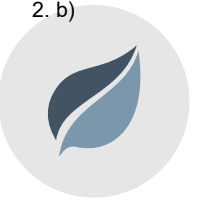




Township of Selwyn Development Charges Background Study

Public Meeting
June 27, 2023



Public Meeting Purpose

- This meeting is a mandatory requirement under the *Development Charges Act, 1997*, as amended (D.C.A.)
- Prior to Council's consideration of a by-law, a background study must be prepared and made available to the public a minimum of 2 weeks prior to a public meeting and provided on the Township's website 60 days prior to by-law passage
- Purpose of the public meeting is to provide for a review of the development charges (D.C.) study and to receive public input on the proposed policies and charges

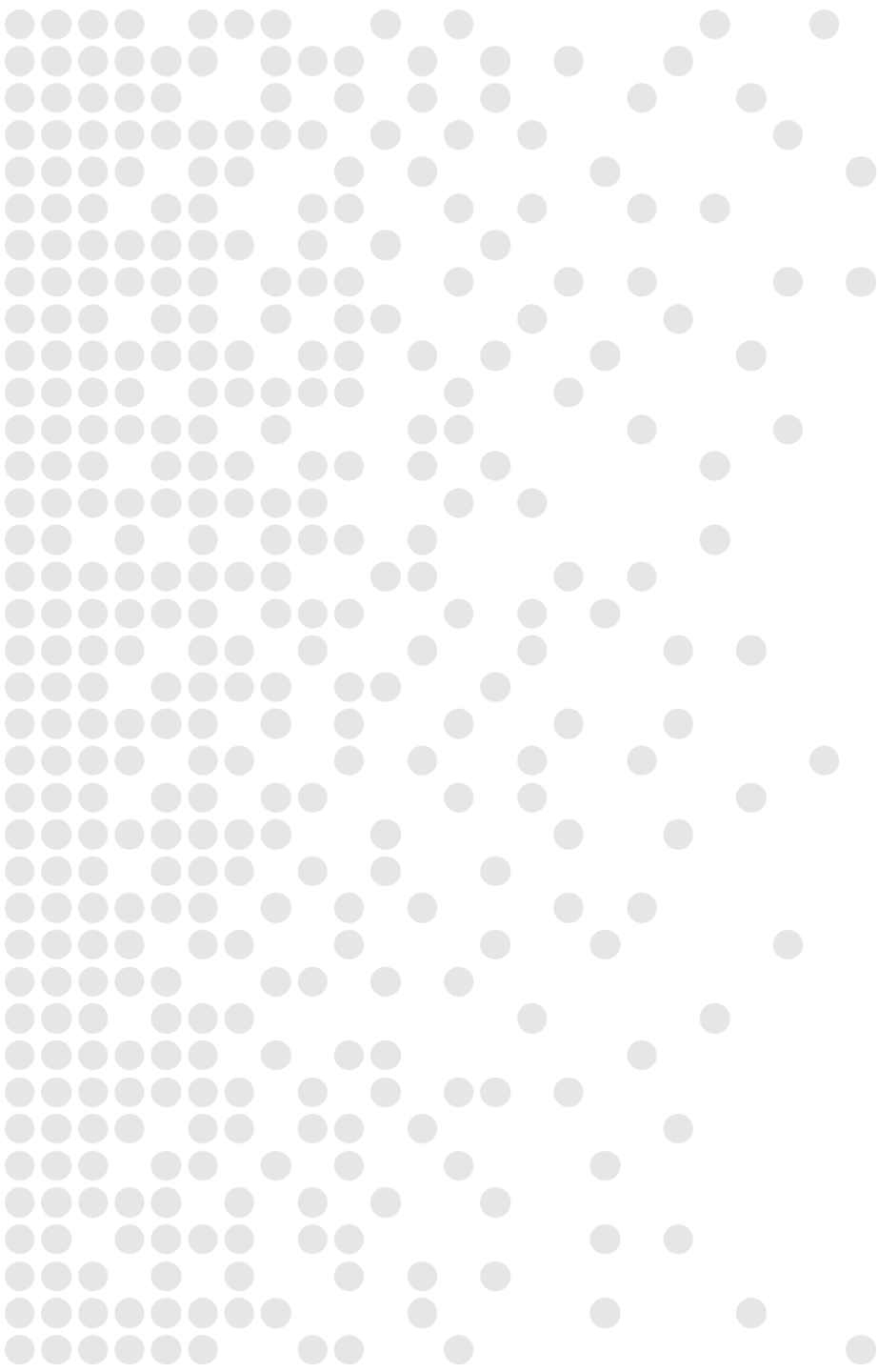
Agenda

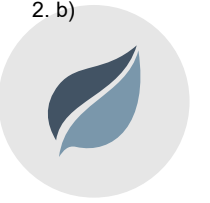
2. b)



1. Introduction
2. Methodology for Calculating Development Charges
3. 2023 D.C. Background Study, as Amended
4. Next Steps

1. Introduction





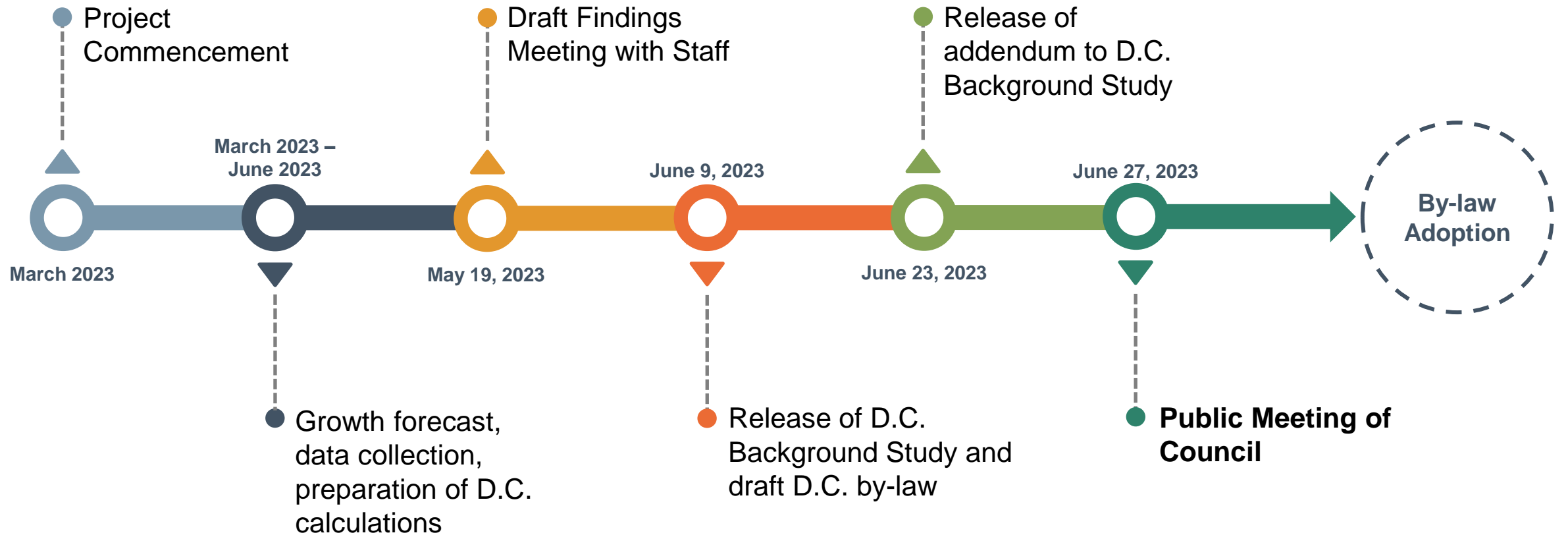
Introduction

Development Charges

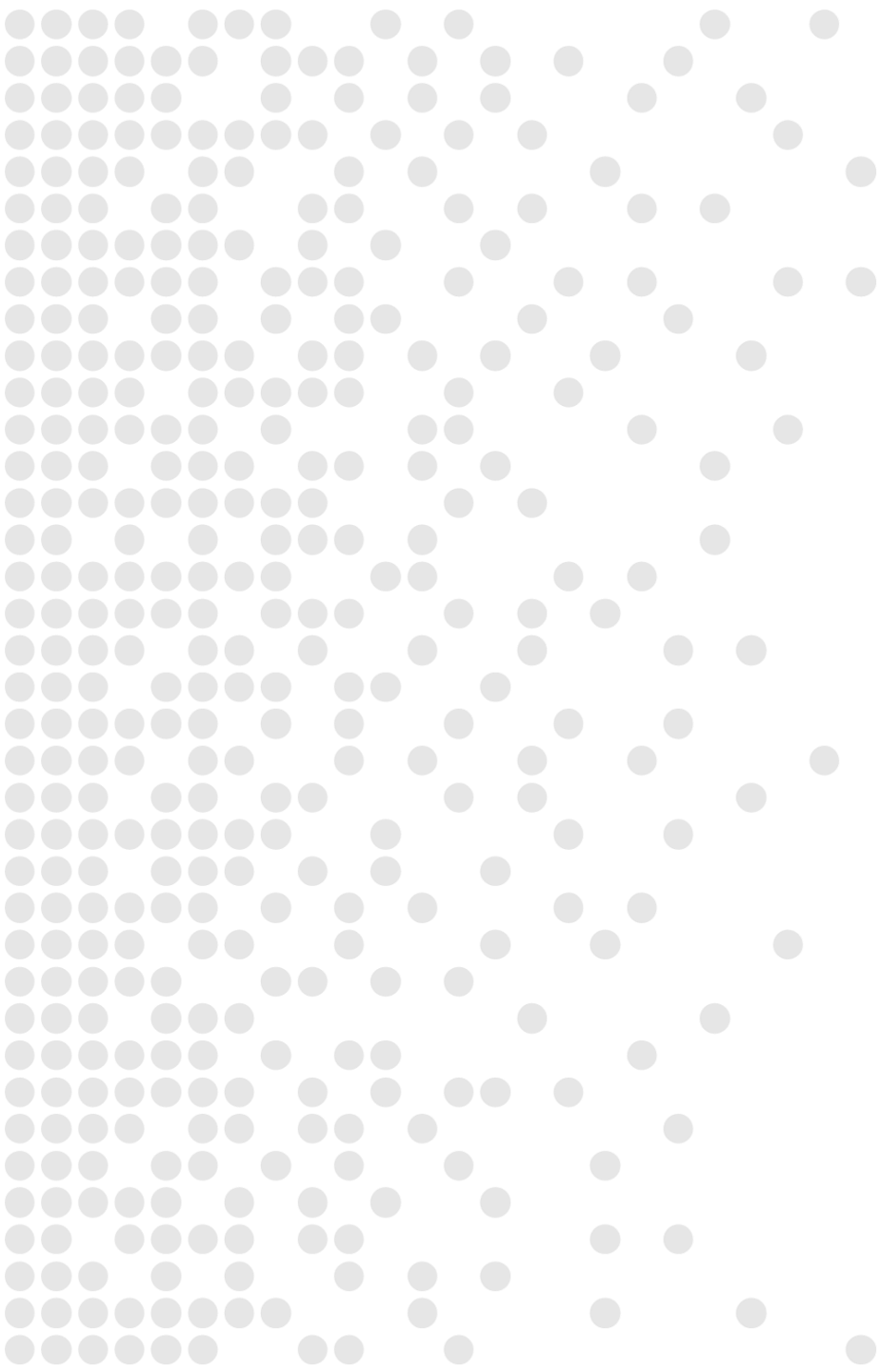
- Purpose of D.C.s is to recover the capital costs associated with residential and non-residential growth within the municipality
- The capital costs are in addition to what costs would normally be constructed as part of a subdivision (e.g., internal roads, watermains, roads, sidewalks, streetlights, etc.)
- Municipalities are empowered to impose these charges via the D.C.A.
- The Township of Selwyn currently imposes D.C.s under By-law 2018-044, which came into force on September 11, 2019
- A D.C. Background Study was prepared for the Township, dated June 9, 2023 and amended June 23, 2023. This presentation summarizes the results of that Study

Study Process

2. b)

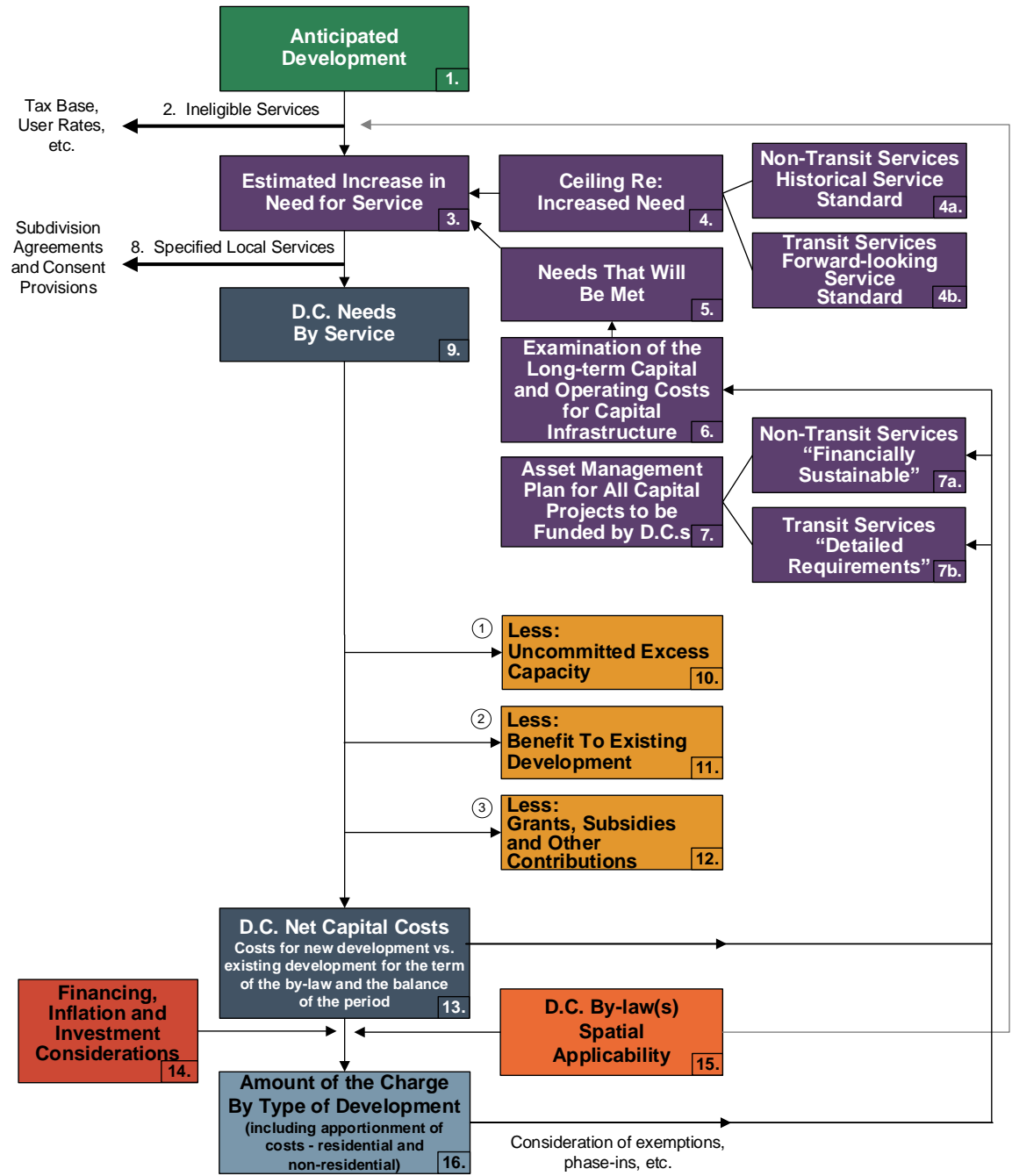
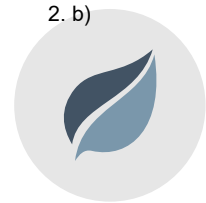


2. Methodology for Calculating Development Charges



The Process of Calculating a Development Charge under the Act that must be followed

2. b)



3. 2023 D.C. Background Study, as Amended

Summary of Findings

D.C. Background Study, as Amended

Growth Forecast Projections

2. b)

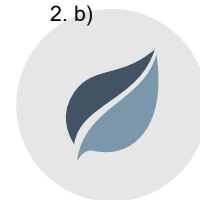


Time Horizon	Residential		Non-residential	
	Net Population ^A	Dwelling Units ^A	Employment ^B	G.F.A. ^C (sq.ft.)
Mid 2023	21,855	8,686	4,320	
Mid 2033	23,178	9,406	4,576	
Mid 2051	25,288	10,811	4,841	
Incremental Change				
Mid 2023 – Mid 2033	1,323	720	256	187,000
Mid 2023 – Mid 2051	3,433	2,125	521	385,000
Mid 2023 – Buildout (Lakefield South Development Area)	4,518	2,201	161	101,000

^A Includes Seasonal Population/Dwellings

^B Excludes Work at Home and No Fixed Place of Work

^C Gross Floor Area



D.C. Background Study, as Amended

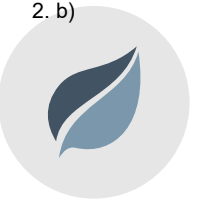
D.C. By-Law Services Considered

Township-wide

- Roads and Related
- Fire Services
- Parks & Recreation Services
- Library Services
- Emergency Preparedness

Lakefield South Development Area

- Wastewater Services
- Water Services
- Roads and Related



D.C. Background Study, as Amended

Comparison of Current and Calculated Charges by Service

Service/Class of Service	Residential (per Single Detached Dwelling)		Non-Residential (per sq.ft. of G.F.A.)	
	Current	Calculated	Current	Calculated
Township-wide Services/Class of Service:				
Roads and Related	\$ 2,056	\$ 2,861	\$ 1.30	\$ 1.83
Fire Services	\$ 158	\$ 242	\$ 0.13	\$ 0.16
Parks and Recreation Services	\$ 1,005	\$ 1,802	\$ 0.19	\$ 0.32
Library Services	\$ 509	\$ 1,108	\$ 0.09	\$ 0.20
Emergency Preparedness	\$ -	\$ 9	\$ -	\$ 0.01
Administration Studies*	\$ 215	\$ -	\$ 0.14	\$ -
Total Township-wide Services/Class of Services	\$ 3,943	\$ 6,022	\$ 1.85	\$ 2.52
Lakefield South Development Area:				
Sanitary Collection	\$ 3,769	\$ 4,468	\$ 2.15	\$ 2.30
Sanitary Treatment	\$ 571	\$ 441	\$ 0.33	\$ 0.23
Water Distribution	\$ 2,487	\$ 1,879	\$ 1.43	\$ 0.97
Water Treatment	\$ 3,282	\$ 3,232	\$ 1.87	\$ 1.67
Stormwater Facility	\$ 1,492	\$ -	\$ 0.84	\$ -
Roads and Related	\$ 328	\$ 797	\$ 0.19	\$ 0.41
Administration Studies*	\$ 198	\$ -	\$ 0.12	\$ -
Total Lakefield South Development Area	\$ 12,127	\$ 10,817	\$ 6.93	\$ 5.58
GRAND TOTAL - TOWNSHIP-WIDE	\$ 3,943	\$ 6,022	\$ 1.85	\$ 2.52
GRAND TOTAL - LAKEFIELD SOUTH DEVELOPMENT AREA	\$ 16,070	\$ 16,839	\$ 8.78	\$ 8.10

* No longer D.C. eligible

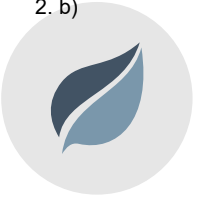


D.C. Background Study, as Amended

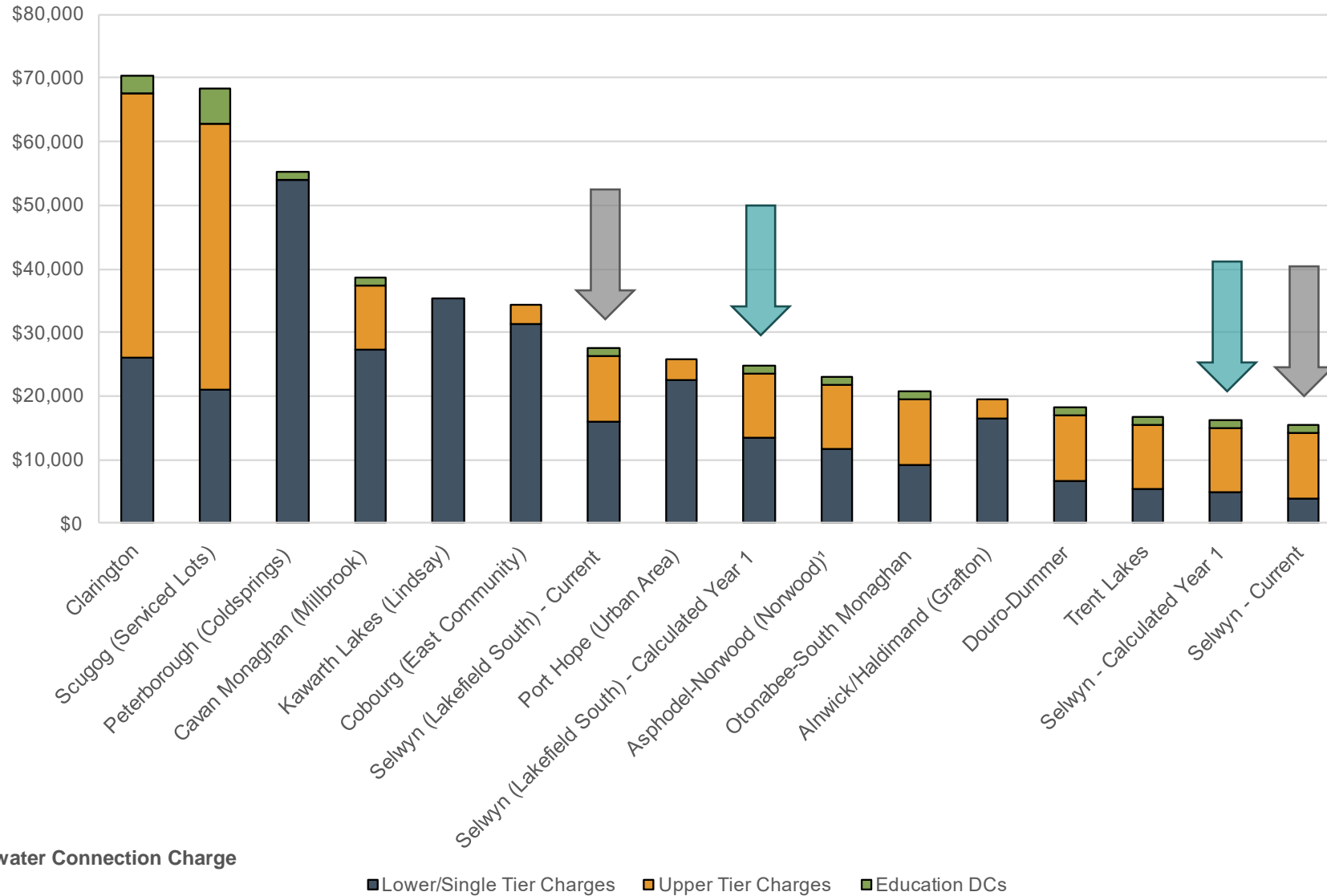
Comparison of Current and Calculated Charges over Phase-in

	Residential				Non-Residential
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	(per sq.ft. of G.F.A.)
GRAND TOTAL - TOWNSHIP-WIDE					
Current Charges	\$ 3,943	\$ 2,851	\$ 2,755	\$ 1,694	\$ 1.85
Calculated Charges (Year 1)	\$ 4,818	\$ 3,602	\$ 3,764	\$ 2,165	\$ 2.02
Calculated Charges (Year 2)	\$ 5,119	\$ 3,828	\$ 3,999	\$ 2,300	\$ 2.14
Calculated Charges (Year 3)	\$ 5,420	\$ 4,053	\$ 4,235	\$ 2,435	\$ 2.27
Calculated Charges (Year 4)	\$ 5,721	\$ 4,278	\$ 4,470	\$ 2,571	\$ 2.39
Calculated Charges (Year 5)	\$ 6,022	\$ 4,503	\$ 4,705	\$ 2,706	\$ 2.52
GRAND TOTAL - LAKEFIELD SOUTH DEVELOPMENT AREA					
Current Charges	\$ 16,070	\$ 11,624	\$ 11,219	\$ 6,892	\$ 8.78
Calculated Charges (Year 1)	\$ 13,471	\$ 10,074	\$ 10,526	\$ 6,052	\$ 6.48
Calculated Charges (Year 2)	\$ 14,313	\$ 10,703	\$ 11,183	\$ 6,430	\$ 6.89
Calculated Charges (Year 3)	\$ 15,155	\$ 11,333	\$ 11,841	\$ 6,809	\$ 7.29
Calculated Charges (Year 4)	\$ 15,997	\$ 11,962	\$ 12,499	\$ 7,187	\$ 7.70
Calculated Charges (Year 5)	\$ 16,839	\$ 12,592	\$ 13,157	\$ 7,565	\$ 8.10

Survey of Development Charges



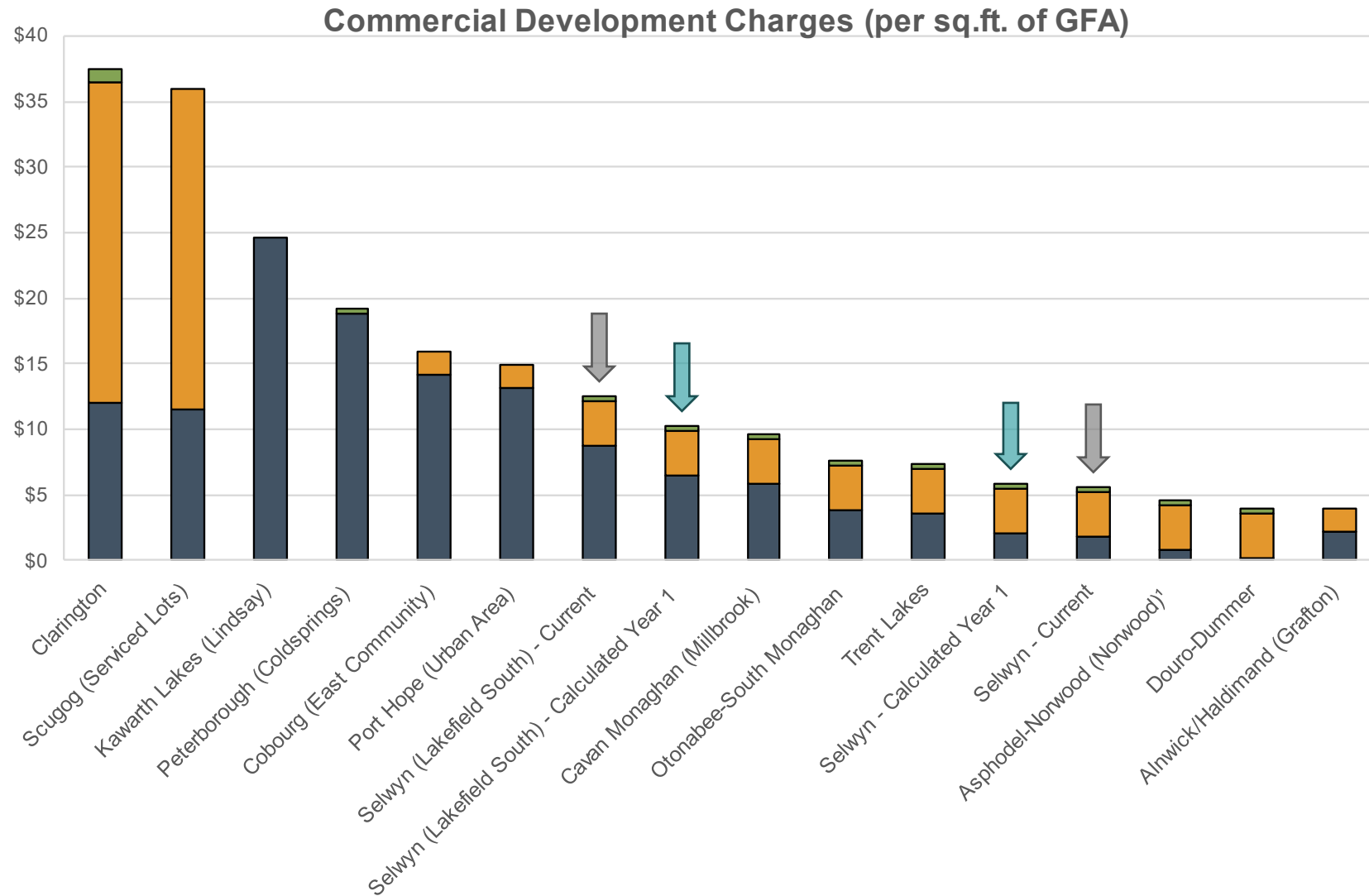
Residential Development Charges (per Single Detached Dwelling)



1 - Includes Water & Wastewater Connection Charge

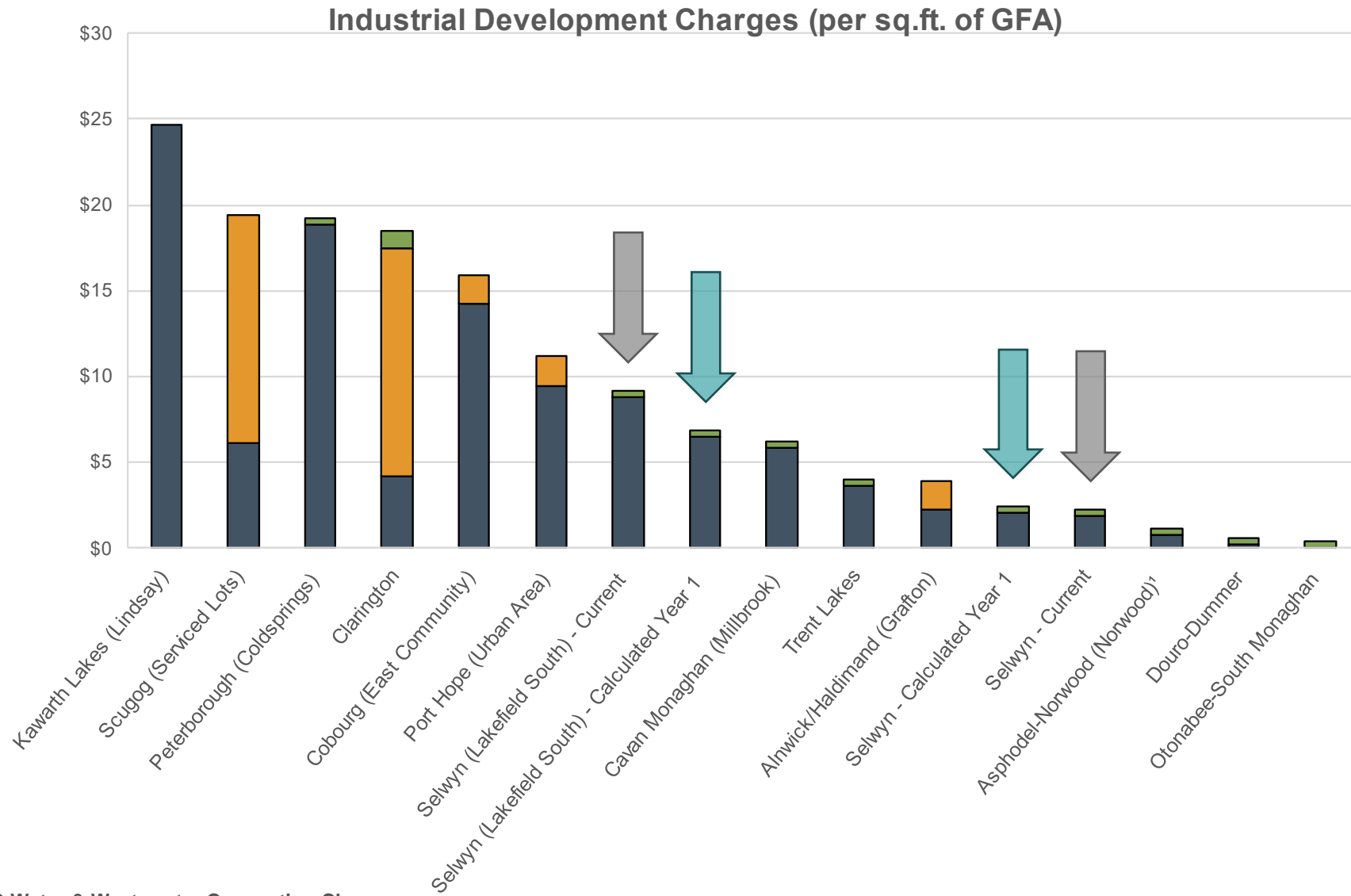
■ Lower/Single Tier Charges ■ Upper Tier Charges ■ Education DCs

Survey of Development Charges



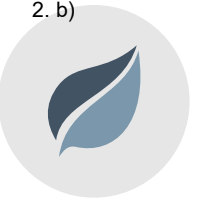
1 - Does not include \$2,550 Water & Wastewater Connection Charge

Survey of Development Charges



1 - Does not include \$2,550 Water & Wastewater Connection Charge

■ Lower/Single Tier Charges ■ Upper Tier Charges ■ Education DCs



Proposed D.C. Policies

Timing of Payment

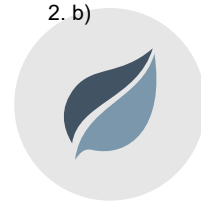
- D.C. is payable in full at the time of building permit issuance, with the exception of:
 - Installment payments for rental housing and institutional development, in 6 equal, annual payments commencing from the date of occupancy
 - Developments proceeding through Site Plan or Zoning By-law Amendment approval within 2 year of building permit issuance, D.C. determined based on the rates in effect on the date of application



Proposed D.C. Policies

Development Charges Interest Rate Policy

- The D.C.A. allows for interest to be charged on installment payments and on charges determined at approval of Site Plan or Zoning By-law Amendment applications
- The maximum rate of interest that may be charged is the average prime rate, plus 1 percentage point
- A policy, to be approved by Council, will be presented along with the D.C. by-laws



Proposed D.C. Policies

Statutory Exemptions

- The D.C.A. provides for mandatory exemptions, as follows:
 - Upper/Lower Tier, Local Board, and School Board development
 - Enlargement and residential intensification (additional residential units, with limits by building type)
 - Industrial building expansion up to and including 50% of the existing gross floor area
 - Universities
 - Non-profit housing development and affordable inclusionary zoning units
 - Affordable units and attainable units (awaiting bulletin and regulation)
 - Discounts for rental housing based on number of bedrooms
 - 25% discount for three-bedrooms, 20% for two-bedrooms, 15% for all others



Proposed D.C. Policies

Discretionary Exemptions

- Hospitals under the *Public Hospitals Act*
- Non-residential farm buildings
- Industrial buildings
- Not-for-profit housing
- Lot levies paid prior to 1991, and where proof of payment can be verified



Proposed D.C. Policies

Redevelopment Credits

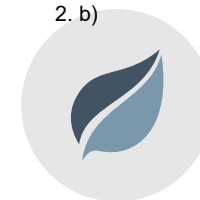
- Redevelopment credits on conversions or demolitions of existing buildings or structures are generally granted to recognize what is being replaced on site (not specific in the Act but provided by case law)
- The Township's current D.C. by-law provides for redevelopment and conversion credits against D.C.s within 5-year time limit
- The credit cannot exceed the D.C.s that would otherwise be payable

Proposed D.C. Policies

Indexing

- The draft D.C. by-laws provide for mandatory annual indexing of charges on January 1st of each year





Potential D.C. Policy Adjustments

Exemptions

Cannabis Facilities

- A discretionary exemption for non-residential farm buildings has been maintained from the Township's current D.C. by-law.
- The Township should consider whether cannabis production facilities should qualify for this exemption. If not, the definition of "non-residential farm buildings" would need to be modified.

Lot Levies

- A discretionary exemptions for properties where lot levies were paid prior to 1991 has been maintained from the Township's current D.C. by-law.
- Given that these lot levies would have been paid more than 30 years ago, the Township may wish to eliminate this exemption. This would better align with the 5-year limit on redevelopment credits.

4. Next Steps

Next Steps

2. b)



- Council to determine if any further revisions are required to the D.C. Background Study, as amended, and draft by-laws
- Council to approve the D.C. Background Study, as amended, and consider adoption of the D.C. by-laws (August 8, 2023)



Discussion