburne Plan - 14.65%)	2019	5,000	-		5,000	-		5,000		5,000	4,400	600
4	Provision for unidentified studies	2019-2028	20,000	-		20,000	-		20,000		20,000	17,600	2,400
5	Reserve Fund Adjustment		13,898	-		13,898	-		13,898		13,898	12,230	1,668
	<b>Total</b>		<b>78,400</b>	<b>-</b>	<b>-</b>	<b>78,400</b>	<b>-</b>	<b>-</b>	<b>78,400</b>	<b>5,340</b>	<b>73,060</b>	<b>64,293</b>	<b>8,767</b>



### **5.2.5 Administration Studies – Community Based Services**

The Township has made provision for the inclusion of new studies related to Community Based Services which benefit growth (in whole or in part). The list of studies includes such studies as the following:

- Official Plan;
- Zoning By-law; and
- Strategic Plan.

The cost of these studies is \$199,000, of which \$41,200 is attributable to existing benefit. The net growth-related capital cost, after the mandatory 10% deduction, is \$142,020 and has been included in the D.C.

These costs have been allocated 88% residential and 12% non-residential based on the incremental growth in population to employment for the 10-year forecast period.



Service Administration Studies - Community Based Services

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## 5.3 Service Levels and 13-Year Capital Costs for Melancthon's D.C. Calculation

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This section evaluates the development-related capital requirements for those services with 13-year capital costs.

### 5.3.1 *Services Related to a Highway*

Melancthon owns and maintains 265.3 km of roads, as well as 51 bridges, culverts, and structures. This provides an average level of investment of \$37,395 per capita, resulting in a D.C.-eligible recovery amount of \$8,638,383 over the 13-year forecast period.

With respect to future needs, the identified roads program was reviewed with staff and totals \$1,307,200. The capital projects include various works related to adding capacity to the roads system including upgrades to roads, bridges and culverts. Deductions have been made against the total cost in the amounts of \$991,254 for costs related to existing development and \$170,336 to recognize the current D.C. reserve fund surplus. Therefore, the net growth related cost attributable to growth in the 13-year forecast is \$145,610, which has been included in the D.C. calculations.

The Public Works Department has a variety of vehicles and major equipment totalling \$2,430,500. The inventory provides for a per capita standard of \$834. Over the forecast period, the D.C.-eligible amount for vehicles and equipment is \$192,585. A provision for additional vehicles and equipment has been identified for the forecast period in the amount of \$175,000. This amount has been included in the D.C. calculation.

The Township operates their Public Works service from one main works garage facility along with a sand storage facility and an equipment storage facility. These buildings provide 19,336 sq. ft. of building area, providing for an average level of service of 5.22 sq.ft. per capita or \$945/capita. This level of service provides the Township with a maximum D.C.-eligible amount for recovery over the 13-year forecast period of \$218,380. The Township has not identified any additional capital works required for growth over the 13-year forecast period for public works facilities.



The residential/non-residential capital cost allocation for Services Related to a Highway would be based on an 88%/12% split, based on the incremental growth in population to employment for the 13-year forecast period.



### Infrastructure Costs Included in the Development Charges Calculation

Township of Melancthon

Service: Services Related to a Highway - Roads, Bridges, Culverts & Structures

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	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 88%	Non-Residential Share 12%
	2019-2031										
	<b>Road Upgrades</b>										
1	5th Ln - Cty Rd 17 N to 15 Sideroad (pulverize, gravel and pave)	2020-2031	346,300	-		346,300	257,266		89,034	78,350	10,684
2	4th Ln OS - Hwy 10 to Cty 17 (pulverize, gravel, pave, dig out soft spots)	2020-2031	525,200	-		525,200	390,171		135,029	118,825	16,203
3	7th Ln SW - Riverview S to 270 Sideroad	2023	247,700	-		247,700	184,016		63,684	56,042	7,642
	<b>Bridges and Culverts</b>										
4	0011 - Anderson Bridge 8th Ln SW (3.4km N of Hwy 89)	2020-2031	36,700	-		36,700	31,195		5,505	4,844	661
5	2023 - 4th Ln (400m South of Cty 21)	2023	52,700	-		52,700	44,795		7,905	6,956	949
6	2003 - 3rd Ln (1km South of 5 Sideroad)	2019	98,600	-		98,600	83,810		14,790	13,015	1,775
7	Reserve Fund Adjustment						170,336		(170,336)	(149,895)	(20,440)
	<b>Total</b>		<b>1,307,200</b>	<b>-</b>	<b>-</b>	<b>1,307,200</b>	<b>1,161,590</b>	<b>-</b>	<b>145,610</b>	<b>128,137</b>	<b>17,473</b>

### Infrastructure Costs Included in the Development Charges Calculation

Township of Melancthon

Service: Services Related to a Highway - Vehicles and Equipment

Prj .No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	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 88%	Non-Residential Share 12%
1	Provisions for Public Works Vehicles and Equipment	2019-2031	175,000	-		175,000	-		175,000	154,000	21,000
	Total		175,000	-	-	175,000	-	-	175,000	154,000	21,000





### **5.3.2 Police Services**

The Township provides police services through an agreement with the Ontario Provincial Police (O.P.P.). As part of the agreement Melancthon is responsible to outfit police officers. Based on the current agreement with the O.P.P., 3.49 full time equivalent police officers, at various ranks, are accommodated for provision of services. This provides for a per capita average level of service of 0.001 officers per capita or \$9 per capita. This level of service provides the Township with a maximum D.C. eligible amount for recovery over the 13-year forecast period of \$1,977.

To service growth over the 13-year forecast period, staff have identified for the need to include a provision for additional equipment and gear for police officers at a total amount of \$17,000. The current surplus in the D.C. reserved fund of \$15,042 has been deducted resulting in a net growth-related cost of \$1,958 for inclusion in the D.C. calculations.

The costs for the Melancthon police service are shared 88%/12% between residential and non-residential based on the population to employment ratio over the 13-year forecast period.



Service: Police Small Equipment and Gear

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### **5.3.3 Fire Protection Services**

The Fire Services is a shared service between the Township of Melancthon, Township of Mulmur, Township of Southgate and Town of Shelburne. Each Township/Town shares the stations situated in each respective municipality as well as the vehicles and equipment. In 2018, Melancthon's share of the Mulmur/Melancthon station was 50%, 5.52% of the Southgate (Dundalk) Station, and 14.65% of the Shelburne station. Therefore, Melancthon's current share of facility space is equal to 4,643 sq.ft. of facility space, providing for a per capita average level of service of 1.58 sq.ft. of space or \$357 per capita. This level of service provides the Township with a maximum D.C.-eligible amount for recovery over the forecast period of \$82,395.

Based on the current shares as mentioned above, Melancthon's share of the current vehicle inventory equates to 4.25 vehicles. Based on a service standard of \$334 per capita, the total D.C. eligible amount calculated for fire vehicles over the 13-year forecast period is \$77,263.

Melancthon's share of small equipment and gear provides \$280,941 for the use in fire services. The calculated average level of service for the historic 10-year period is \$101 per capita, providing for a D.C. eligible amount over the forecast period of \$23,423.

The total D.C. eligible amount for Fire Protection Services over the 13-year forecast period for Melancthon is \$182,901.

A provision for an expansion of facility space as well as additional fire vehicles and equipment have been included in the D.C. calculation. The total gross capital cost of these projects is \$453,200. Deductions of \$119,000 have been made to account for the benefit to growth beyond the forecast period as well as \$92,400 deducted to account for the benefit to existing development. Further, a deduction of \$59,013 has been made to account for the existing reserve fund balance resulting in a total net D.C. eligible amount of \$182,787 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 88% being allocated to residential development and 12% being allocated to non-residential development.



### Infrastructure Costs Included in the Development Charges Calculation

Township of Melancthon  
Service: Fire Services

Prj .No	Increased Service Needs Attributable to Anticipated Development  2019-2031	Timing (year)	Gross Capital Cost Estimate (2019\$)	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  88%	Non- Residential Share  12%
1	Provision for Facility Space Expansion- Shelburne (Melancthon Share 14.65%)	2028	369,600	119,000		250,600	92,400		158,200	139,216	18,984
2	Additional Vehicle - Shelburne (Melancthon portion 14.65%)	2019-2023	8,800	-		8,800	-		8,800	7,744	1,056
3	Mulmur/Melancthon (Honeywood) Fire Vehicles (Melancthon portion)	2019-2023	67,300	-		67,300	-		67,300	59,224	8,076
4	Provision for Additional Firefighter Equipment (Shelburne - 8 additional - Melancthon Share 14.65%)	2019-2031	7,500	-		7,500	-		7,500	6,600	900
5	Reserve Fund Adjustment						59,013		(59,013)	(51,932)	(7,082)
	<b>Total</b>		<b>453,200</b>	<b>119,000</b>	<b>0</b>	<b>334,200</b>	<b>151,413</b>	<b>0</b>	<b>182,787</b>	<b>160,852</b>	<b>21,934</b>



# Chapter 6

## D.C. Calculation



## 6. D.C. Calculation

Table 6-1 calculates the proposed uniform D.C. to be imposed on anticipated development in the Township for Township-wide services over a 13-year planning horizon. Table 6-2 calculates the proposed uniform D.C. to be imposed on anticipated development in the Township for Township-wide services over a 10-year planning horizon

The calculation for residential development is generated on a per capita basis and is based upon four forms of housing types (singles and semi-detached, apartments 2+ bedrooms, apartments bachelor and 1 bedroom, and all other multiples). The non-residential D.C. has been calculated on a per sq.ft. of gross floor area 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 Township 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 5) to calculate the charge in Tables 6-1 and 6-2. Wind Turbines are deemed to be equivalent to a residential single detached unit as it related to Services Related to a Highway, and Fire Protection Services only.

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 gross floor area.

Table 6-3 summarizes the total D.C. that is applicable for municipal-wide services and Table 6-4 summarizes the gross capital expenditures and sources of revenue for works to be undertaken during the 5-year life of the by-law.



Table 6-1  
Township of Melancthon  
Development Charge Calculation  
Municipal-wide Services  
2019-2031

SERVICE	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
	\$	\$	\$	\$
1. <u>Services Related to a Highway</u>				
1.1 Roads, Bridges, Culverts & Structures	128,137	17,473	861	0.65
1.2 Vehicles and Equipment	154,000	21,000	1,034	0.78
	282,137	38,473	1,895	1.43
2. <u>Fire Protection Services</u>				
2.1 Fire facilities, vehicles & equipment	160,852	21,934	1,080	0.80
	160,852	21,934	1,080	0.80
3. <u>Police Services</u>				
3.1 Small equipment and gear	1,723	235	12	0.01
	1,723	235	12	0.01
<b>TOTAL</b>	<b>444,713</b>	<b>\$60,643</b>	<b>\$2,987</b>	<b>\$2.24</b>
D.C.-Eligible Capital Cost	\$444,713	\$60,643		
13-Year Gross Population/GFA Growth (sq.ft.)	488	27,100		
<b>Cost Per Capita/Non-Residential GFA (sq.ft.)</b>	<b>\$911.30</b>	<b>\$2.24</b>		
<b><u>By Residential Unit Type</u></b>	<b><u>P.P.U.</u></b>			
Single and Semi-Detached Dwelling	3.278	\$2,987		
Apartments - 2 Bedrooms +	1.580	\$1,440		
Apartments - Bachelor and 1 Bedroom	1.135	\$1,034		
Other Multiples	2.565	\$2,337		



Table 6-2  
Township of Melancthon  
Development Charge Calculation  
Municipal-wide Services  
2019-2028

SERVICE	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
4. <u>Outdoor Recreation Services</u>	\$	\$	\$	\$
4.1 Parkland development, amenities & trails	7,056	371	56	0.02
	7,056	371	56	0.02
5. <u>Indoor Recreation Services</u>				
5.1 Recreation facilities	269,654	14,192	2,156	0.60
	269,654	14,192	2,156	0.60
6. <u>Library Services</u>				
6.1 Library facilities	11,970	630	96	0.03
6.2 Library materials	9,508	500	76	0.02
	21,478	1,130	172	0.05
7. <u>Administration</u>				
7.1 Studies - Essential Services	64,293	8,767	514	0.38
7.2 Studies - Community Based Services	124,978	17,042	999	0.73
<b>TOTAL</b>	<b>487,459</b>	<b>\$41,504</b>	<b>\$3,897</b>	<b>\$1.78</b>
D.C.-Eligible Capital Cost	\$487,459	\$41,504		
10-Year Gross Population/GFA Growth (sq.ft.)	410	23,300		
<b>Cost Per Capita/Non-Residential GFA (sq.ft.)</b>	<b>\$1,188.92</b>	<b>\$1.78</b>		
<b>By Residential Unit Type</b>	<b>P.P.U.</b>			
Single and Semi-Detached Dwelling	3.278	\$3,897		
Apartments - 2 Bedrooms +	1.580	\$1,878		
Apartments - Bachelor and 1 Bedroom	1.135	\$1,349		
Other Multiples	2.565	\$3,050		

Table 6-3  
Township of Melancthon  
Development Charge Calculation  
Total All Services

	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
<b>Municipal-wide Services 13 Year</b>	444,713	60,643	2,987	2.24
<b>Municipal-wide Services 10 Year</b>	487,459	41,504	3,897	1.78
<b>TOTAL</b>	<b>932,171</b>	<b>102,146</b>	<b>6,884</b>	<b>4.03</b>





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

Service	Total Gross Cost	Sources of Financing						
		Tax Base or Other Non-D.C. Source				Post D.C. Period Benefit	D.C. Reserve Fund	
		Other Deductions	Benefit to Existing	Other Funding	Legislated Reduction		Residential	Non-Residential
1. Services Related to a Highway								
1.1 Roads, Bridges, Culverts & Structures	399,000	0	312,621	0	0	0	76,013	10,365
1.2 Vehicles and Equipment	67,308	0	0	0	0	0	59,231	8,077
2. Fire Protection Services								
2.1 Fire facilities, vehicles & equipment	78,985	0	0	0	0	0	69,506	9,478
3. Police Services								
3.1 Small equipment and gear	6,538	0	0	0	0	0	5,754	785
4. Outdoor Recreation Services								
4.1 Parkland development, amenities & trails	12,500	0	2,550	2,500	745	0	6,370	335
5. Indoor Recreation Services								
5.1 Recreation facilities	77,500	0	0	38,750	3,875	0	33,131	1,744
6. Library Services								
6.1 Library facilities	7,000	0	0	0	700	0	5,985	315
6.2 Library materials	23,300	0	0	0	1,200	11,301	10,260	540
7. Administration								
7.1 Studies - Essential Services	41,700	0	0	0	2,670	0	34,346	4,684
7.2 Studies - Community Based Services	69,000	0	17,250	0	5,175	0	40,986	5,589
<b>Total Expenditures &amp; Revenues</b>	<b>\$782,831</b>	<b>\$0</b>	<b>\$332,421</b>	<b>\$41,250</b>	<b>\$14,365</b>	<b>\$11,301</b>	<b>\$341,582</b>	<b>\$41,912</b>



# Chapter 7

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



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

### 7.1 Introduction

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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 5(1) 2-8 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 Township’s existing policies; however, there are items under consideration at this time and these may be refined prior to adoption of the by-law.



## 7.2 D.C. By-law Structure

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**It is recommended that:**

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

## 7.3 D.C. By-law Rules

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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 amount of square feet of gross floor area 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 administration studies – community-based services, and administration studies – essential services, the costs have been based on a population vs. employment growth ratio (88%/12%) for residential and non-residential, respectively) over the 10-year forecast period;
  - for indoor and outdoor recreation and library services, a 5% non-residential attribution has been made to recognize use by the non-residential sector; and
  - for services related to a highway, fire protection services, and police services, an 88% residential/33% non-residential attribution has been made based on a population vs. employment growth ratio over the 13-year forecast period.

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

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

- 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 gross floor area of the building demolished/converted multiplied by the current non-residential D.C. in place at the time the D.C. is payable.



The demolition credit is allowed only if the land was improved by occupied structures and if the demolition permit related to the site was issued less than 5 years prior to the issuance of a building permit. The credit can, in no case, exceed the amount of D.C.s that would otherwise be payable.

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

a) Statutory exemptions:

- industrial building additions of up to and including 50% of the existing gross floor area (defined in O.Reg. 82/98, section 1) of the building; for industrial building additions which exceed 50% of the existing gross floor area, 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);
- residential development that results only in the enlargement of an existing dwelling unit, or that results only in the creation of up to two additional dwelling units (based on prescribed limits set out in section 2 of O.Reg. 82/98).

b) Non-statutory exemptions:

- Lands, buildings or structures used as a place of worship, cemetery or burial ground exempt from taxation under the *Assessment Act*; and
- 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 and an on-farm diversified use.

### **7.3.5 Phasing in**

No provisions for phasing in the D.C. are provided in the D.C. by-law.

### **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 the issuance of a permit or prior to the commencement of development or redevelopment as the case may be; and
- despite the 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 Wind Turbines**

As part of the D.C. process, staff reviewed the projects included within the background study and the various rules that would ultimately be incorporated into the D.C. by-law. Regarding Wind Turbines, the services that are impacted by this type of development include Services Related to a Highway, and Fire Protection Services. The impact of these services is similar to a residential single detached unit and therefore, 100% of the Services Related to a Highway, and Fire Protection Services are recommended as the charge for future Wind Turbines developed within the Township.

### **7.3.8 Indexing**

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

### **7.3.9 The Applicable Areas**

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

- all Township-wide services – the full residential and non-residential charge will be imposed on all lands within the Township.

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

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It is recommended that:

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

The Township's D.C. collections are currently reserved in six separate reserve funds: Services Related to a Highway, Fire Protection Services, Police Services, Parks & Recreation, Library Services and Administration. It is recommended that the Township split out the Administration reserve fund into Administration Studies – Community Based Services, and Administration Studies – Essential Services, in addition to splitting out the Parks & Recreation reserve fund into Indoor Recreation Services, and Outdoor Recreation Services. Appendix D outlines the reserve fund policies that the Township 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 the Bank of Canada rate on the day on which the by-law comes into force (as per section 11 of O.Reg. 82/98).

### ***7.4.4 Area Rating***

As noted earlier, Bill 73 has introduced two new sections where Council must consider the use of area specific charges:

1. Section 2 (9) of the Act now requires a municipality to implement area-specific D.C.s for either specific services 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. Section 10 (2) c.1 of the D.C.A. requires that “the development charges background study shall include consideration of the use of more than one





development charge by-law to reflect different needs for services in different areas.”

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

At present, the Township’s by-law does not provide for area-rating. All Township services are recovered based on a uniform, Township-wide basis. There have been several reasons why they have not been imposed including:

1. All Township services, with the exception of water, wastewater and stormwater, require that the average 10-year service standard be calculated. This average service standard multiplied by growth in the Township, establishes an upper ceiling on the amount of funds which can be collected from all developing landowners. Section 4 (4) of O.Reg. 82/98 provides that “...if a development charge by-law applies to a part of the municipality, the level of service and average level of service cannot exceed that which would be determined if the by-law applied to the whole municipality.” Put in layman terms, the average service standard multiplied by the growth within the specific area, would establish an area specific ceiling which would significantly reduce the total revenue recoverable for the Township hence potentially resulting in D.C. revenue shortfalls and impacts on property taxes.
2. Extending on item 1, attempting to impose an area charge potentially causes equity issues in transitioning from a Township-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 development charges 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 which are provided (roads, parks, recreation facilities, library) are not restricted to one specific area and are often used by all residents. For example, arenas located in different parts of the Township 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 a uniform Township-wide basis.

## 7.5 Other Recommendations

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### **It is recommended that Council:**

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

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

“Continue the D.C. approach to calculate the charges on a uniform Township-wide basis for all services.

“Approve the capital project listing set out in Chapter 5 of the D.C.s Background Study dated June 14, 2019, subject to further annual review during the capital budget process;”

“Approve the D.C.s Background Study dated June 14, 2019, as amended (if applicable);”

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

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



# Chapter 8

## By-law Implementation



## 8. By-law Implementation

### 8.1 Public Consultation Process

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#### **8.1.1 Introduction**

This chapter addresses the mandatory, formal public consultation process (section 8.1.2), as well as the optional, informal consultation process (section 8.1.3). The latter is designed to seek the co-operation and participation of those involved, in order to produce the most suitable policy. Section 8.1.4 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 Local Planning Appeal Tribunal (L.P.A.T.) (formerly the Ontario Municipal Board (O.M.B.)).

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

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

## **8.2 Anticipated Impact of the Charge on Development**

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

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



## 8.3 Implementation Requirements

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### 8.3.1 *Introduction*

Once the Township has calculated the charge, prepared the complete background study, carried out the public process and passed a new by-law, the emphasis shifts to implementation matters.

These include notices, potential appeals and complaints, credits, front-ending agreements, subdivision agreement conditions and finally the collection of revenues and funding of projects.

The sections which follow overview 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 Township 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 which the notice must cover.

### 8.3.3 *By-law Pamphlet*

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

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



- the “rules” for determining if a charge is payable in a particular case and for determining the amount of the charge;
- the services to which the D.C.s relate; and
- a description of the general purpose of the Treasurer’s statement and where it may be received by the public.

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

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

### **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 L.P.A.T. Hearing in response to an appeal. Any person or organization may appeal a D.C. by-law to the L.P.A.T. by filing a notice of appeal with the Township clerk, setting out the objection to the by-law and the reasons supporting the objection. This must be done by the last day for appealing the by-law, which is 40 days after the by-law is passed.

The Township is carrying out 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 Township Council imposing the charge that:

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

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



### **8.3.6 Credits**

Sections 38 to 41 of the D.C.A. set out a number of credit requirements, which apply where a Township 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 Township agrees to expand the credit to other services for which a D.C. is payable.

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

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

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



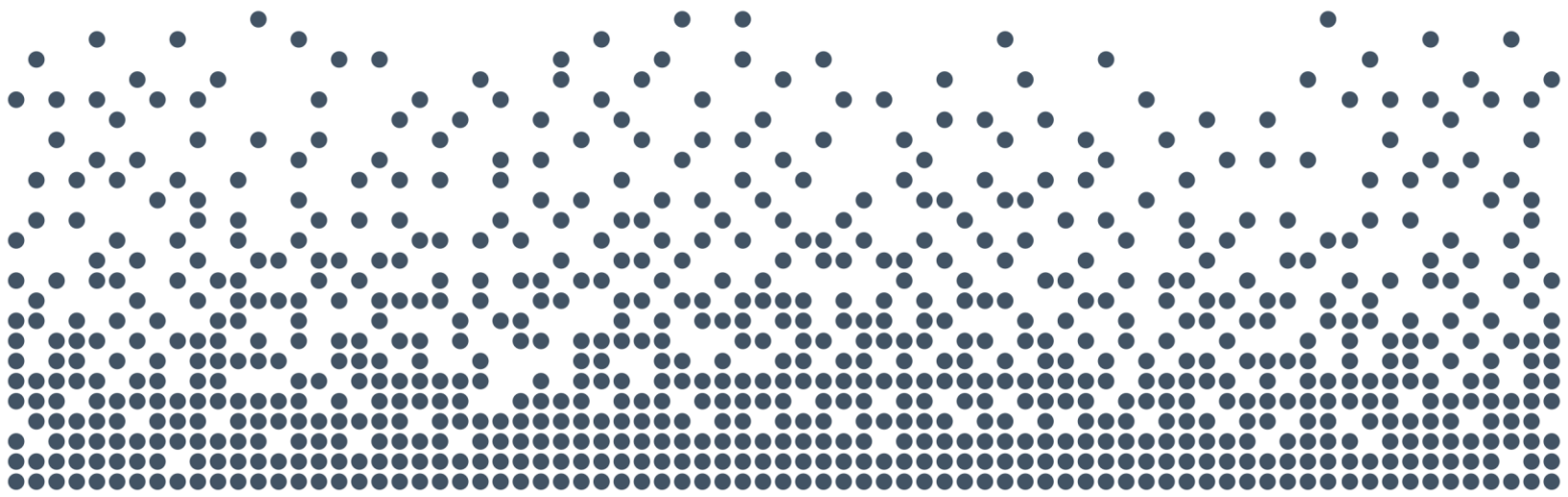


It is also noted that subsection 59 (4) of the D.C.A. requires that the municipal approval authority for a draft plan of subdivision under subsection 51 (31) of the Planning Act, use its power to impose conditions to ensure that the first purchaser of newly subdivided land is informed of all the D.C.s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

In this regard, if the Township 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 Township D.C.s related to the site.

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

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



# Appendices



# Appendix A

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



**Schedule 1  
Township of Melancthon  
Residential Growth Forecast Summary**

Year		Population (Including Census Undercount) <sup>1</sup>	Excluding Census Undercount			Housing Units					Person Per Unit (P.P.U.): Total Population/ Total Households
			Population	Institutional Population	Population Excluding Institutional Population	Singles & Semi- Detached	Multiple Dwellings <sup>2</sup>	Apartments <sup>3</sup>	Other	Total Households	
Historical	<i>Mid 2016</i>	3,100	3,008	3	3,005	1,010	25	0	0	1,035	2.906
Forecast	<i>Mid 2019</i>	3,180	3,077	3	3,074	1,044	25	0	0	1,069	2.878
	<i>Mid 2029</i>	3,370	3,270	3	3,267	1,169	25	0	0	1,194	2.739
	<i>Mid 2031</i>	3,410	3,308	3	3,305	1,193	25	0	0	1,218	2.716
Incremental	<b>Mid 2016 - Mid 2019</b>	<b>80</b>	<b>69</b>	<b>0</b>	<b>69</b>	<b>34</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>34</b>	
	<b>Mid 2019 - Mid 2029</b>	<b>190</b>	<b>193</b>	<b>0</b>	<b>193</b>	<b>125</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>125</b>	
	<b>Mid 2019 - Mid 2031</b>	<b>230</b>	<b>231</b>	<b>0</b>	<b>231</b>	<b>149</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>149</b>	

Source: Watson & Associates Economists Ltd., 2019. Derived from the Township of Melancthon Official Plan, Approved by the Ontario Municipal Board, September 5, 2017.

Forecasts are consistent with the Growth Plan for the Greater Golden Horseshoe targets, as identified in Schedule 3 of the Growth Plan.

<sup>1</sup> Census undercount estimated at approximately 3.2%. Note: Population including the undercount has been rounded.

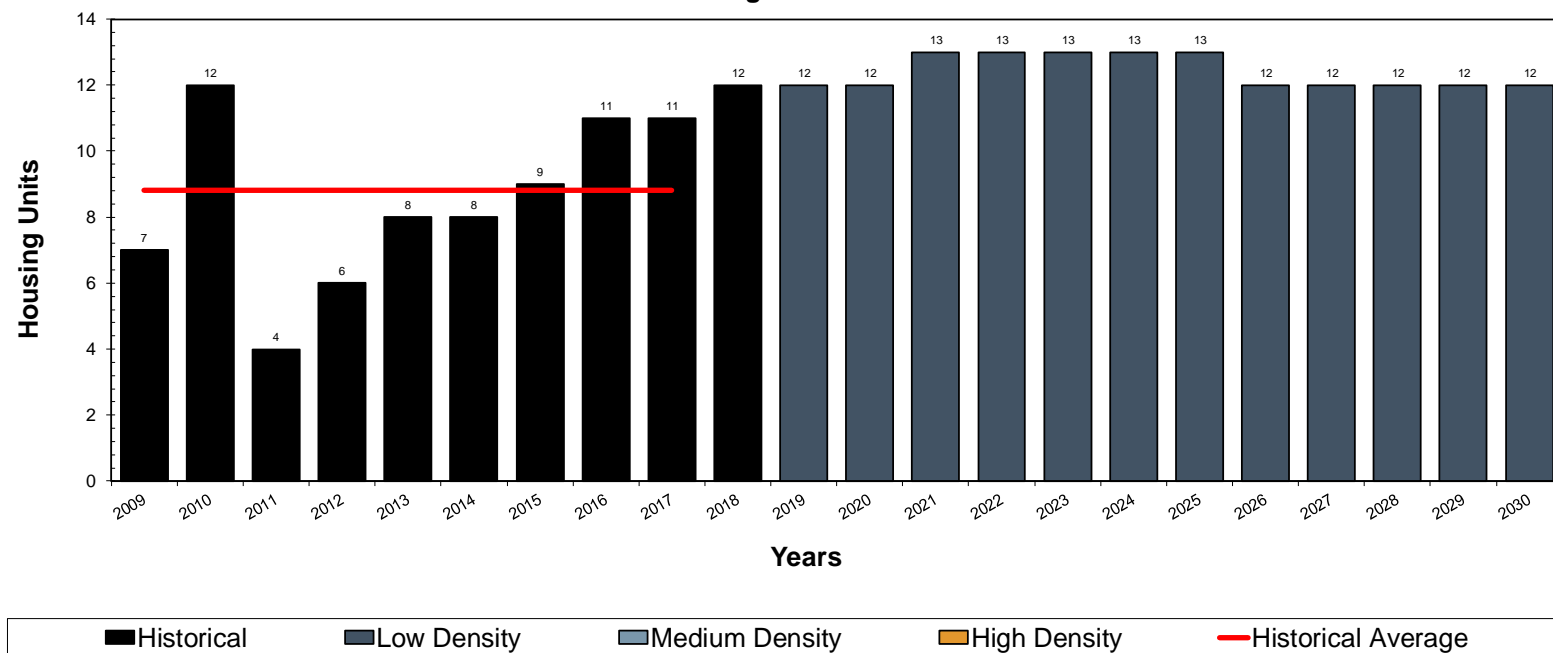
<sup>2</sup> Includes townhouses and apartments in duplexes.

<sup>3</sup> Includes bachelor, 1-bedroom and 2-bedroom+ apartments.



**Figure A-1**

**Annual Housing Forecast<sup>1</sup>**



Source: Historical housing activity from 2009 to 2013 derived from Statistics Canada building permit data for the Township of Melancthon. 2014 to 2018 data received from the Township of Melancthon.

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



**Schedule 2  
Township of Melancthon  
Current Year Growth Forecast  
Mid 2016 to Mid 2019**

		Population
Mid 2016 Population		3,008
Occupants of New Housing Units, Mid 2016 to Mid 2019	<i>Units (2)</i>	34
	<i>multiplied by P.P.U. (3)</i>	3.338
	<i>gross population increase</i>	113
Occupants of New Equivalent Institutional Units, Mid 2016 to Mid 2019	<i>Units</i>	0
	<i>multiplied by P.P.U. (3)</i>	1.100
	<i>gross population increase</i>	0
Decline in Housing Unit Occupancy, Mid 2016 to Mid 2019	<i>Units (4)</i>	1,035
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.043
	<i>total decline in population</i>	-44
Population Estimate to Mid 2019		3,077
<i>Net Population Increase, Mid 2016 to Mid 2019</i>		69

(1) 2016 population based on Statistics Canada Census unadjusted for Census undercount.

(2) Estimated residential units constructed, Mid-2016 to the beginning of the growth period assuming a six-month lag between construction and occupancy.

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

Structural Type	Persons Per Unit <sup>1</sup> (P.P.U.)	% Distribution of Estimated Units <sup>2</sup>	Weighted Persons Per Unit Average
<i>Singles &amp; Semi Detached</i>	3.338	100%	3.338
<i>Multiples (6)</i>	2.524	0%	0.000
<i>Apartments (7)</i>	1.462	0%	0.000
<b>Total</b>		100%	3.338

<sup>1</sup> Based on 2016 Census custom database

<sup>2</sup> Based on Building permit/completion activity

(4) 2016 households taken from Statistics Canada Census.

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

(6) Includes townhouses and apartments in duplexes.

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

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



**Schedule 3  
Township of Melancthon  
Ten Year Growth Forecast  
Mid 2019 to Mid 2029**

		Population
Mid 2019 Population		3,077
Occupants of New Housing Units, Mid 2019 to Mid 2029	Units (2)	125
	multiplied by P.P.U. (3)	3.278
	gross population increase	410
Occupants of New Equivalent Institutional Units, Mid 2019 to Mid 2029	Units	0
	multiplied by P.P.U. (3)	1.100
	gross population increase	0
Decline in Housing Unit Occupancy, Mid 2019 to Mid 2029	Units (4)	1,069
	multiplied by P.P.U. decline rate (5)	-0.203
	total decline in population	-217
Population Estimate to Mid 2029		3,270
Net Population Increase, Mid 2019 to Mid 2029		193

(1) Mid 2019 Population based on:

2016 Population (3,008) + Mid 2016 to Mid 2019 estimated housing units to beginning of forecast period (34 x 3.338 = 113) + (1,035 x -0.043 = -44) = 3,077

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

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

Structural Type	Persons Per Unit <sup>1</sup> (P.P.U.)	% Distribution of Estimated Units <sup>2</sup>	Weighted Persons Per Unit Average
<i>Singles &amp; Semi Detached</i>	3.278	100%	3.278
<i>Multiples (6)</i>	2.565	0%	0.000
<i>Apartments (7)</i>	1.443	0%	0.000
<i>one bedroom or less</i>	1.135		
<i>two bedrooms or more</i>	1.580		
<b>Total</b>		100%	3.278

<sup>1</sup> Persons per unit based on adjusted Statistics Canada Custom 2016 Census database.

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

(4) Mid 2019 households based upon 2016 Census (1,035 units) + Mid 2016 to Mid 2019 unit estimate (34 units) = 1,069 units.

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

(6) Includes townhouses and apartments in duplexes.

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

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



**Schedule 4  
Township of Melancthon  
2031 Growth Forecast  
Mid 2019 to Mid 2031**

		Population
Mid 2019 Population		3,077
Occupants of New Housing Units, 2019 to 2031	<i>Units (2)</i>	149
	<i>multiplied by P.P.U. (3)</i>	3,278
	<i>gross population increase</i>	488
Occupants of New Equivalent Institutional Units, 2019 to 2031	<i>Units</i>	0
	<i>multiplied by P.P.U. (3)</i>	1,100
	<i>gross population increase</i>	0
Decline in Housing Unit Occupancy, 2019 to 2031	<i>Units (4)</i>	1,069
	<i>multiplied by P.P.U. decline rate (5)</i>	-0.240
	<i>total decline in population</i>	-257
Population Estimate to 2031		3,308
Net Population Increase, 2019 to 2031		231

(1) Mid 2019 Population based on:

2016 Population (3,008) + Mid 2016 to Mid 2019 estimated housing units to beginning of forecast period (34 x 3.338 = 113) + (1,035 x -0.043 = -44) = 3,077

(2) Mid 2019 Population based on:

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

Structural Type	Persons Per Unit <sup>1</sup> (P.P.U.)	% Distribution of Estimated Units <sup>2</sup>	Weighted Persons Per Unit Average
<i>Singles &amp; Semi Detached</i>	3.278	100%	3.278
<i>Multiples (6)</i>	2.565	0%	0.000
<i>Apartments (7)</i>	1.443	0%	0.000
<i>one bedroom or less</i>	1.135		
<i>two bedrooms or more</i>	1.580		
Total		100%	3.278

<sup>1</sup> Persons per unit based on adjusted Statistics Canada Custom 2016 Census database.

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

(4) Mid 2019 households based upon 2016 Census (1,035 units) + Mid 2016 to Mid 2019 unit estimate (34 units) = 1,069 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**  
**Township of Melancthon**  
**Historical Residential Building Permits**  
**Years 2009 to 2018**

Year	Residential Building Permits			
	Singles & Semi Detached	Multiples <sup>1</sup>	Apartments <sup>2</sup>	Total
2009	7	0	0	7
2010	12	0	0	12
2011	4	0	0	4
2012	6	0	0	6
2013	8	0	0	8
<b>Average (2009 - 2013)</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>7</b>
% Breakdown	100.0%	0.0%	0.0%	100.0%
2014	8	0	0	8
2015	9	0	0	9
2016	11	0	0	11
2017	11	0	0	11
2018	12	0	0	12
Sub-total	51	0	0	51
<b>Average (2014 - 2018)</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>10</b>
% Breakdown	100.0%	0.0%	0.0%	100.0%
2009 - 2019				
Total	88	0	0	88
<b>Average</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>9</b>
% Breakdown	100.0%	0.0%	0.0%	100.0%

Source: Historical housing activity from 2009 to 2013 derived from Statistics Canada building permit data for the Township of Melancthon. 2014 to 2018 data received from the Township of Melancthon.

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

<sup>2</sup> Includes bachelor, 1 bedroom and 2 bedroom+ apartments.



**Schedule 6a**  
**Township of Melancthon**  
**Persons Per Unit By Age and Type of Dwelling**  
**(2016 Census)**

Age of Dwelling	Singles and Semi-Detached						15 Year Historic Average	15 Year Forecast <sup>1</sup>
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	-	-	-	2.692		
6-10	-	-	-	-	-	3.143		
11-15	-	-	-	-	-	3.500	3.112	3.278
16-20	-	-	-	-	-	2.833		
20-25	-	-	-	-	-	2.800		
25-35	-	-	-	2.765	-	3.000		
35+	-	-	2.400	2.917	-	2.845		
<b>Total</b>	-	-	2.258	2.910	4.957	2.920		

Age of Dwelling	All Density Types					
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total
1-5	-	-	-	-	-	3.182
6-10	-	-	-	-	-	3.000
11-15	-	-	-	-	-	3.438
16-20	-	-	-	-	-	2.833
20-25	-	-	-	2.909	-	2.867
25-35	-	-	-	2.789	-	2.871
35+	-	-	2.100	2.829	3.333	2.771
<b>Total</b>	-	-	2.025	2.891	4.143	2.885

<sup>1</sup> PPU has been forecasted based on 2001 to 2016 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 6b  
Dufferin County  
Persons Per Unit By Age and Type of Dwelling  
(2016 Census)**

Age of Dwelling	Multiples <sup>1</sup>						15 Year Historic Average	15 Year Forecast <sup>3</sup>
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	-	2.516	-	<b>2.524</b>		
6-10	-	-	-	-	-	-		
11-15	-	-	-	2.708	-	<b>2.808</b>	2.666	2.565
16-20	-	-	-	2.818	-	<b>2.469</b>		
20-25	-	-	-	2.303	-	<b>2.541</b>		
25-35	-	-	2.059	2.854	-	<b>2.727</b>		
35+	-	1.385	2.125	2.857	-	<b>2.383</b>		
<b>Total</b>	-	<b>1.080</b>	<b>2.071</b>	<b>2.693</b>	-	<b>2.525</b>		

Age of Dwelling	Apartments <sup>2</sup>						15 Year Historic Average	15 Year Forecast <sup>3</sup>
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total		
1-5	-	-	-	-	-	-		
6-10	-	-	1.417	-	-	<b>1.462</b>		
11-15	-	-	-	-	-	<b>1.688</b>	1.575	1.443
16-20	-	-	-	-	-	<b>1.333</b>		
20-25	-	-	1.667	-	-	<b>1.450</b>		
25-35	-	1.310	1.596	-	-	<b>1.537</b>		
35+	-	1.226	1.700	2.448	-	<b>1.496</b>		
<b>Total</b>	<b>0.600</b>	<b>1.233</b>	<b>1.643</b>	<b>2.341</b>	-	<b>1.505</b>		

Age of Dwelling	All Density Types					
	< 1 BR	1 BR	2 BR	3/4 BR	5+ BR	Total
1-5	-	-	1.882	3.112	5.222	<b>3.190</b>
6-10	-	-	1.633	3.142	4.238	<b>3.107</b>
11-15	-	-	1.913	3.149	4.500	<b>3.176</b>
16-20	-	-	1.839	3.067	4.867	<b>3.085</b>
20-25	-	-	1.933	3.028	4.350	<b>2.958</b>
25-35	-	1.342	1.740	2.909	3.893	<b>2.718</b>
35+	-	1.297	1.877	2.708	3.809	<b>2.497</b>
<b>Total</b>	-	<b>1.299</b>	<b>1.840</b>	<b>2.909</b>	<b>4.230</b>	<b>2.776</b>

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

<sup>2</sup> Includes bachelor, 1 bedroom and 2 bedroom+ apartments.

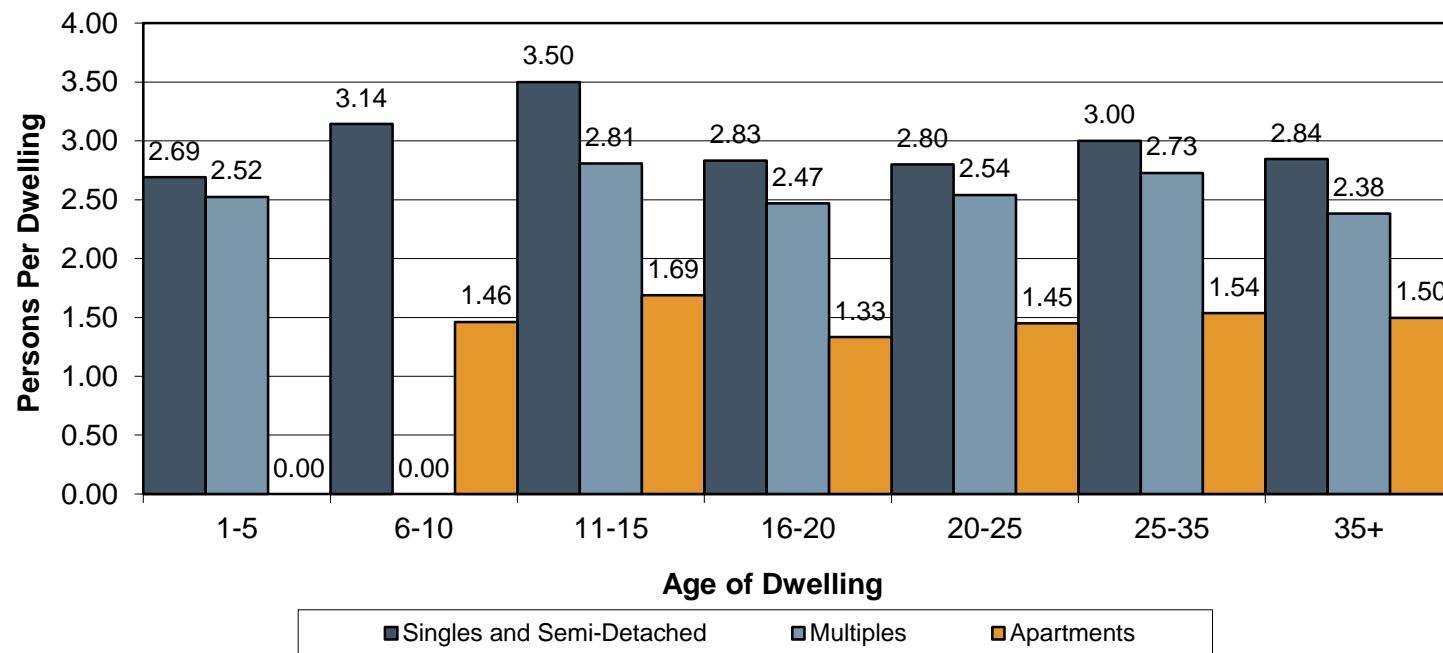
<sup>3</sup> PPU has been forecasted based on 2001 to 2016 historical trends.

*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 7**  
**Township of Melancthon**  
**Persons Per Unit By Structural Type and Age of Dwelling**  
**(2016 Census)**



Multiple and Apartment P.P.U.s are based on Dufferin County.



**Schedule 8a  
Township of Melancthon  
Employment Forecast, 2019 to 2031**

Period	Population	Activity Rate								Employment								Employment
		Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total	N.F.P.O.W. <sup>1</sup>	Total Including NFPOW	Primary	Work at Home	Industrial	Commercial/ Population Related	Institutional	Total	N.F.P.O.W. <sup>1</sup>	Total Employment (Including N.F.P.O.W.)	Total (Excluding Work at Home and N.F.P.O.W.)
Mid 2016	3,008	0.022	0.062	0.037	0.025	0.015	0.160	0.046	0.205	65	185	110	75	45	480	137	617	295
Mid 2019	3,077	0.022	0.062	0.037	0.025	0.015	0.160	0.046	0.205	66	189	113	77	46	491	140	631	302
Mid 2029	3,270	0.022	0.062	0.037	0.027	0.015	0.162	0.046	0.207	72	201	120	88	49	530	149	679	329
Mid 2031	3,308	0.022	0.062	0.037	0.027	0.015	0.163	0.046	0.208	73	203	121	91	49	537	151	688	334
<b>Incremental Change</b>																		
Mid 2016 - Mid 2019	69	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	1	4	3	2	1	11	3	14	7
Mid 2019 - Mid 2029	193	0.0005	0.0000	0.0000	0.0019	0.0000	0.0023	0.0000	0.0023	6	12	7	11	3	39	9	48	27
Mid 2019 - Mid 2031	231	0.0006	0.0000	0.0000	0.0025	0.0000	0.0031	0.0000	0.0031	7	14	8	14	3	46	11	57	32
<b>Annual Average</b>																		
Mid 2016 - Mid 2019	23	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0	1	1	1	0	4	1	5	2
Mid 2019 - Mid 2029	19	0.00005	0.00000	0.00000	0.00019	0.00000	0.00023	0.00000	0.00023	1	1	1	1	0	4	1	5	3
Mid 2019 - Mid 2031	19	0.00005	0.00000	0.00000	0.00021	0.00000	0.00026	0.00000	0.00026	1	1	1	1	0	4	1	5	3

Source: Watson & Associates Economists Ltd., 2019.

<sup>1</sup> Statistics Canada defines no fixed place of work (N.F.P.O.W.) employees as "persons who do not go from home to the same work place location at the beginning of each shift". Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc.

Note: The 2031 employment forecasted has been adjusted upwards from the Township of Melancthon Official Plan, Approved by the Ontario Municipal Board, September 5, 2017, taking into account the 2016 Census.



**Schedule 8b**  
**Township of Melancthon**  
**Employment & Gross Floor Area (G.F.A) Forecast, 2019 to 2031**

Period	Population	Employment					Gross Floor Area in Square Feet (Estimated) <sup>2</sup>			
		Primary	Industrial	Commercial/ Population Related	Institutional	Total	Industrial	Commercial/ Population Related	Institutional	Total
Mid 2016	3,008	65	110	75	45	295				
Mid 2019	3,077	66	113	77	46	302				
Mid 2029	3,270	72	120	88	49	329				
Mid 2031	3,308	73	121	91	49	334				
<b>Incremental Change</b>										
Mid 2016 - Mid 2019	69	1	3	2	1	7	6,000	1,200	900	8,100
Mid 2019 - Mid 2029	193	6	7	11	3	27	14,000	6,600	2,700	23,300
Mid 2019 - Mid 2031	231	7	8	14	3	32	16,000	8,400	2,700	27,100
<b>Annual Average</b>										
Mid 2016 - Mid 2019	23	0	1	1	0	2	2,000	400	300	2,700
Mid 2019 - Mid 2029	19	1	1	1	0	3	1,400	660	270	2,330
Mid 2019 - Mid 2031	19	1	1	1	0	3	1,333	700	225	2,258

Source: Watson & Associates Economists Ltd., 2019.

<sup>2</sup> Square Foot Per Employee Assumptions

Industrial 2,000

Commercial/ Population Related 600

Institutional 900

\* Reflects Mid 2019 to Mid 2031 forecast period

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



**Schedule 9**  
**Township of Melancthon**  
**Non-Residential Construction Value**  
**Years 2007 to 2016**  
**(000's 2018 \$)**

YEAR	Industrial				Commercial				Institutional				Total			
	New	Improve	Additions	Total	New	Improve	Additions	Total	New	Improve	Additions	Total	New	Improve	Additions	Total
2007	986	405	0	1,391	1,096	116	0	1,213	0	0	0	0	2,082	521	0	2,604
2008	22,102	23	0	22,125	171	0	0	171	0	0	0	0	22,273	23	0	22,296
2009	1,127	342	0	1,469	147	0	0	147	0	0	0	0	1,274	342	0	1,616
2010	1,768	174	0	1,942	268	0	0	268	0	0	0	0	2,036	174	0	2,210
2012	637	177	0	814	0	0	804	804	0	0	0	0	637	177	804	1,618
2013	4,592	471	0	5,063	0	168	0	168	0	26	0	26	4,592	666	0	5,258
2014	930	385	0	1,315	774	0	0	774	0	0	0	0	1,704	385	0	2,089
2015	1,582	115	0	1,698	396	63	0	459	0	0	0	0	1,978	178	0	2,157
2016	919	31	0	949	29	10	491	530	102	0	0	102	1,049	40	491	1,581
Subtotal	35,640	2,395	0	38,035	3,911	499	1,295	5,705	102	26	0	128	39,652	2,921	1,295	43,868
Percent of Total	94%	6%	0%	100%	69%	9%	23%	100%	79%	21%	0%	100%	90%	7%	3%	100%
<b>Average</b>	<b>3,564</b>	<b>240</b>	<b>#DIV/0!</b>	<b>3,803</b>	<b>489</b>	<b>100</b>	<b>648</b>	<b>571</b>	<b>102</b>	<b>26</b>	<b>#DIV/0!</b>	<b>64</b>	<b>3,965</b>	<b>292</b>	<b>648</b>	<b>4,387</b>
2007 - 2011 Period Total				28,196				2,970				0				31,166
<b>2007 - 2011 Average</b>				<b>5,639</b>				<b>594</b>				<b>0</b>				<b>6,233</b>
% Breakdown				90.5%				9.5%				0.0%				100.0%
2012 - 2016 Period Total				9,839				2,735				128				12,702
<b>2012 - 2016 Average</b>				<b>1,968</b>				<b>547</b>				<b>26</b>				<b>2,540</b>
% Breakdown				77.5%				21.5%				1.0%				100.0%
2007 - 2016 Period Total				38,035				5,705				128				43,868
<b>2007 - 2016 Average</b>				<b>3,803</b>				<b>571</b>				<b>13</b>				<b>4,387</b>
% Breakdown				86.7%				13.0%				0.3%				100.0%

Source: Statistics Canada Publication, 64-001-X1B

Note: Inflated to year-end 2017 (January, 2018) dollars using Reed Construction Cost Index



**Schedule 10**  
**Township of Melancthon**  
**Employment to Population Ratio by Major Employment Sector, 2016**

NAICS		Year	Comments
		2016	
Employment by industry			Categories which relate to local land-based resources
	<b><u>Primary Industry Employment</u></b>		
11	<i>Agriculture, forestry, fishing and hunting</i>	145	
21	<i>Mining and oil and gas extraction</i>	0	
Sub-total		145	
	<b><u>Industrial and Other Employment</u></b>		Categories which relate primarily to industrial land supply and demand
22	<i>Utilities</i>	25	
23	<i>Construction</i>	40	
31-33	<i>Manufacturing</i>	65	
41	<i>Wholesale trade</i>	20	
48-49	<i>Transportation and warehousing</i>	15	
56	<i>Administrative and support</i>	5	
Sub-total		170	
	<b><u>Population Related Employment</u></b>		Categories which relate primarily to population growth within the municipality
44-45	<i>Retail trade</i>	20	
51	<i>Information and cultural industries</i>	0	
52	<i>Finance and insurance</i>	0	
53	<i>Real estate and rental and leasing</i>	10	
54	<i>Professional, scientific and technical services</i>	10	
55	<i>Management of companies and enterprises</i>	0	
56	<i>Administrative and support</i>	5	
71	<i>Arts, entertainment and recreation</i>	40	
72	<i>Accommodation and food services</i>	0	
81	<i>Other services (except public administration)</i>	35	
Sub-total		120	
	<b><u>Institutional</u></b>		
61	<i>Educational services</i>	10	
62	<i>Health care and social assistance</i>	20	
91	<i>Public administration</i>	15	
Sub-total		45	
Total Employment		480	
Population		3,008	
<b><u>Employment to Population Ratio</u></b>			
Industrial and Other Employment		0.06	
Population Related Employment		0.04	
Institutional Employment		0.01	
Primary Industry Employment		0.05	
Total		0.16	

Source: Statistics Canada Employment by Place of Work

Note: 2006-2016 employment figures are classified by North American Industry Classification System (NAICS) Code





# 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	10 Year Average Service Standard					Maximum Ceiling LOS
		Cost (per capita)	Quantity (per capita)		Quality (per capita)		
Services Related to a Highway	Services Related to a Highway - Roads	\$27,996.40	0.0906	km of roadways	309,011	per lane km	6,467,168
	Services Related to a Highway - Bridges, Culverts & Structures	\$9,399.20	0.0174	Number of Bridges, Culverts & Structures	540,184	per item	2,171,215
	Services Related to a Highway - Facilities	\$945.37	5.2233	ft² of building area	181	per sq.ft.	218,380
	Services Related to a Highway - Vehicles and Equipment	\$833.70	0.0037	No. of vehicles and equipment	225,324	per vehicle	192,585
Fire	Fire Facilities	\$356.69	1.5783	ft² of building area	226	per sq.ft.	82,395
	Fire Vehicles	\$334.47	0.0015	No. of vehicles	222,980	per vehicle	77,263
	Fire Small Equipment and Gear	\$100.62	0.0069	No. of equipment and gear	14,583	per Firefighter	23,243
Police	Police Small Equipment and Gear	\$8.56	0.0010	No. of equipment and gear	8,560	per Officer	1,977
Parks	Parkland Development	\$42.92	0.0009	Acres of Parkland	47,689	per acre	8,284
Recreation	Indoor Recreation Facilities	\$1,732.25	8.0576	ft² of building area	215	per sq.ft.	334,324
Library	Library Facilities	\$76.26	0.2937	ft² of building area	260	per sq.ft.	14,718
	Library Collection Materials	\$65.05	2.1682	No. of library collection items	30	per collection item	12,555



**Township of Melancthon  
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 Value (\$/km)
Asphalt - Rural	67.02	67.02	67.02	67.02	67.02	67.02	67.02	67.02	67.02	67.02	\$427,000
Asphalt - Semi-Urban	8.76	8.76	8.76	8.76	8.76	8.76	8.76	8.76	8.76	8.76	\$420,000
Asphalt - Urban	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	1.31	\$444,000
Gravel - Rural	188.22	188.22	188.22	188.22	188.22	188.22	188.22	188.22	188.22	188.22	\$261,000
<b>Total</b>	<b>265.30</b>	<b>265.30</b>	<b>265.30</b>	<b>265.30</b>	<b>265.30</b>	<b>265.30</b>	<b>265.30</b>	<b>265.30</b>	<b>265.30</b>	<b>265.30</b>	

Population	2,875	2,849	2,839	2,863	2,894	2,931	2,968	3,008	3,030	3,052
Per Capita Standard	0.0923	0.0931	0.0934	0.0927	0.0917	0.0905	0.0894	0.0882	0.0876	0.0869

10 Year Average	2009-2018
Quantity Standard	0.0906
Quality Standard	\$309,011
Service Standard	\$27,996

D.C. Amount (before deductions)	13 Year
Forecast Population	231
\$ per Capita	\$27,996
Eligible Amount	\$6,467,168



**Township of Melancthon  
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 Value (\$/item)
Bridge/Structure	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	28.5	\$691,000
Culvert	22.0	22.0	22.0	22.0	22.0	22.0	22.0	22.0	22.0	22.0	\$353,000
Prefabricated Structure (50% Share)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	\$141,000
<b>Total</b>	<b>51.0</b>	<b>51.0</b>	<b>51.0</b>	<b>51.0</b>	<b>51.0</b>	<b>51.0</b>	<b>51.0</b>	<b>51.0</b>	<b>51.0</b>	<b>51.0</b>	

Population	2,875	2,849	2,839	2,863	2,894	2,931	2,968	3,008	3,030	3,052
Per Capita Standard	0.0177	0.0179	0.0180	0.0178	0.0176	0.0174	0.0172	0.0170	0.0168	0.0167

10 Year Average	2009-2018
Quantity Standard	0.0174
Quality Standard	\$540,184
Service Standard	\$9,399

D.C. Amount (before deductions)	13 Year
Forecast Population	231
\$ per Capita	\$9,399
Eligible Amount	\$2,171,215



**Township of Melancthon  
Service Standard Calculation Sheet**

Service: Services Related to a Highway - Facilities  
Unit Measure: ft<sup>2</sup> of building area

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Sand Storage Facility	4,736	4,736	4,736	4,736	4,736	4,736	4,736	4,736	4,736	4,736	\$170	\$191
Public Works Garage	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	\$170	\$191
Equipment Storage Facility	-	-	-	-	-	-	-	-	5,000	5,000	\$26	\$32
<b>Total</b>	<b>14,336</b>	<b>14,336</b>	<b>14,336</b>	<b>14,336</b>	<b>14,336</b>	<b>14,336</b>	<b>14,336</b>	<b>14,336</b>	<b>19,336</b>	<b>19,336</b>		

Population	2,875	2,849	2,839	2,863	2,894	2,931	2,968	3,008	3,030	3,052
Per Capita Standard	4.9864	5.0319	5.0497	5.0073	4.9537	4.8912	4.8302	4.7660	6.3815	6.3355

10 Year Average	2009-2018
Quantity Standard	5.2233
Quality Standard	\$181
Service Standard	\$945

D.C. Amount (before deductions)	13 Year
Forecast Population	231
\$ per Capita	\$945
Eligible Amount	\$218,380



**Township of Melancthon**  
**Service Standard Calculation Sheet**

Service: Services Related to a Highway - Vehicles and Equipment  
Unit Measure: No. of vehicles and equipment

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Value (\$/Vehicle)
Champion Grader	1	1	1	-	-	-	-	-	-	-	\$422,000
GMC Dump Truck	1	1	1	1	1	1	1	1	1	1	\$326,800
Freightliner Dump Truck	1	-	-	-	-	-	-	-	-	-	\$326,800
GMC Pickup	2	2	2	2	2	1	1	1	1	1	\$35,500
JBC Backhoe	1	1	1	1	1	1	1	1	1	1	\$258,000
Western Star Plow	1	1	1	1	1	1	1	1	1	1	\$326,800
Western Star Dump Truck	1	1	1	1	1	1	1	1	1	1	\$326,800
John Deer Grader	-	-	-	1	1	1	1	1	1	1	\$360,100
CAT Grader	1	1	1	1	1	1	1	1	1	1	\$360,100
Volvo vehicles	-	2	2	2	2	2	2	2	2	2	\$147,900
CAT Loader	1	1	1	1	1	1	1	1	1	1	\$99,800
Ford Pickup	-	-	-	-	-	-	-	1	1	1	\$40,800
<b>Total</b>	<b>10</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>10</b>	<b>10</b>	<b>11</b>	<b>11</b>	<b>11</b>	

Population	2,875	2,849	2,839	2,863	2,894	2,931	2,968	3,008	3,030	3,052
Per Capita Standard	0.0035	0.0039	0.0039	0.0038	0.0038	0.0034	0.0034	0.0037	0.0036	0.0036

10 Year Average	2009-2018
Quantity Standard	0.0037
Quality Standard	\$225,324
Service Standard	\$834

D.C. Amount (before deductions)	13 Year
Forecast Population	231
\$ per Capita	\$834
Eligible Amount	\$192,585



**Township of Melancthon  
Service Standard Calculation Sheet**

Service: Fire Facilities  
Unit Measure: ft² of building area

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Mulmur Melancthon (Honeywood) Fire Station (Melancthon portion)	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	\$186	\$218
Shelburne Fire Station (Melancthon portion)	843	843	843	1,114	1,114	1,114	1,075	1,047	1,051	1,026	\$229	\$268
Southgate (Dundalk) Fire Station (Melancthon portion)	242	242	242	242	242	242	242	242	242	242	\$138	\$163
<b>Total</b>	<b>4,461</b>	<b>4,461</b>	<b>4,461</b>	<b>4,731</b>	<b>4,731</b>	<b>4,731</b>	<b>4,692</b>	<b>4,664</b>	<b>4,669</b>	<b>4,643</b>		

Population	2,875	2,849	2,839	2,863	2,894	2,931	2,968	3,008	3,030	3,052
Per Capita Standard	1.5515	1.5657	1.5712	1.6525	1.6348	1.6141	1.5808	1.5505	1.5408	1.5212

10 Year Average	2009-2018
Quantity Standard	1.5783
Quality Standard	\$226
Service Standard	\$357

D.C. Amount (before deductions)	13 Year
Forecast Population	231
\$ per Capita	\$357
Eligible Amount	\$82,395



**Township of Melancthon  
Service Standard Calculation Sheet**

Service: Fire Vehicles  
Unit Measure: No. of vehicles

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Value (\$/Vehicle)
<b>Shelburne (Melancthon's portion):</b>											
Rescue Van (Town's Share) 2004 Oro Design Rescue 26	0.1591	0.1591	0.1591	0.1591	0.1591	0.1591	0.1535	0.1495	0.1502	0.1465	\$350,000
2018 Spartan MetroStar Pumper 24 (Town's Share)	0.1591	0.1591	0.1591	0.1591	0.1591	0.1591	0.1535	0.1495	0.1502	0.1465	\$550,000
1998 Fort Gary Pumper 27 (Town's Share)	0.1591	0.1591	0.1591	0.1591	0.1591	0.1591	0.1535	0.1495	0.1502	0.1465	\$550,000
2009 Seagrave Tanker 25 (Town's Share)	0.1591	0.1591	0.1591	0.1591	0.1591	0.1591	0.1535	0.1495	0.1502	0.1465	\$350,000
Training Maze (Town's Share)	0.1591	0.1591	0.1591	0.1591	0.1591	0.1591	0.1535	0.1495	0.1502	0.1465	\$2,800
Ford F-150 Command - Car 21 (Town's Share)	0.1591	0.1591	0.1591	0.1591	0.1591	0.1591	0.1535	0.1495	0.1502	0.1465	\$60,000
Ariel Truck (Town's Share) 2012 E-ONE HP1000 Aerial - Ladder 28	-	-	-	0.1591	0.1591	0.1591	0.1535	0.1495	0.1502	0.1465	\$1,000,000
<b>Mulmur Melancthon (Honeywood) Fire Vehicles (Melancthon's portion):</b>											
1999 Freightliner Pumper	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	\$430,000
2009 Spartan Rescue Pumper ZS4	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	\$430,000
1987 Ford Tanker	0.5000	0.5000	-	-	-	-	-	-	-	-	\$194,800
2005 International Tanker	-	-	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	\$194,800
2000 Ford F-350 Rescue	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	-	-	-	-	\$60,000
2000 Freightliner Command Rescue	-	-	-	-	-	-	0.5000	0.5000	0.5000	0.5000	\$60,000
2007 Trailer 20'	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	\$21,000
8 Wheeled Argo	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	\$10,200
<b>Southgate (Dundalk) (Melancthon's Portion)</b>											
Rescue Van	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	\$304,000
Pumper	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	\$396,000





Service: Fire Vehicles  
Unit Measure: No. of vehicles

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Value (\$/Vehicle)
Tanker	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	\$303,000
Pumper	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	0.0552	\$588,000
<b>Total</b>	<b>4.1754</b>	<b>4.1754</b>	<b>4.1754</b>	<b>4.3345</b>	<b>4.3345</b>	<b>4.3345</b>	<b>4.2953</b>	<b>4.2673</b>	<b>4.2722</b>	<b>4.2463</b>	

Population	2,875	2,849	2,839	2,863	2,894	2,931	2,968	3,008	3,030	3,052
Per Capita Standard	0.0015	0.0015	0.0015	0.0015	0.0015	0.0015	0.0014	0.0014	0.0014	0.0014

10 Year Average	2009-2018
Quantity Standard	0.0015
Quality Standard	\$222,980
Service Standard	\$334

D.C. Amount (before deductions)	13 Year
Forecast Population	231
\$ per Capita	\$334
Eligible Amount	\$77,263



**Township of Melancthon  
Service Standard Calculation Sheet**

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

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Value (\$/item)
Mulmur Melancthon (Honeywood) Fire Fighters (Melancthon's portion)	11.00	11.00	11.00	11.50	11.50	13.00	12.50	12.00	12.00	10.50	\$7,500
Mulmur Melancthon (Honeywood) Small Equipment (Melancthon's portion)	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	\$164,125
Shelburne Firefighters and Small Equipment (Melancthon's portion)	4.77	4.77	4.77	4.77	4.77	4.77	4.61	4.49	4.51	4.40	\$21,300
Southgate (Melancthon's Portion):											
Fire Fighter Equipment	1.49	1.49	1.49	1.49	1.55	1.55	1.55	1.55	1.55	1.55	\$6,700
Hurst Auto Extractor	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	\$15,900
S.C.B.A.'s	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	\$9,300
Defibrillators	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	\$9,300
Trunk Radios	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	0.11	\$6,700
Portable Pumps	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	\$8,400
Ram Kits	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	\$8,900
AirBags	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	\$9,700
TMX Gas Detectors	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	\$6,000
Mt. Forest Firefighters (Southgate Share)	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	\$6,700
Durham Firefighters (Southgate Share)	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	\$6,700
Thermal Imaging Camera	-	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	\$12,400
<b>Total</b>	<b>19.59</b>	<b>19.65</b>	<b>19.65</b>	<b>20.15</b>	<b>20.20</b>	<b>21.70</b>	<b>21.04</b>	<b>20.42</b>	<b>20.44</b>	<b>18.83</b>	

Population	2,875	2,849	2,839	2,863	2,894	2,931	2,968	3,008	3,030	3,052
Per Capita Standard	0.0068	0.0069	0.0069	0.0070	0.0070	0.0074	0.0071	0.0068	0.0067	0.0062

10 Year Average	2009-2018
Quantity Standard	0.0069
Quality Standard	\$14,583
Service Standard	\$101

D.C. Amount (before deductions)	13 Year
Forecast Population	231
\$ per Capita	\$101
Eligible Amount	\$23,243



**Township of Melancthon  
Service Standard Calculation Sheet**

Service: Police Small Equipment and Gear  
Unit Measure: No. of equipment and gear

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Value (\$/item)
Equipped Officers - O.P.P.	2.35	2.49	2.49	2.49	2.49	3.28	3.28	3.62	3.45	3.49	\$8,555
<b>Total</b>	<b>2.35</b>	<b>2.49</b>	<b>2.49</b>	<b>2.49</b>	<b>2.49</b>	<b>3.28</b>	<b>3.28</b>	<b>3.62</b>	<b>3.45</b>	<b>3.49</b>	

Population	2,875	2,849	2,839	2,863	2,894	2,931	2,968	3,008	3,030	3,052
Per Capita Standard	0.0008	0.0009	0.0009	0.0009	0.0009	0.0011	0.0011	0.0012	0.0011	0.0011

10 Year Average	2009-2018
Quantity Standard	0.0010
Quality Standard	\$8,560
Service Standard	\$9

D.C. Amount (before deductions)	13 Year
Forecast Population	231
\$ per Capita	\$9
Eligible Amount	\$1,977



**Township of Melancthon  
Service Standard Calculation Sheet**

Service: Parkland Development  
Unit Measure: Acres of Parkland

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Value (\$/Acre)
Horning Mills Park	2.47	2.47	2.47	2.47	2.47	2.47	2.47	2.47	2.47	2.47	\$50,900
<b>Total</b>	<b>2.47</b>	<b>2.47</b>	<b>2.47</b>	<b>2.47</b>	<b>2.47</b>	<b>2.47</b>	<b>2.47</b>	<b>2.47</b>	<b>2.47</b>	<b>2.47</b>	

Population	2,875	2,849	2,839	2,863	2,894	2,931	2,968	3,008	3,030	3,052
Per Capita Standard	0.0009	0.0009	0.0009	0.0009	0.0009	0.0008	0.0008	0.0008	0.0008	0.0008

10 Year Average	2009-2018
Quantity Standard	0.0009
Quality Standard	\$47,689
Service Standard	\$43

D.C. Amount (before deductions)	10 Year
Forecast Population	193
\$ per Capita	\$43
Eligible Amount	\$8,284



**Township of Melancthon  
Service Standard Calculation Sheet**

Service: Indoor Recreation Facilities  
Unit Measure: ft² of building area

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Centre Dufferin Recreation Complex (15% Melancthon portion)	4,660	4,660	4,660	5,958	5,958	5,958	5,958	5,958	5,958	5,958	\$248	\$277
Southgate Dundalk Community Centre (10% Melancthon portion)	3,052	3,052	3,052	3,052	3,052	3,052	3,052	3,052	3,052	3,052	\$162	\$182
Horning Mills Hall	3,240	3,240	3,240	3,240	3,240	3,240	3,240	3,240	3,240	3,240	\$173	\$194
North Dufferin Community Centre - Mulmur/Melancthon Area - Arena	11,750	11,750	11,750	11,750	11,750	11,750	11,750	11,750	11,750	11,750	\$178	\$200
<b>Total</b>	<b>22,703</b>	<b>22,703</b>	<b>22,703</b>	<b>24,000</b>	<b>24,000</b>	<b>24,000</b>	<b>24,000</b>	<b>24,000</b>	<b>24,000</b>	<b>24,000</b>		

Population	2,875	2,849	2,839	2,863	2,894	2,931	2,968	3,008	3,030	3,052
Per Capita Standard	7.8966	7.9687	7.9967	8.3829	8.2931	8.1884	8.0863	7.9788	7.9209	7.8638

10 Year Average	2009-2018
Quantity Standard	8.0576
Quality Standard	\$215
Service Standard	\$1,732

D.C. Amount (before deductions)	10 Year
Forecast Population	193
\$ per Capita	\$1,732
Eligible Amount	\$334,324



**Township of Melancthon  
Service Standard Calculation Sheet**

Service: Library Facilities  
Unit Measure: ft² of building area

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Bld'g Value (\$/sq.ft.)	Value/sq.ft. with land, site works, etc.
Shelburne Library (Melancthon portion 15.6%)	780	780	780	780	780	705	639	670	718	653	\$229	\$280
The Ruth Hargrave Memorial Library (Southgate/Dundalk) (Melancthon portion 4.08%)	131	131	131	131	131	131	131	131	131	131	\$118	\$146
<b>Total</b>	<b>911</b>	<b>911</b>	<b>911</b>	<b>911</b>	<b>911</b>	<b>836</b>	<b>770</b>	<b>801</b>	<b>849</b>	<b>784</b>		

Population	2,875	2,849	2,839	2,863	2,894	2,931	2,968	3,008	3,030	3,052
Per Capita Standard	0.3167	0.3196	0.3207	0.3180	0.3146	0.2851	0.2593	0.2661	0.2800	0.2567

10 Year Average	2009-2018
Quantity Standard	0.2937
Quality Standard	\$260
Service Standard	\$76

D.C. Amount (before deductions)	10 Year
Forecast Population	193
\$ per Capita	\$76
Eligible Amount	\$14,718



**Township of Melancthon  
Service Standard Calculation Sheet**

Service: Library Collection Materials  
Unit Measure: No. of library collection items

Description	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Value (\$/item)
Circulation Books & Periodicals (Melancthon's Share)	5,511	5,769	6,623	6,570	6,926	5,872	6,144	6,102	7,471	6,568	\$30
<b>Total</b>	<b>5,511</b>	<b>5,769</b>	<b>6,623</b>	<b>6,570</b>	<b>6,926</b>	<b>5,872</b>	<b>6,144</b>	<b>6,102</b>	<b>7,471</b>	<b>6,568</b>	

Population	2,875	2,849	2,839	2,863	2,894	2,931	2,968	3,008	3,030	3,052
Per Capita Standard	1.92	2.02	2.33	2.29	2.39	2.00	2.07	2.03	2.47	2.15

10 Year Average	2009-2018
Quantity Standard	2.1682
Quality Standard	\$30
Service Standard	\$65

D.C. Amount (before deductions)	10 Year
Forecast Population	193
\$ per Capita	\$65
Eligible Amount	\$12,555



# Appendix C

## Long-Term Capital and Operating Cost Examination





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

## Township of Melancthon Annual Capital and Operating Cost Impact

As a requirement of the D.C.A. under subsection 10 (2) (c), an analysis must be undertaken to assess the long-term capital and operating cost impacts for the capital infrastructure projects identified within the D.C. As part of this analysis, it was deemed necessary to isolate the incremental operating expenditures directly associated with these capital projects, factor in cost saving attributable to economies of scale or cost sharing where applicable and prorate the cost on a per unit basis (i.e. sq.ft. of building space, per vehicle, etc.). This was undertaken through a review of the Township's approved 2017 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 life cycle cost. By definition, life cycle 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 life cycle 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:

Asset	Lifecycle Cost Factors	
	Average Useful Life	Factor
Roads	25	0.03122
Bridges, Culverts & Structures	50	0.01182
Vehicles	12	0.07456
Fire & Police Equipment	7	0.13451
Parkland	30	0.02465
Parkland Amenities	15	0.05783
Library Materials	10	0.09133
Facilities	50	0.01182



Table C-1 depicts the annual operating impact resulting from the proposed gross capital projects at the time they are all in place. It is important to note that, while Township program expenditures will increase with growth in population, the costs associated with the new infrastructure (i.e. facilities) would be delayed until the time these works are in place.



Table C-1  
Township of Melancthon  
Operating and Capital Expenditure Impacts for Future Capital Expenditures

SERVICE	GROSS COST LESS BENEFIT TO EXISTING	ANNUAL LIFECYCLE EXPENDITURES	ANNUAL OPERATING EXPENDITURES	TOTAL ANNUAL EXPENDITURES
<b>1. Services Related to a Highway</b>				
1.1 Roads, Bridges, Culverts & Structures	145,610	20,280	51,687	71,967
1.2 Vehicles and Equipment	175,000	18,603	62,119	80,722
<b>2. Fire Protection Services</b>				
2.1 Fire facilities, vehicles & equipment	301,787	22,463	12,443	34,906
<b>3. Police Services</b>				
3.1 Small equipment and gear	1,958	2,808	32,383	35,191
<b>4. Outdoor Recreation Services</b>				
4.1 Parkland development, amenities & trails	13,253	1,790	57	1,847
<b>5. Indoor Recreation Services</b>				
5.1 Recreation facilities	457,257	31,334	1,674	33,008
<b>6. Library Services</b>				
6.1 Library facilities	14,000	730	-	730
6.2 Library materials	35,008	7,710	-	7,710
<b>7. Administration</b>				
7.1 Studies - Essential Services	78,400		-	-
7.2 Studies - Community Based Services	157,800		-	-
<b>Total</b>	<b>1,380,073</b>	<b>105,718</b>	<b>160,364</b>	<b>266,082</b>



# Appendix D

## D.C. Reserve Fund Policy



# Appendix D: D.C. Reserve Fund Policy

## D.1 Legislative Requirements

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

- A municipality shall establish a reserve fund for each service to which the D.C. by-law relates; subsection 7 (1), however, allows services to be grouped into categories of services for reserve fund (and credit) purposes, although only 100% eligible and 90% eligible services may be combined (minimum of two reserve funds).
- The municipality shall pay each development charge 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) 2-8).
- Money may be borrowed from the fund but must be paid back with interest (O.Reg. 82/98, subsection 11 (1) defines this as Bank of Canada rate either on the day the by-law comes into force or, if specified in the by-law, the first business day of each quarter).
- D.C. reserve funds may not be consolidated with other municipal reserve funds for investment purposes and may only be as an interim financing source for capital undertakings for which development charges 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. The D.C.A. does not prescribe how the statement is to be made available to the public. We would recommend that a resolution of Council make the statement available on the municipality’s website or upon request.

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

- opening balance;



- closing balance;
- description of each service and/or service category for which the reserve fund was established (including a list of services within a service category);
- transactions for the year (e.g. collections, draws) including each assets capital costs to be funded from the D.C. reserve fund and the manner for funding the capital costs not funded under the D.C. by-law (i.e. non-D.C. recoverable cost share and post-period D.C. recoverable cost share);
- for projects financed by development charges, the amount spent on the project from the D.C. reserve fund and the amount and source of any other monies spent on the project.
- amounts borrowed, purpose of the borrowing and interest accrued during previous year;
- amount and source of money used by the municipality to repay municipal obligations to the D.C. reserve fund;
- list of credits by service or service category (outstanding at beginning of the year, given in the year and outstanding at the end of the year by holder);
- for credits granted under section 14 of the previous D.C.A., a schedule identifying the value of credits recognized by the municipality, the service to which it applies and the source of funding used to finance the credit; 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.

Based upon the above, Figure 1, and Attachments 1 and 2, set out the format for which annual reporting to Council should be provided.

## **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 8 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 development charge may be spent.



Figure D-1  
Township of Melancthon  
Annual Treasurer's Statement of Development Charge Reserve Funds

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

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

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

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

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 Charges Act* or another Act.



Attachment 1  
Township of Melancthon  
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					
<b>Services Related to a Highway</b>											
Capital Cost A											
Capital Cost B											
Capital Cost C											
<b>Sub-Total - Services Related to a Highway</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Fire Protection Services</b>											
Capital Cost D											
Capital Cost E											
Capital Cost F											
<b>Sub-Total - Fire Protection Services</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Library Services</b>											
Capital Cost G											
Capital Cost H											
Capital Cost I											
<b>Sub-Total - Library Services</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>





Attachment 2  
Township of Melancthon  
Statement of Credit Holder Transactions

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



# Appendix E

## Asset Management Plan



## Appendix E: Asset Management Plan

The recent changes to the 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:

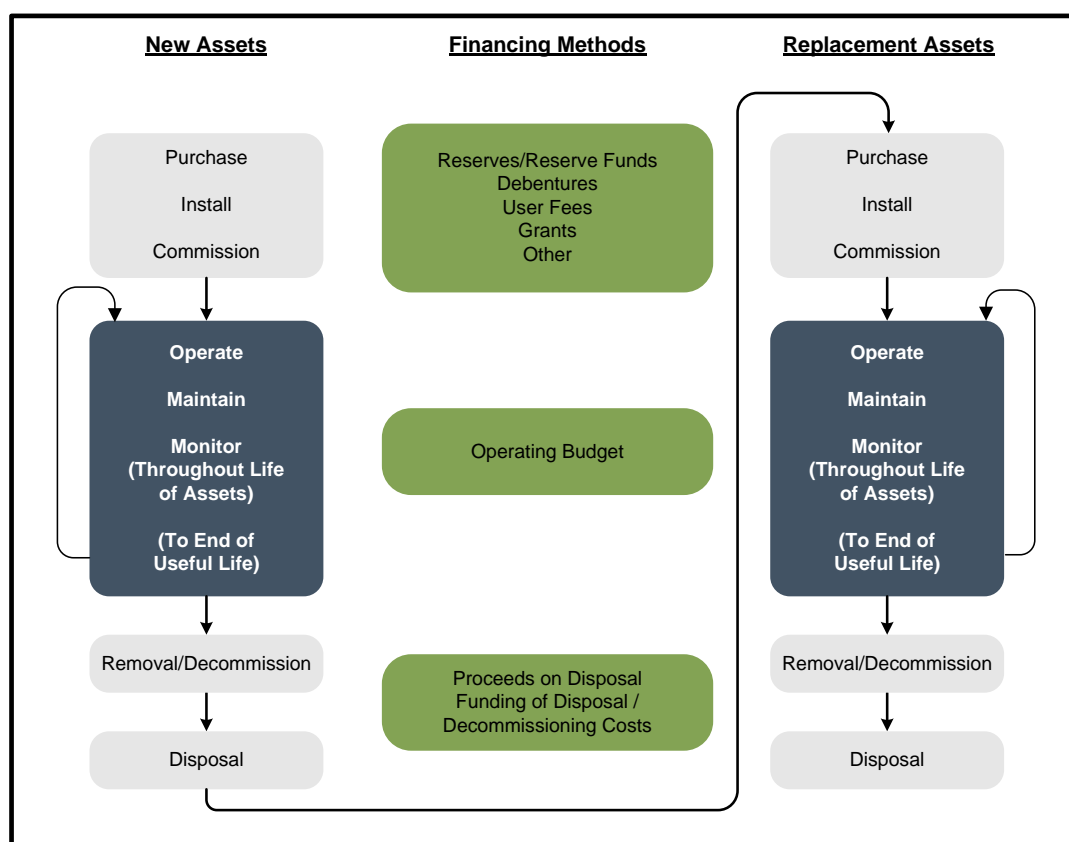
“The asset management plan shall,

- (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 for 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 within the background study.

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

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



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

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

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

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

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



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

Commensurate with the above, the Township prepared an A.M.P. in 2017 for its existing assets however, did not take into account future growth-related assets. As a result, the asset management requirement for the D.C. must be undertaken in the absence of this information.

In recognition to the schematic above, the following table (presented in 2019 \$) 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 Township's A.M.P., the present infrastructure gap and associated funding plan have not been considered at this time. Hence the following does not represent a fiscal impact assessment (including future tax/rate increases) but provides insight into the potential affordability of the new assets:

1. The non-D.C. recoverable portion of the projects which 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 2019 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 \$396,368.
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 \$172,100. This amount, totalled with the existing operating revenues of \$3.91 million, provide annual revenues of \$4.08 million by the end of the period.
6. In consideration of the above, the capital plan is deemed to be financially sustainable.



Township of Melancthon  
Asset Management – Future Expenditures and Associated Revenues  
2019\$

	Sub-Total	2031 (Total)
<b>Expenditures (Annualized)</b>		
Annual Debt Payment on Non-Growth Related Capital <sup>1</sup>		105,152
Annual Debt Payment on Post Period Capital <sup>2</sup>		13,951
<b>Lifecycle:</b>		
Annual Lifecycle - Town Wide Services	\$130,852	
<b>Sub-Total - Annual Lifecycle</b>	\$130,852	\$130,852
<b>Incremental Operating Costs (for D.C. Services)</b>		\$160,364
<b>Total Expenditures</b>		<b>\$396,368</b>
<b>Revenue (Annualized)</b>		
Total Existing Revenue <sup>3</sup>		\$3,910,735
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)		\$172,100
<b>Total Revenues</b>		<b>\$4,082,835</b>

<sup>1</sup> Non-Growth Related component of Projects including 10% mandatory deduction on soft services

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

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



# Appendix F

## Proposed D.C. By-law



# Appendix F: Proposed D.C. By-law

## THE CORPORATION OF THE TOWNSHIP OF MELANCTHON

### By-law Number 2019-\_\_

#### **BEING A BY-LAW to establish development charges for the Township of Melancthon and to repeal Development Charge By-law Number 2014-42.**

**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 June 14, 2019 (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 18, 2019 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, 2019, and copies of the Study and this proposed development charge by-law were made available to the public not later than June 14, 2019 in accordance with subsection 12(1) of the Act;

**AND WHEREAS** a public meeting was held on July 18, 2019 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 meeting was 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 Corporation of the Township of Melancthon by its Council enacts the following:

**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 valid Farm Business Registration Number issued by the Ontario Ministry of Agriculture, Food and Rural Affairs. Agricultural use does not include an on-farm diversified use;
- (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;
- (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) “on-farm diversified use” means a use, occurring entirely and exclusively within a detached building that is secondary and subordinate to the active and principle agricultural use occurring on a property. Such uses shall be integrated within a farm cluster of buildings which must include a dwelling, and may include, but are not limited to, uses that produce value added agricultural products or provide a service that is supportive of regional agri-business.
- (cc) “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;
- (dd) “Official Plan” means the Official Plan adopted for the municipality, as amended and approved;
- (ee) “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;
- (ff) “*Planning Act*” means the *Planning Act*, R.S.O. 1990, c. P.13, as amended



or any successor thereto;

- (gg) “rate” means the interest rate established weekly by the Bank of Canada based on Treasury Bills having a term of 91 days;
- (hh) “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;
- (ii) “regulation” means any regulation made under the Act;
- (jj) “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;
- (kk) “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;
- (ll) “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;
- (mm) “service” means a service designed in Schedule “A” to this By-law, and “services” shall have a corresponding meaning;
- (nn) “Single detached dwelling” means a completely detached building containing only one dwelling unit;
- (oo) “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;

- (pp) “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) Services Related to a Highway;
- g) Administration Studies – Essential Services; and
- h) Administration Studies – Community Based Services.

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).

### **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.

### 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 dwelling or an on-farm diversified use”

### **Amount of Charges**

#### **Residential Uses**

3.10 The development charges set out in Schedules B-1 and B-2 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 Schedules B-1 and B-2 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 Schedules B-1 and B-2 to this by-law shall be imposed on wind turbines with respect to services related to a highway 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.

### **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-1-	Schedule of Development Charges for “Hard Services”
Schedule B-2 -	Schedule of Development Charges for “Soft Services”



## **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 August \_\_, 2019.

## **10. DATE BY-LAW EXPIRES**

- 10.1 This By-law will expire at 12:01 AM on August \_\_, 2023 unless it is repealed by Council at an earlier date.

## **11. EXISTING BY-LAW REPEALED**

- 11.1 By-law Number 2014-22 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 xx DAY OF AUGUST, 2019.**

**READ A THIRD TIME AND FINALLY PASSED THIS xx DAY OF AUGUST, 2019.**

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**MAYOR**

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**CLERK**



## **Schedule “A”**

### **Township of Melancthon Components of Service**

- 1.0 Services Related to a Highway
- 2.0 Fire Protection Services
- 3.0 Police Services
- 4.0 Administration Studies – Essential Services
- 5.0 Indoor Recreation Services
- 6.0 Outdoor Recreation Services
- 7.0 Library Services
- 8.0 Administration Studies – Community Based Services



**Schedule “B-1”**  
**Township of Melancthon**  
**Schedule of Residential and Non-Residential Development Charges for “Hard Services”**

Service	RESIDENTIAL				NON-RESIDENTIAL	Wind Turbines
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per sq.ft. of Gross Floor Area)	
<b>Municipal Wide "Hard Services":</b>						
Services Related to a Highway	1,895	913	656	1,483	1.43	1,895
Fire Protection Services	1,080	521	374	845	0.80	1,080
Police Services	12	6	4	9	0.01	-
Administration - Studies - Community Based Services	999	482	346	782	0.73	-
<b>Total Municipal Wide "Hard Services"</b>	<b>3,986</b>	<b>1,922</b>	<b>1,380</b>	<b>3,119</b>	<b>2.97</b>	<b>2,975</b>

**Schedule “B-2”**  
**Township of Melancthon**  
**Schedule of Residential and Non-Residential Development Charges for “Soft Services”**

Service	RESIDENTIAL				NON-RESIDENTIAL	Wind Turbines
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per sq.ft. of Gross Floor Area)	
<b>Municipal Wide "Soft Services":</b>						
Outdoor Recreation Services	56	27	19	44	0.02	-
Indoor Recreation Services	2,156	1,039	747	1,687	0.60	-
Library Services	172	83	60	135	0.05	-
Administration - Studies - Essential Services	514	248	178	402	0.38	-
<b>Total Municipal Wide "Soft Services"</b>	<b>2,898</b>	<b>1,397</b>	<b>1,004</b>	<b>2,268</b>	<b>1.05</b>	<b>-</b>



**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**

**By-law Number 31-2019**

**BEING A BY-LAW to establish development charges for the Township of Melancthon and to repeal Development Charge By-law Number 2014-42.**

**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 June 14, 2019 (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 18, 2019 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, 2019, and copies of the Study and this proposed development charge by-law were made available to the public not later than June 14, 2019 in accordance with subsection 12(1) of the Act;

**AND WHEREAS** a public meeting was held on July 18, 2019 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 meeting was 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 Corporation of the Township of Melancthon by its Council enacts the following:

**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;
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- (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 the growing of crops, including nursery, biomass, and horticultural crops; raising of livestock; raising of other animals for food, fur or fibre, including poultry and fish; aquaculture; apiaries; agro-forestry, maple syrup production; and associated on-farm buildings and structures, including but not limited to livestock facilities and manure storages, excluding
- i. Residential uses;
  - ii. On-farm diversified uses;
  - iii. Cannabis Production Facilities;
  - iv. Greenhouse.
- (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) "Cannabis" means:
- i. A Cannabis plant;
  - ii. Any part of a cannabis plant, including the phytocannabinoids produced by, or found in, such a plant, regardless of whether that part has been processed or not;
  - iii. any substance or mixture of substances that contains or has on it any part of such a plant; and
  - iv. any substance that is identical to any phytocannabinoid produced by,
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or found in, such a plant, regardless of how the substance was obtained.

- (l) "Cannabis Plant" means a plant that belongs to the genus "Cannabis".
  - (m) "Cannabis Facilities" means a Building, or part thereof, designed, used, or intended to be used for one or more of the following: cultivation, growing propagation, production, processing, harvesting, testing, alteration, destruction, storage, packaging, shipment or distribution of cannabis where a licence, permit or authorization has been issued under applicable federal law but does not include a Building or part thereof solely designed, used, or intended to be used for retail sales of cannabis.
  - (n) "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;
  - (o) "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;
  - (p) "Council" means the Council of the Township of Melancthon;
  - (q) "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
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thereof, and includes redevelopment;

- (r) "development charge" means a charge imposed pursuant to this By-law;
  - (s) "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;
  - (t) "*Education Act*" means the *Education Act*, R.S.O. 1990, c. E.2, as amended or any successor thereto;
  - (u) "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;
  - (v) "grade" means the average level of finished ground adjoining a building or structure at all exterior walls;
  - (w) "greenhouse" means the use of a building or structure for the growing of such items as flowers, bushes, shrubs, trees, plants, fruits, vegetables and other types of nursery stock for wholesale or retail purposes. Such use may also include the retail sale of greenhouse products customarily, incidental, subordinate and exclusively, devoted to the principal use, located on the same lot therein. A retail space accessory to a greenhouse shall have a maximum retail floor area of 75 square metres.
  - (x) "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
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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;

- (y) "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;
  - (z) "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;
  - (aa) "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;
  - (bb) "mixed use" means land, buildings or structures used, or designed or intended for use, for a combination of residential and non-residential uses;
  - (cc) "multiple dwellings" means all dwellings other than single-detached, semi-detached and apartment unit dwellings;
  - (dd) "municipality" (or the "Township") means The Corporation of the Township of Melancthon;
  - (ee) "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;
  - (ff) "on-farm diversified use" means a use, occurring entirely and exclusively within a detached building that is secondary and subordinate to the active and principle agricultural use occurring on a property. Such uses shall be integrated within a farm cluster of buildings which must include a dwelling, and may include, but are not limited to, uses that produce value added agricultural products or provide a service that is supportive of regional agri-business.
  - (gg) "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;
  - (hh) "Official Plan" means the Official Plan adopted for the municipality, as amended and approved;
  - (ii) "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
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portions of such building or structure used for any commercial use, including but not limited to daycare facilities;

- (jj) "*Planning Act*" means the *Planning Act*, R.S.O. 1990, c. P.13, as amended or any successor thereto;
  - (kk) "rate" means the interest rate established weekly by the Bank of Canada based on Treasury Bills having a term of 91 days;
  - (ll) "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;
  - (mm) "regulation" means any regulation made under the Act;
  - (nn) "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;
  - (oo) "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;
  - (pp) "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;
  - (qq) "service" means a service designed in Schedule "A" to this By-law, and "services" shall have a corresponding meaning;
  - (rr) "Single detached dwelling" means a completely detached building containing only one dwelling unit;
  - (ss) "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;
  - (tt) "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;
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## **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) Policing Services;
- d) Indoor Recreation Services;
- e) Outdoor Recreation Services;
- f) Services Related to a Highway;
- g) Administration Studies – Engineering & Protection Services; and
- h) Administration Studies – Community Based Services.

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).

### **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:

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- (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.

### **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 dwelling", an "on-farm diversified use" or a "cannabis production facility".

### **Amount of Charges**

#### **Residential Uses**

3.10 The development charges set out in Schedules B-1 and B-2 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 Schedules B-1 and B-2 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

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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 Schedules B-1 and B-2 to this by-law shall be imposed on wind turbines with respect to services related to a highway 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.

## **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-1- Schedule of Development Charges for Engineering & Protection Services

Schedule B-2 - Schedule of Development Charges for Community Based Services

## **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 August 16, 2019.

## **10. DATE BY-LAW EXPIRES**

- 10.1 This By-law will expire at 12:01 AM on August 15, 2024 unless it is repealed by Council at an earlier date.

## **11. EXISTING BY-LAW REPEALED**

- 11.1 By-law Number 2014-42 is hereby repealed as of the date and time of this By-law coming into effect.
-

**12.0 SHORT TITLE**

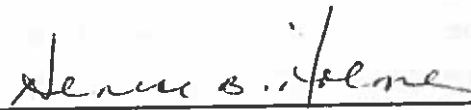
12.1 This By-law may be referred to as the "Development Charges By-law".

**READ A FIRST AND SECOND TIME THIS 15<sup>TH</sup> DAY OF AUGUST, 2019.**

**READ A THIRD TIME AND FINALLY PASSED THIS 15TH DAY OF AUGUST, 2019.**



**MAYOR**



**CLERK**

**Schedule "A"**

**Township of Melancthon  
Components of Service**

- 1.0 Services Related to a Highway
  - 2.0 Fire Protection Services
  - 3.0 Policing Services
  - 4.0 Administration Studies – Engineering & Protection Services
  - 5.0 Indoor Recreation Services
  - 6.0 Outdoor Recreation Services
  - 7.0 Library Services
  - 8.0 Administration Studies – Community Based Services
-

**Schedule "B-1"**  
**Township of Melancthon**

**Schedule of Residential and Non-Residential Development Charges for Engineering & Protection Services**

Service	RESIDENTIAL				NON-RESIDENTIAL	Wind Turbines
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per sq.ft. of Gross Floor Area)	
<b>Municipal Wide Engineering &amp; Protection Services:</b>						
Services Related to a Highway	1,895	913	656	1,483	1.43	1,895
Fire Protection Services	1,080	521	374	845	0.80	1,080
Policing Services	12	6	4	9	0.01	-
Administration - Studies - Engineering & Protection Services	514	248	178	402	0.38	-
<b>Total Municipal Wide Engineering &amp; Protection Services</b>	<b>3,501</b>	<b>1,688</b>	<b>1,212</b>	<b>2,739</b>	<b>2.62</b>	<b>2,975</b>

**Schedule "B-2"**  
**Township of Melancthon**

**Schedule of Residential and Non-Residential Development Charges for Community Based Services**

Service	RESIDENTIAL				NON-RESIDENTIAL	Wind Turbines
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per sq.ft. of Gross Floor Area)	
<b>Municipal Wide Community Based Services</b>						
Outdoor Recreation Services	56	27	19	44	0.02	-
Indoor Recreation Services	2,156	1,039	747	1,687	0.60	-
Library Services	172	83	60	135	0.05	-
Administration - Studies - Community Based Services	999	482	346	782	0.73	-
<b>Total Municipal Wide Community Based Services</b>	<b>3,383</b>	<b>1,631</b>	<b>1,172</b>	<b>2,648</b>	<b>1.40</b>	<b>-</b>