

**THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
 AGENDA OF SPECIAL COUNCIL MEETING – NOVEMBER 30, 2021 AT 2:00 P.M.
 VIA WEB CONFERENCING**

HOW TO JOIN

Join from a PC, Mac, iPad, iPhone or Android device:

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Or join by phone:

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Webinar ID: 869 9451 8669

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	PAGE NUMBER
CALLING TO ORDER	
ADOPTION OF THE AGENDA	
Recommendation: <i>THAT the Agenda for the November 30, 2021 Special Meeting of Council be accepted and passed.</i>	
DISCLOSURE OF PECUNIARY INTEREST	
PRESENTATIONS	
John Murphy, Municipal Finance Specialist, DFA Infrastructure International Inc. Derek Ali, President, DFA Infrastructure International Inc. <ul style="list-style-type: none"> • 2021 Development Charges Background Study & By-law Review 	001
CONFIRMING BY-LAW	034
Recommendation: <i>THAT By-law Number 110-21 being a By-law to Confirm the Proceedings of the Council of the Corporation of the Township of Wellington North at its Special Meeting held on November 30, 2021 be read a First, Second and Third time and enacted.</i>	
ADJOURNMENT	
Recommendation: <i>THAT the Special Council meeting of November 30, 2021 be adjourned at _____:_____ p.m.</i>	

The following accessibility services can be made available to residents upon request with two weeks' notice:

**Sign Language Services – Canadian Hearing Society – 1-877-347-3427
 - Kitchener location – 1-855-656-3748**

TTY: 1-877-843-0368 Documents in alternate forms CNIB – 1-800-563-2642

Township of Wellington-North

2021 Development Charges Background Study & By-Law Review

Development Charges Stakeholder Meeting

November 30 2021



Objectives of Today's Meeting:

- Provide background on Development Charges
- Present Draft Study & By-Law
- Seek input from Attendees

Agenda

Part 1:

- Background on DCs
- Services Included
- Projected Growth
- Historical Service Levels
- Net Capital to be Recovered
- Proposed Development Charges
- Comparison with Other Municipalities

Part 2:

- Discuss Policies & Rules

What are Development Charges?

- Development charges - levied against new development to recover the *net capital costs* required to service anticipated growth
- Principle behind DCs - *“growth pays for growth”* where growth does not place an undue burden on existing taxpayers
- Development charges *do not*:
 - Pay for operating costs
 - Recover costs for local services (works internal to a subdivision)
 - Pay for asset replacement

Requirement for Imposing Development Charges

- Municipalities are given the authority under the *Development Charges Act, 1997* and *O.Reg. 82/98*
- The Act requires that the following steps be taken to impose a development charge:
 - Prepare a Background Study
 - Hold at least one public meeting
 - Pass a DC by-law (DC by-laws are valid for 5 years with current DC by-law expiring on June 16, 2023)

Need to Pass New DC By-Law Before Expiry Date

- Reflect recent amendments to the *Development Charge Act* made through the *More Homes, More Choice Act*, and *COVID-19 Economic Recovery Act*, including:
 - Changes to the DC recoverable costs (i.e. removal of the 10% statutory deductions and updates to capital cost estimates);
 - Changes to statutory exemptions; and
 - Changes to the interest rate applied to installment payments and charges determined at the time application for Site Plan or Zoning By-law Amendment is made.

Main Components of a DC Background Study

- Development Forecast (What is the anticipated growth?)
- Historic Service Levels (What is the current level of service provided?)
- Capital Program (What services are required to support the anticipated growth?)
- DC related polices (How does Council want to see the by-law applied?)

Services Included

Services Included in DC Calculations

- Administrative Services
 - Studies
- Roads & Related Services
 - Roads
 - Sidewalks & Streetlights
 - Bridges & Culverts
 - Facilities
 - Vehicles & Equipment
 - Stormwater (Drainage)
- Park Services
 - Parkland Development
 - Parkland Amenities
 - Parkland Paths & Trails
 - Vehicles & Equipment
- By-Law Enforcement
 - Vehicles
- Recreation Services
 - Recreation Facilities
- Fire Protection Services
 - Facilities
 - Vehicles
 - Equipment
- Water Services
 - Treatment
 - Storage & Distribution
- Wastewater Services
 - Treatment
 - Collection

Growth – Residential

Geographical Area	10-Year Development Charges Study Period (2021-2030)	Beyond 10 Years (2031-2041)	Total to Build Out (2021-2041)	% of Total
Arthur - Urban Area ¹	622	878	1,500	34%
Mount Forest - Urban Area ¹	1,306	1,448	2,754	63%
Outside Urban Area ¹	196	(48)	149	3%
Total Population Increase	2,124	2,279	4,403	100%

1. Wellington North Community Growth Plan 2018 Table 3

Growth – New Units

Dwelling Type	Persons Per Unit (PPU) ¹	10-Year Development Charges Study Period (2021-2030)		Beyond 10 Years (2031-2041)		Total to Build Out (2021-2041)	
		No. of Units	Population Growth	No. of Units	Population Growth	No. of Units	Population Growth
Single Detached & Semis	3.19	540	1,724	592	1,887	1,132	3,611
Multiples	2.52	115	289	129	324	243	613
Apartments	1.79	138	247	138	247	276	494
<i>Population Increase in New Units (GROSS)</i>		793	2,261	858	2,458	1,651	4,718
<i>Decline In Population²</i>			(137)		(179)		(315)
<i>Total Population Increase (NET)</i>			2,124		2,279		4,403

Growth – New Units (Urban Area)

Growth Item	Persons Per Unit (PPU) ¹	Inside Urban Area - Arthur & Mount Forest	
		Units	Population
Single Detached & Semis	3.19	1,054	3,363
Multiples	2.52	219	552
Apartments	1.79	253	453
Population Growth (Gross)		1,526	4,367
Population Decline			(113)
Population Growth (Net)			4,254

Growth - Municipal Wide Employment

Employment Sector	10-Year Development Charges Study Period (2021-2030)	Beyond 10 Years (2031-2041)	Total to Build Out (2021-2041)
<u>Population</u>			
Industrial Employment	289	163	452
Commercial Employment	507	373	880
Institutional Employment	71	56	127
Total Employment Population Increase	867	591	1,459
<u>¹Gross Floor Area (ft²)</u>			
Industrial Employment	404,880	227,920	632,800
Commercial Employment	253,700	186,300	440,000
Institutional Employment	49,560	39,200	88,760
Total GFA Increase (ft²)	708,140	453,420	1,161,560

1. Based on GFA Per Employee from 2016 Wellington County DC Study, Table 9-b. (1400 ft² industrial; 700 ft² institutional; 500 ft² commercial)

Growth – Urban Area Employment

Employment Sector	Total to Build Out Urban Areas (2021-2041)
<u>Population</u>	
Industrial Employment	434
Commercial Employment	845
Institutional Employment	122
<i>Total Employment Population Increase</i>	1,400
<u>Gross Floor Area (ft²)</u>	
Industrial Employment	607,488
Commercial Employment	422,400
Institutional Employment	85,210
<i>Total GFA Increase (ft²)</i>	1,115,098

Historical Service Levels

Service	10 Year Historical Average Service Level Per Capita	Population Used
Administration - Studies	N/A	N/A
Parks Services	\$ 781.07	Residential
Recreation Services	\$ 2,934.66	Residential
By-Law Enforcement	\$ 0.51	Residential and Employment
Fire Protection Services	\$ 693.26	Residential and Employment
Roads and Related	\$ 20,389.10	Residential and Employment
Water Services	N/A	N/A
Wastewater Services	N/A	N/A

Capital Costs (Gross)

Service	Gross Cost	Period
Municipal Wide Services		
Administration - Studies	\$ 175,000	2021 - 2030
Parks Services	\$ 2,155,000	2021 - 2030
Recreation Services	\$ 4,035,441	2021 - 2030
By-Law Enforcement	\$ 10,000	2021 - 2030
Fire Protection Services	\$ 2,100,000	2021 - 2030
Roads and Related	\$ 16,580,860	2021 - 2041
Total Municipal Wide Services	\$ 25,056,301	
Urban Services		
Water Services	\$ 18,010,836	2021 - 2041
Wastewater Services	\$ 25,554,557	2021 - 2041
Total Urban Services	\$ 43,565,393	
Total	\$ 68,621,693	

Net Capital Costs to be Recovered

Service	Net Capital Needs to be Recovered	Residential Share	Non-Residential Share	Basis for Allocation
Municipal Wide Services				
Administration - Studies	\$ 86,558	\$ 62,555	\$ 24,003	% of Population and Employment Growth
Parks Services	\$ 472,543	\$ 448,916	\$ 23,627	95% residential - 5% non residential
Recreation Services	\$ 1,154,387	\$ 1,096,667	\$ 57,719	95% residential - 5% non residential
By-Law Enforcement	\$ 1,300	\$ 940	\$ 360	% of Population and Employment Growth
Fire Protection Services	\$ 88,794	\$ 64,171	\$ 24,623	% of Population and Employment Growth
Roads and Related	\$ 4,610,885	\$ 3,332,258	\$ 1,278,627	% of Population and Employment Growth
Total Municipal Wide Services	\$ 6,414,467	\$ 5,005,506	\$ 1,408,960	
Urban Services				
Water Services	\$ 6,478,070	\$ 4,905,127	\$ 1,572,943	% of Population and Employment Growth
Wastewater Services	\$ 19,921,553	\$ 15,084,391	\$ 4,837,162	% of Population and Employment Growth
Total Urban Services	\$ 26,399,624	\$ 19,990,457	\$ 6,410,466	
Total Adjustments	\$ 32,814,090	\$ 24,995,963	\$ 7,819,427	

Persons per Unit

Type of Dwelling Unit	Occupancy - Persons per Unit (PPU)
Single Detached & Semi- Detached	3.19
Apartments – 2 or More Bedrooms	2.07
Apartments – Bachelor & 1 Bedroom	1.51
Other Multiples	2.52

Draft DCs - Residential

Service	RESIDENTIAL			
	Single/Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments-Bachelor and 1 bedroom	Other Multiples
Municipal Wide Services				
Administration - Studies	\$ 87.77	\$ 56.96	\$ 41.55	\$ 69.34
Parks Services	\$ 630.11	\$ 408.88	\$ 298.26	\$ 497.76
Recreation Services	\$ 1,557.31	\$ 1,010.54	\$ 737.16	\$ 1,230.23
By-Law Enforcement	\$ 1.35	\$ 0.88	\$ 0.64	\$ 1.07
Fire Protection Services	\$ 86.81	\$ 56.33	\$ 41.09	\$ 68.58
Roads and Related	\$ 2,277.58	\$ 1,477.93	\$ 1,078.10	\$ 1,078.10
Total Municipal Wide Services	\$ 4,640.93	\$ 3,011.51	\$ 2,196.80	\$ 2,945.08
Urban Services				
Wastewater Services	\$ 11,174.93	\$ 7,251.44	\$ 5,289.70	\$ 8,827.85
Water Services	\$ 3,610.15	\$ 2,342.63	\$ 1,708.88	\$ 2,851.90
Total Urban Services	\$ 14,785.08	\$ 9,594.08	\$ 6,998.58	\$ 11,679.75
GRAND TOTAL RURAL AREA	\$ 4,640.93	\$ 3,011.51	\$ 2,196.80	\$ 2,945.08
GRAND TOTAL URBAN AREA	\$ 19,426.01	\$ 12,605.59	\$ 9,195.38	\$ 14,624.82

Draft DCs – Non - Residential

Service	NON-RESIDENTIAL			
	Commercial/ Institutional (per ft ² of Gross Floor Area)	Industrial		
		Industrial (per ft ² of Gross Floor Area)	Warehouse (per ft ² of Gross Floor Area)	Wind Turbine
Municipal Wide Services				
Administration - Studies	\$ 0.03	\$ 0.02	\$ 0.01	\$ 87.77
Parks Services	\$ 0.03	\$ 0.02	\$ 0.01	\$ 630.11
Recreation Services	\$ 0.08	\$ 0.04	\$ 0.02	\$ 1,557.31
By-Law Enforcement	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1.35
Fire Protection Services	\$ 0.03	\$ 0.02	\$ 0.01	\$ 86.81
Roads and Related	\$ 1.11	\$ 0.55	\$ 0.28	\$ 2,277.58
Total Municipal Wide Services	\$ 1.29	\$ 0.64	\$ 0.32	\$ 4,640.93
Urban Services				
Wastewater Services	\$ 4.37	\$ 2.19	\$ 1.09	\$ -
Water Services	\$ 1.41	\$ 0.71	\$ 0.35	\$ -
Total Urban Services	\$ 5.78	\$ 2.89	\$ 1.45	\$ -
GRAND TOTAL RURAL AREA	\$ 1.29	\$ 0.64	\$ 0.32	\$ 4,640.93
GRAND TOTAL URBAN AREA	\$ 7.07	\$ 3.54	\$ 1.77	\$ 4,640.93

Comparison with Existing DC Rates

Service	RESIDENTIAL			
	Single/ Semi- Detached Dwelling	Apartments - 2 Bedrooms +	Apartments- Bachelor and 1 bedroom	Other Multiples
EXISTING CHARGES				
Total Municipal Wide Services	\$ 3,073.18	\$ 1,994.00	\$ 1,454.69	\$ 1,930.67
Total Urban Services	\$ 15,936.64	\$ 10,341.33	\$ 7,543.68	\$ 12,589.45
GRAND TOTAL URBAN AREA	\$ 19,009.82	\$ 12,335.33	\$ 8,998.37	\$ 14,520.12
CALCULATED CHARGES				
Total Municipal Wide Services	\$ 4,640.93	\$ 3,011.51	\$ 2,196.80	\$ 2,945.08
Total Urban Services	\$ 14,785.08	\$ 9,594.08	\$ 6,998.58	\$ 11,679.75
GRAND TOTAL URBAN AREA	\$ 19,426.01	\$ 12,605.59	\$ 9,195.38	\$ 14,624.82
DIFFERENCE				
Total Municipal Wide Services	\$ 1,567.75	\$ 1,017.51	\$ 742.11	\$ 1,014.41
Total Urban Services	\$ (1,151.56)	\$ (747.25)	\$ (545.10)	\$ (909.70)
GRAND TOTAL URBAN AREA	\$ 416.19	\$ 270.26	\$ 197.01	\$ 104.70

Comparison with Existing DC Rates

Service	NON-RESIDENTIAL			
	Commercial/ Institutional (per ft ² of Gross Floor Area)	Industrial (per ft ² of Gross Floor Area)	Warehouse (per ft ² of Gross Floor Area)	Wind Turbine
EXISTING CHARGES				
Total Municipal Wide Services	\$ 0.78	\$ 0.40	\$ 0.20	\$ 3,073
Total Urban Services	\$ 6.72	\$ 3.34	\$ 1.69	\$ -
GRAND TOTAL URBAN AREA	\$ 7.50	\$ 3.74	\$ 1.89	\$ 3,073
CALCULATED CHARGES				
Total Municipal Wide Services	\$ 1.29	\$ 0.64	\$ 0.32	\$ 4,641
Total Urban Services	\$ 5.78	\$ 2.89	\$ 1.45	\$ -
GRAND TOTAL URBAN AREA	\$ 7.07	\$ 3.54	\$ 1.77	\$ 4,641
DIFFERENCE				
Total Municipal Wide Services	\$ 0.51	\$ 0.24	\$ 0.12	\$ 1,568
Total Urban Services	\$ (0.94)	\$ (0.45)	\$ (0.24)	\$ -
GRAND TOTAL URBAN AREA	\$ (0.43)	\$ (0.20)	\$ (0.12)	\$ 1,567.75

Residential Comparison

(single family) –urban area

Municipality	County Charge (County Wide)	Local Charge (Municipal Wide)	Municipal Wide Sub-total	Local Urban Service Charge (W&WW)	Total Urban DC Charge (Including County)
Wellington North (Current)	\$ 5,529	\$ 3,073	\$ 8,602	\$ 15,937	\$ 24,539
Wellington North (Proposed)	\$ 5,529	\$ 4,641	\$ 10,170	\$ 14,785	\$ 24,955
Average	\$ 3,677	\$ 7,819	\$ 11,496	\$ 7,943	\$ 19,439
Erin	\$ 5,529	\$ 18,238	\$ 23,767	\$ 20,238	\$ 44,005
Centre Wellington	\$ 5,529	\$ 15,492	\$ 21,021	\$ 9,853	\$ 30,874
Mapleton	\$ 5,529	\$ 4,913	\$ 10,442	\$ 8,493	\$ 18,935
Minto	\$ 5,529	\$ 3,667	\$ 9,196	\$ 5,639	\$ 14,835
West Grey	\$ 7,524	\$ 3,250	\$ 10,774	\$ -	\$ 10,774
Southgate	\$ 7,524	\$ 6,272	\$ 13,796	\$ 15,388	\$ 29,184
Grey Highlands	\$ -	\$ 5,051	\$ 5,051	\$ 11,551	\$ 16,602
South Huron	\$ -	\$ 2,801	\$ 2,801	\$ 1,444	\$ 4,245
Goderich	\$ -	\$ 2,577	\$ 2,577	\$ 617	\$ 3,194
South Bruce	\$ -	\$ 1,963	\$ 1,963	\$ 5,921	\$ 7,884
Shelburne	\$ 3,579	\$ 12,241	\$ 15,820	\$ 11,455	\$ 27,275
Amaranth	\$ 3,579	\$ 8,805	\$ 12,384	\$ -	\$ 12,384
Grand Valley	\$ 3,579	\$ 12,415	\$ 15,994	\$ 20,607	\$ 36,601
East Garafraxa	\$ 3,579	\$ 11,777	\$ 15,356	\$ -	\$ 15,356

Non-Residential Comparison

(per square foot) – Urban Area

Municipality	County Charge (County Wide)	Local Charge (Municipal Wide)	Municipal Wide Sub-total	Local Urban Service Charge (W&WW)	Total Urban DC Charge (Including County)
Wellington North (Current)	\$ 1.60	\$ 0.78	\$ 2.38	\$ 6.72	\$ 9.10
Wellington North (Proposed)	\$ 1.60	\$ 1.29	\$ 2.89	\$ 5.78	\$ 8.67
Average	\$ 0.72	\$ 2.66	\$ 3.38	\$ 3.37	\$ 6.75
Erin	\$ 1.60	\$ 7.95	\$ 9.55	\$ 6.83	\$ 16.38
Centre Wellington	\$ 1.60	\$ 4.72	\$ 6.32	\$ 3.53	\$ 9.85
Mapleton	\$ 1.60	\$ 1.53	\$ 3.13	\$ 2.62	\$ 5.75
Minto	\$ 1.60	\$ 1.57	\$ 3.17	\$ 2.40	\$ 5.57
West Grey	\$ -	\$ 3.34	\$ 3.34	\$ -	\$ 3.34
Southgate	\$ -	\$ 2.96	\$ 2.96	\$ 9.03	\$ 11.99
Grey Highlands	\$ -	\$ 2.29	\$ 2.29	\$ 4.99	\$ 7.28
South Huron	\$ -	\$ 0.55	\$ 0.55	\$ 0.44	\$ 0.99
Goderich	\$ -	\$ 0.50	\$ 0.50	\$ 0.07	\$ 0.57
South Bruce	\$ -	\$ 1.17	\$ 1.17	\$ 3.59	\$ 4.76
Shelburne	\$ 0.91	\$ 1.61	\$ 2.52	\$ 4.83	\$ 7.34
Amaranth	\$ 0.91	\$ 1.34	\$ 2.25	\$ -	\$ 2.25
Grand Valley	\$ 0.91	\$ 4.13	\$ 5.04	\$ 8.87	\$ 13.91
East Garafraxa	\$ 0.91	\$ 3.58	\$ 4.49	\$ -	\$ 4.49

Policies & Rules Discussion

Current Rules

Industrial & Warehouses – (current)

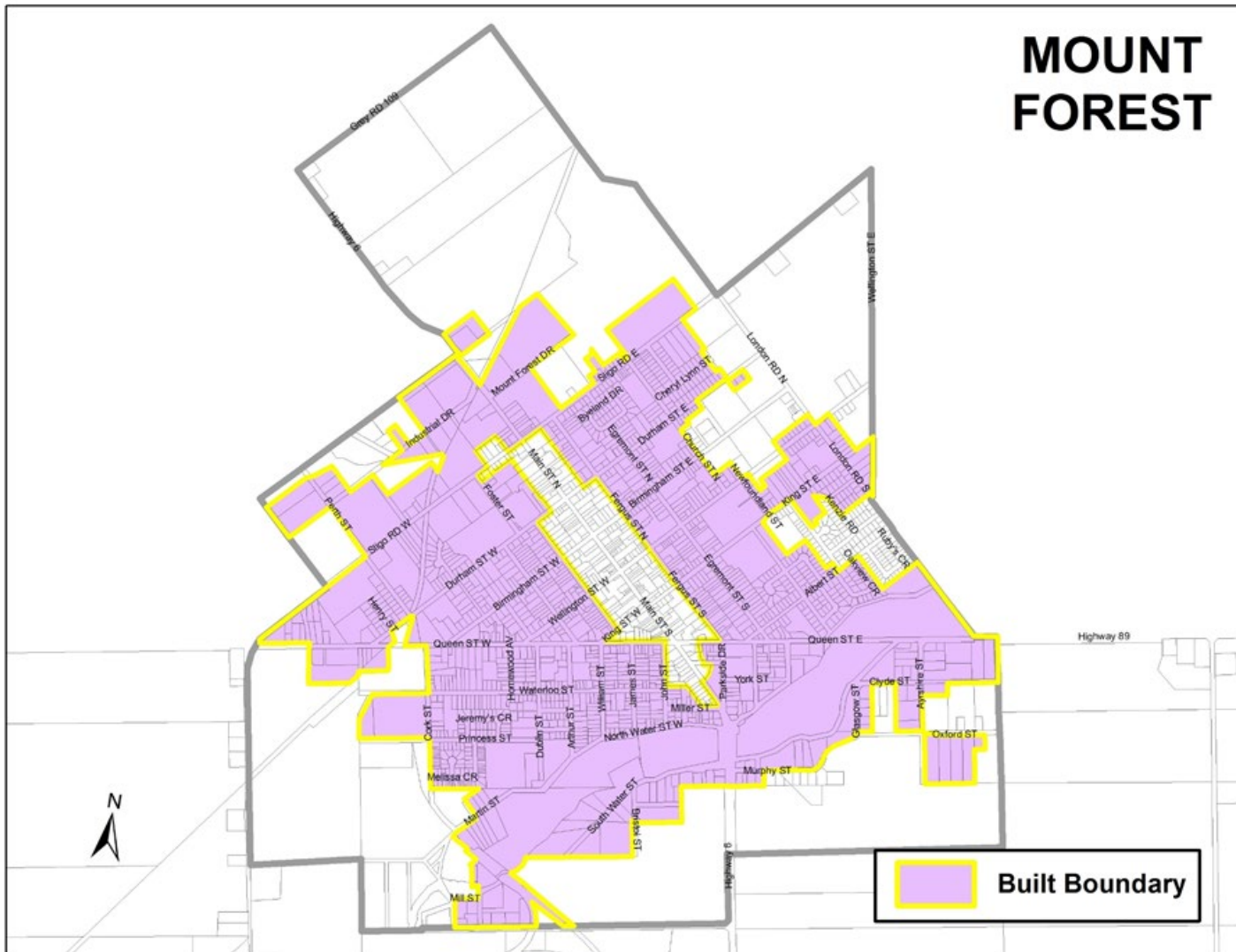
- Industrial DC = 50% of Commercial/ Institutional DC
- Warehouse DC = 25% of Commercial/ Institutional DC

Current Rules

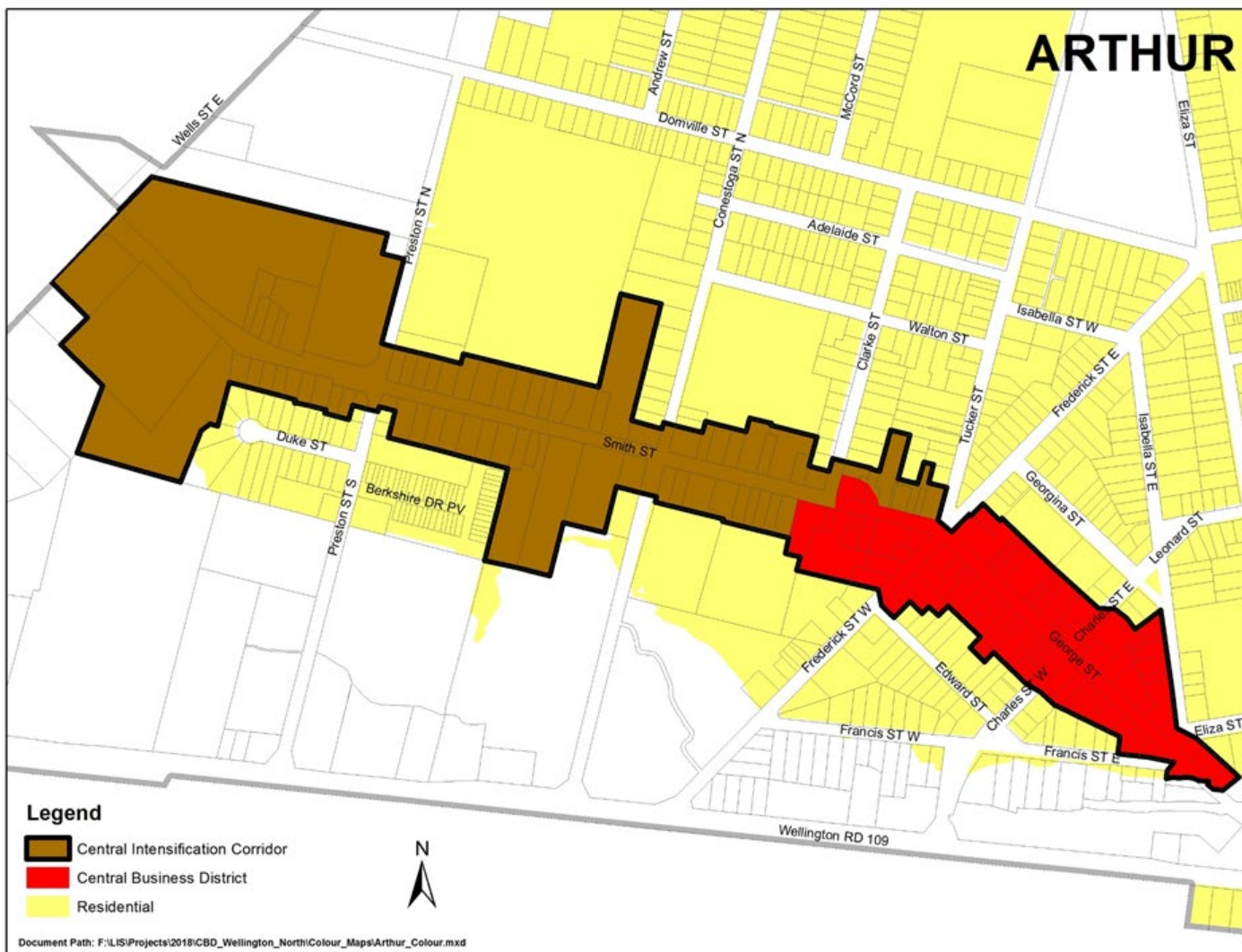
Build Boundary and Central Business District Reductions

- Development occurring within the Built Boundary shall have their development charges reduced by 10%
- Development occurring within the Central Business District shall have their development charges reduced by 25%

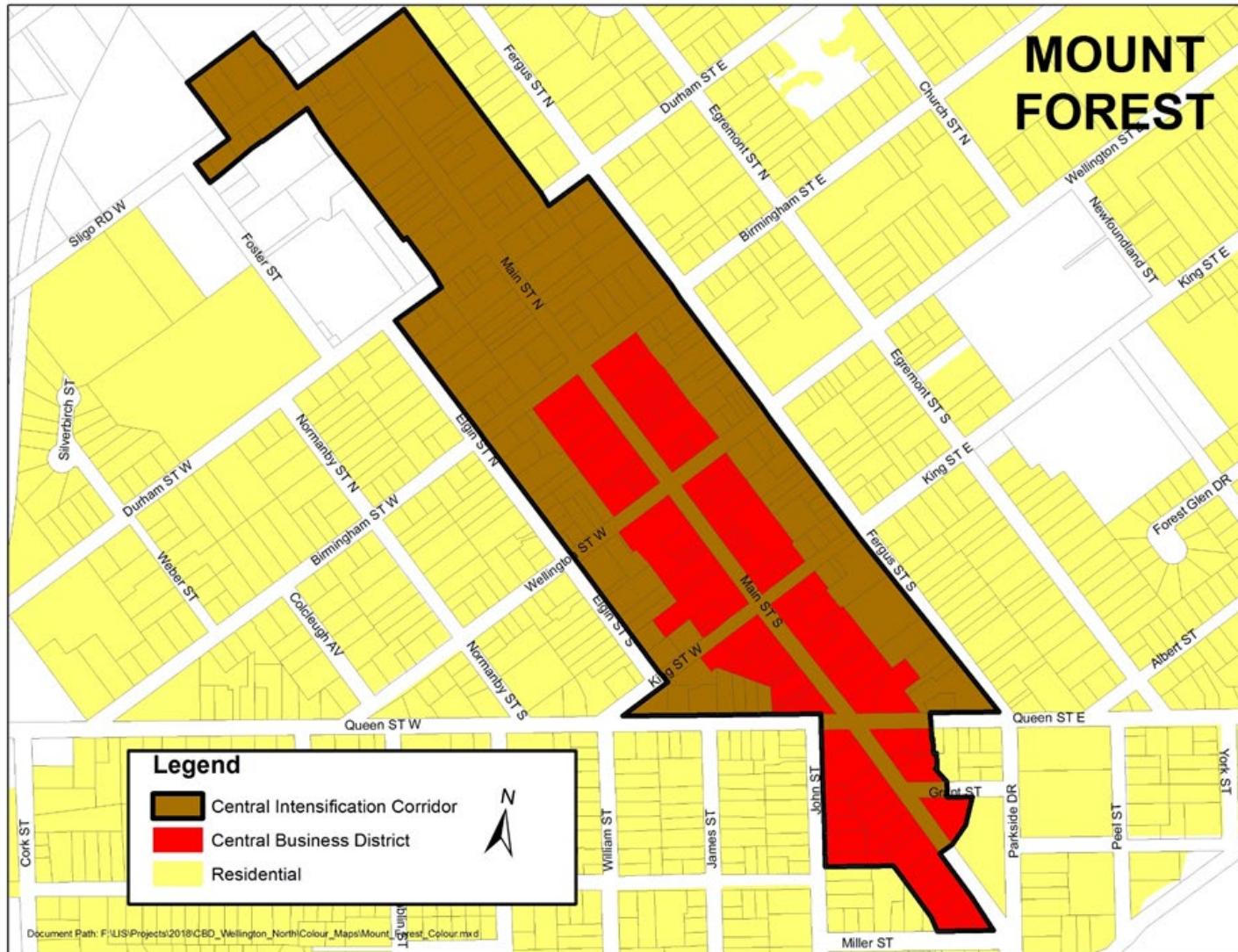
Built Boundary (Mount Forest)



Central Intensification Corridor(Arthur)



Central Intensification Corridor(Mount Forest)



Current Rules

Purpose Built Rental Housing

- “means a residential use building or structure that consists of four (4) or more dwelling units that will remain as rental housing for a period of at least 20 years from the issuance of a building permit”
- Development that meets the definition of purpose-built rental housing may receive an additional 25% reduction in their development charge

DISCUSSION

Township of Wellington-North

THANK YOU FOR ATTENDING

Development Charges Stakeholder Meeting



**THE CORPORATION OF THE
TOWNSHIP OF WELLINGTON NORTH**

BY-LAW NUMBER 110-21

**BEING A BY-LAW TO CONFIRM THE PROCEEDINGS OF THE
COUNCIL OF THE CORPORATION OF THE TOWNSHIP OF
WELLINGTON NORTH AT ITS SPECIAL MEETING HELD ON
NOVEMBER 30, 2021**

WHEREAS Section 5 of the Municipal Act, S.O. 2001 c.25 (hereinafter called "the Act") provides that the powers of a Municipal Corporation shall be exercised by its Council;

AND WHEREAS Section 5(3) of the Act states, a municipal power, including a municipality's capacity, rights, powers and privileges under Section 9, shall be exercised by by-law, unless the municipality is specifically authorized to do otherwise;

NOW THEREFORE the Council of The Corporation of the Township of Wellington North hereby **ENACTS AS FOLLOWS**:

1. The action of the Council of the Corporation of the Township of Wellington North taken at its meeting held on November 30, 2021 in respect of each motion and resolution passed and other action taken by the Council of the Corporation of the Township of Wellington North at its meeting, is hereby adopted and confirmed as if all such proceedings were expressly embodied in this By-law.
2. That the Mayor and the proper officials of the Corporation of the Township of Wellington North are hereby authorized and directed to do all things necessary to give effect to the action of the Council of the Corporation of the Township of Wellington North referred to in the proceeding section hereof.
3. The Mayor and the Clerk are authorized and directed to execute all documents necessary in that behalf and to affix thereto the Seal of the Corporation of the Township of Wellington North.

**READ A FIRST, SECOND AND THIRD TIME AND FINALLY PASSED
THIS 30TH DAY OF NOVEMBER, 2021.**

ANDREW LENNOX, MAYOR

KARREN WALLACE, CLERK