



Township of Selwyn Development Charges Background Study

Council Update
April 25, 2023

Introduction

Development Charges



- Purpose of development charges (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 *Development Charges Act* (D.C.A.), as amended

Township of Selwyn Development Charges



The Township imposes Development Charges via By-law 2018-044 which was adopted in June 2018 and became effective on September 11, 2018

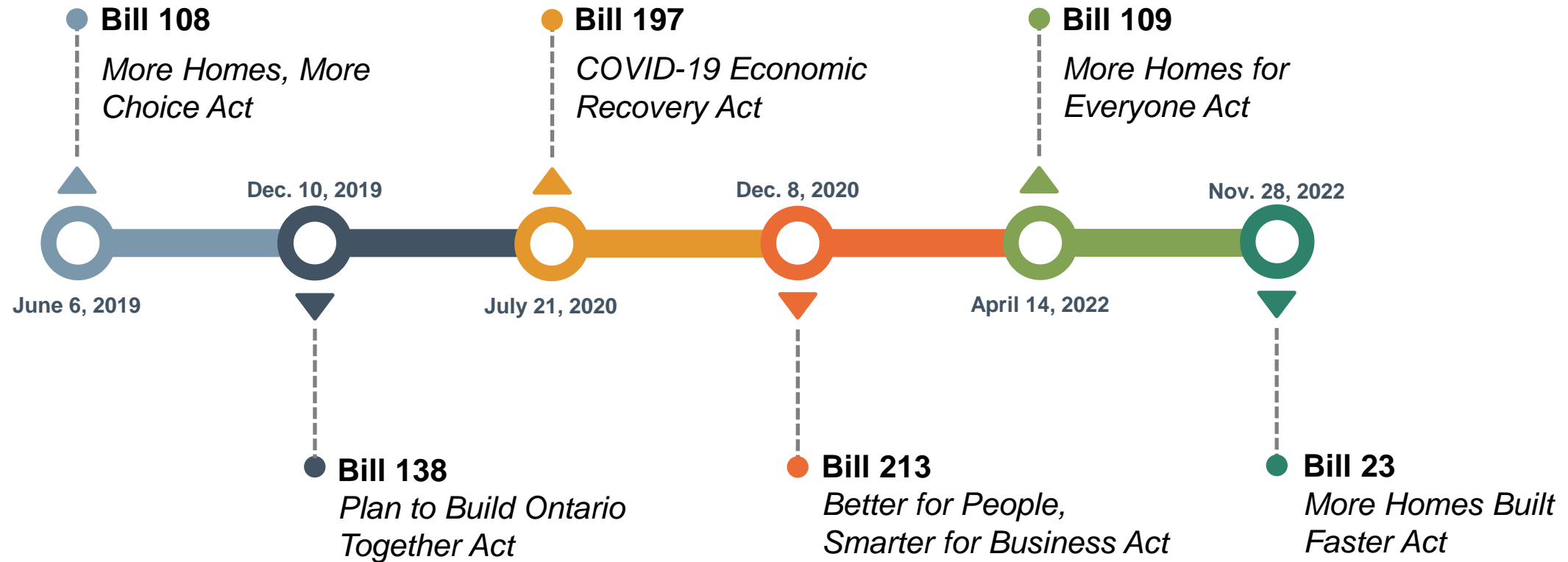


By-law
2018-044
will expire
on Sep.
11, 2023

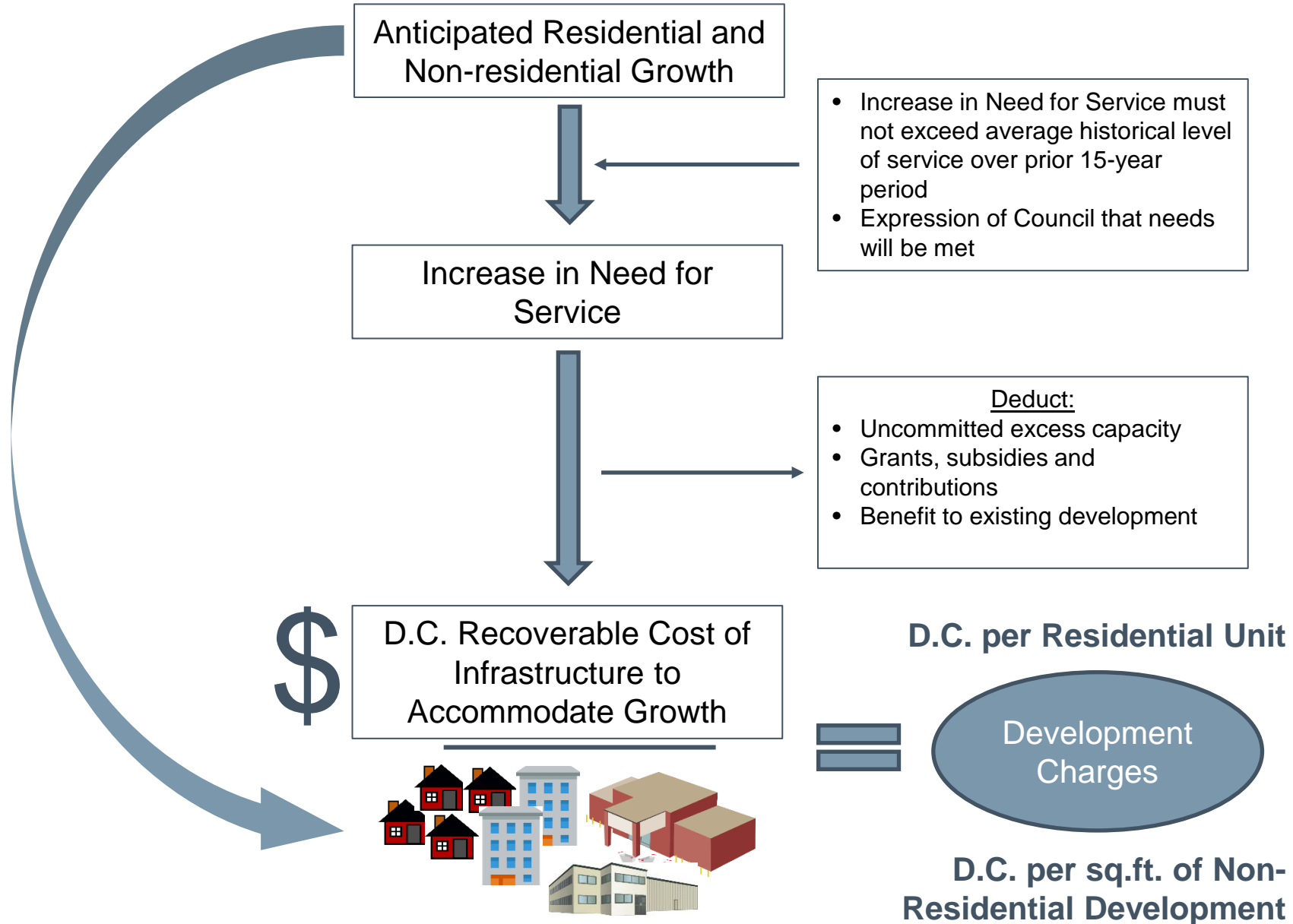
Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per ft ² of Gross Floor Area)
Township Wide Services:					
Roads and Related	\$ 2,056	\$ 1,436	\$ 882	\$ 1,487	\$ 1.30
Fire Services	\$ 158	\$ 110	\$ 67	\$ 113	\$ 0.13
Parks and Recreation Services	\$ 1,005	\$ 702	\$ 432	\$ 728	\$ 0.19
Library Services	\$ 509	\$ 357	\$ 219	\$ 367	\$ 0.09
Administration Studies	\$ 215	\$ 150	\$ 94	\$ 156	\$ 0.14
Total Township Wide Services	\$ 3,943	\$ 2,755	\$ 1,694	\$ 2,851	\$ 1.85
Lakefield South Development Area:					
Sanitary Collection	\$ 3,769	\$ 2,630	\$ 1,616	\$ 2,727	\$ 2.15
Sanitary Treatment	\$ 571	\$ 399	\$ 245	\$ 413	\$ 0.33
Water Distribution	\$ 2,487	\$ 1,736	\$ 1,067	\$ 1,799	\$ 1.43
Water Treatment	\$ 3,282	\$ 2,291	\$ 1,406	\$ 2,375	\$ 1.87
Stormwater Facility	\$ 1,492	\$ 1,041	\$ 640	\$ 1,080	\$ 0.84
Collector Road	\$ 328	\$ 229	\$ 139	\$ 236	\$ 0.19
Administration Studies	\$ 198	\$ 138	\$ 85	\$ 143	\$ 0.12
Total Lakefield South Services	\$ 12,127	\$ 8,464	\$ 5,198	\$ 8,773	\$ 6.93
GRAND TOTAL - TOWNSHIP WIDE	\$ 3,943	\$ 2,755	\$ 1,694	\$ 2,851	\$ 1.85
GRAND TOTAL - LAKEFIELD SOUTH	\$ 16,070	\$ 11,219	\$ 6,892	\$ 11,624	\$ 8.78

Development Charges Act

Legislative Changes Since 2019



Overview of the D.C. Calculation



Growth Forecast



- Growth forecast currently being finalized based on County of Peterborough Growth Analysis Report (2022) and discussions with Township staff regarding land supply and active development applications
- Growth forecast being prepared for the following time periods:
 - Mid 2023 – Mid 2033 (10-year)
 - Mid 2023 – Mid 2051 (28-year)
 - Buildout (Lakefield South)



D.C. Eligible Services

- Water*
 - Wastewater*
 - Stormwater*
 - Services related to a highway**
 - Electrical power
 - Toronto-York subway extension
 - Transit
 - Waste Diversion
 - Policing
 - Fire
 - Ambulance
 - Library
 - Long-term Care
 - Parks and Recreation
 - Public Health
 - Childcare and Early Years
 - Provincial Offences Act
 - Emergency preparedness
 - Airports (only for the Region of Waterloo)
-
- Growth-related Studies**

* Lakefield South Area-specific

** Municipal-wide and Lakefield South Area-specific

Capital Costs



- Capital Costs include:
 - Acquire land or interest in land
 - Improve land
 - Acquire, lease, construct or improve buildings, facilities and structures (includes furniture and equipment)
 - Equipment and rolling stock
 - Capital component of a lease for the above
 - Circulation materials for Libraries
 - Interest on money borrowed to pay for the above
- Any planning horizon for future capital needs can be used, except for Transit (which is limited to 10 years)
- Capital costs must be reduced by grants, subsidies, and other contributions.
- May include authorized costs incurred or proposed to be incurred by others on behalf of a municipality/local board

Capital Costs

Exclusions



- Capital costs may not include:
 - Parkland acquisition
 - Vehicles with an estimated useful life of less than 7 years
 - Computer equipment that is not integral to the delivery of the service
 - Studies
 - Possible removal of land acquisition for services (may be defined by regulations in the future)

Policy Considerations



- Local Service Policy
- Charge applicability (Township-wide vs. area-specific)
- Exemptions
- Redevelopment credits
- Indexing
- Charging of interest (instalment payments and “DC freeze”)

Project Timeline



Workplan Task	Mar-23				Apr-23				May-23					Jun-23				Jul-23					Aug-23				
	Week of	6	13	20	27	3	10	17	24	1	8	15	22	29	5	12	19	26	3	10	17	24	31	7	14	21	28
1. Study Start-up			SM					CW																			
2. Data Collection & Review of Background Materials																											
3. Growth Projection Development																											
4. Development Charge Calculations, Rules, and Staff Interviews							SM																				
5. Examination of Long-Term Capital/Operating Costs and Asset Management Plan																											
6. Draft D.C. Background Study, Staff Review, and Stakeholder Consultation											SM		IM														
7. Finalize D.C. Background Study and Public Meeting Process																											
8. Adoption and Implementation Process																											
Milestones/Deliverables												DR		FR													BP

Meetings
 SM - Staff Meeting/Interviews
 CW - Council Workshop
 PM - Public Meeting
 IM - Industry Stakeholder Meeting

Milestones
 DR - Draft Reports
 FR - Final Reports
 BP - Council By-law Passage

Jun. 9 Jun. 27 Aug. 8



Must be at least 60 days.