



Development Charges Update Study

Town of Pelham

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Report



Chapter 1

Introduction



1. Introduction

1.1 Background

The Town of Pelham imposes development charges (D.C.) to recover capital costs arising from the increase in needs for service related to growth. The Town currently has a municipal-wide D.C. for the following services:

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

In addition to the above services, the Town also recovers water and wastewater costs associated with growth, through area specific D.C.s in the serviced areas of Fenwick and Fonthill.

The D.C.s came into effect on October 1, 2018 and are imposed through by-laws 4023 (2018) and 4149 (2019). The following documents provide the details to the calculations and policies:

- “Town of Pelham Development Charges Background Study – Consolidated Report” dated August 30, 2018; and
- “Town of Pelham 2019 Development Charges Update Study” dated May 30, 2019.

The Town’s D.C.s have been indexed (in accordance with section 17 of the by-law) annually on January 1st, beginning in 2020, and are currently 5.27% higher than the 2018 rates implemented under By-law 4023 (2018). The 2018 D.C.s (unindexed) are shown in Figure 1-1.

The purpose of this report is to recover (through D.C.s) the updated debenture amounts (with respect to the Meridian Community Centre (M.C.C.)) for recreation facilities. Additionally, the D.C. update will address the requirements of the Development Charges



Act (D.C.A.), as amended by Bill 108 (*More Homes, More Choice Act, 2019*), Bill 138 (*Plan to Build Ontario Act, 2019*), Bill 197 (*COVID-19 Economic Recovery Act, 2020*), and Bill 213 (*Better for People, Smarter for Business Act, 2020*). A full discussion on the amending legislation is provided in Chapter 2.

A summary of the changes contained in this D.C. Update are provided below:

- The legislation has removed the mandatory deduction for all services that remain eligible in the D.C. For the Town, the 10% deduction may be removed for the following services:
 - Indoor and Outdoor Recreation Services (now referred to as Parks and Recreation Services);
 - Library Services; and
 - Administration (Growth Studies).
- The listing of eligible services has been changed by the amending legislation however, for the Town this does not impact the services that are eligible for recovery.
- An additional change brought forth through Bill-197 related to establishing classes of services. A class of service may be composed of any number or combination of services and may include parts or portions of each D.C.-eligible service. As a result of these changes to the D.C.A., this update report provides for Growth Studies (formerly Administration) as a class of service. Further discussion on classes of services is provided in Chapter 2.
- The regulations have provided an additional mandatory D.C. exemption for an additional dwelling unit in new residential buildings as well as for universities receiving government funding. These exemptions are to be added to the Town's amending D.C. by-law.
- Further changes related to the timing of payments for rental housing, institutional and non-profit development were proclaimed through Bill 108. Additionally, the D.C. amount for all developments occurring within 2 years of a Site Plan or Zoning By-law Amendment planning approval, shall be determined based on the D.C. in effect on the day of Site Plan or Zoning By-law Amendment application. If the development is not proceeding via these planning approvals, then the amount is determined as the earlier of the date of issuance of a building permit or occupancy. These changes will be addressed in the amending by-law, discussed in Chapter 5 and provided in Appendix C.



Figure 1-1
Town of Pelham
2018 Development Charges (2018 \$)
as per By-law 4023 (2018) and amending By-law 4149 (2019)

Service/Class of Service	Residential					Non-Residential per sq.ft. of Gross Floor Area)
	Single & Semi Detached	Other Multiples	Apartments - 2 Bedrooms +	Apartments Bachelor and 1 Bedroom	Special Care/Special Dwelling Units	
Municipal Wide Services/Classes of Services						
Services Related to a Highway	9,330	6,647	6,388	3,906	3,191	5.21
Fire Protection Services	349	249	239	146	119	0.19
Parks and Recreation Services ¹	3,581	2,551	2,452	1,499	1,224	0.49
Library Services	563	401	385	236	193	0.08
Growth Studies ²	678	483	464	284	232	0.39
Total Municipal Wide Services/Classes of Services	14,501	10,331	9,928	6,071	4,959	6.36
Urban Services:						
Wastewater Services	2,762	1,968	1,891	1,156	945	1.90
Water Services	1,165	830	798	488	398	0.80
Total Urban Services	3,927	2,798	2,689	1,644	1,343	2.70
Total Municipal-Wide + Urban	18,428	13,129	12,617	7,715	6,302	9.06

¹ Previously presented as two separate charges for Indoor and Outdoor Recreation Services

² Previously presented as Administration



1.2 Existing Policies (Rules)

Appendix A of this report sets out the rules governing the calculation, payment, and collection of D.C.s as provided in By-law 4023 (2018) and amended by By-law 4149 (2019).

1.3 Basis for the D.C. By-law Update

This D.C. update study provides for an amendment to the Town's current D.C. by-law (By-law 4023 (2018), as amended by By-law 4149 (2019)). The purpose of this amendment is to update the recovery amount for the growth-related debenture of the Meridian Community Centre and to update other services based on the legislative changes to the D.C.A. These include:

- Updating the D.C. analysis to remove the 10% mandatory deduction;
 - This includes updating the service standards for the related services;
- Creating classification for Growth Studies as a class of service; and
- Updating the D.C. policies in the by-law with respect to:
 - D.C. instalment payments;
 - D.C. rate freeze;
 - Mandatory exemption for new additional units and universities; and
 - Updated definitions (which have been established as part of Bills 108, 138, 197, and 213).

Details on the changes to the calculation and by-law are presented in Chapter 4 and Chapter 5 of this report, respectively. The draft amending by-law is presented in Appendix C to this report.

1.4 Summary of the Process

The public meeting required under section 12 of the D.C.A. has been scheduled for February 7, 2022. Its purpose is to present the update study to the public and to solicit public input. The meeting is also being held to answer any questions regarding the study's purpose, methodology and the proposed modifications to the Town's D.C. by-law.



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
- Council consideration of the amending by-law on March 7, 2022.

Figure 1-2 outlines the proposed schedule to be followed with respect to the D.C. by-law adoption process.

Figure 1-2
Schedule of Key D.C. Process Dates for the Town of Pelham

Schedule of Study Milestone	Dates
1. Data collection, staff review, D.C. calculations and policy work	September to November, 2021
2. Background study and proposed by-law available to public	December 22, 2021
3. Public meeting advertisement placed in newspaper(s)	No later than January 17, 2022
4. Public meeting of Council	February 7, 2022
5. Council considers adoption of background study and passage of amending by-law	March 7, 2022
6. Effective date of the by-law	Upon approval of amending by-law
7. Newspaper notice given of by-law passage	By 20 days after passage
8. Last day for by-law appeal	40 days after passage
9. Town makes pamphlet available (where by-law no appealed)	By 60 days after in force date



1.5 Policy Recommendations

It is recommended that the Town's current D.C. policies, as identified in Appendix A of this report, be continued.

Additionally, the new policies as stated in Bill 108, Bill 138, Bill 197, Bill 213 and O. Reg. 80/98 as amended by O.Reg. 454-19 are recommended to be included. This is discussed in more detail in Chapter 2 of this report.



Chapter 2

Changes to the D.C.A. Legislation



2. Changes to the D.C.A. Legislation

2.1 Bill 108 – *More Homes, More Choice Act, 2019*

On May 2, 2019, the Province introduced Bill 108, which proposed 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.

While having received royal assent, many of the amendments to the D.C.A. would not come into effect until they are proclaimed by the Lieutenant Governor (many of these changes were revised through Bill 197). At the time of writing, the following provisions have been proclaimed:

- Effective January 1, 2020, rental housing and institutional developments will pay D.C.s in six equal annual payments commencing at occupancy. Non-profit housing developments will pay D.C.s in 21 equal annual payments. Interest may be charged on the instalments, and any unpaid amounts may be added to the property and collected as taxes.
- Effective January 1, 2020 the D.C. amount for all developments occurring within 2 years of a Site Plan or Zoning By-law Amendment planning approval (for application submitted after this section is proclaimed), shall be determined based on the D.C. in effect on the day of Site Plan or Zoning By-law Amendment application. 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.

On February 28, 2020, the Province released updated draft regulations related to the D.C.A. and the Planning Act. A summary of these changes is provided below:

Changes to Eligible Services – Prior to Bill 108, the D.C.A. provided a list of ineligible services whereby municipalities could include growth related costs for any service that was not listed. With Bill 108, the changes to the D.C.A. would now specifically list the services that are eligible for inclusion in the by-law. Further, the initial list of eligible services under Bill 108 was limited to "hard services," with the "soft services" being removed from the D.C.A. These services would be considered as part of a new



community benefits charge (discussed below) imposed under the Planning Act. As noted in the next section this list of services has been amended through Bill 197.

Mandatory 10% deduction – The amending legislation would have removed the mandatory 10% deduction for all services that remain eligible under the D.C.A.

Remaining Services to be Included in a New Community Benefits Charge (C.B.C.) Under the Planning Act – It is proposed that a municipality may, by by-law, impose a C.B.C. 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. The C.B.C. is proposed to include formerly eligible D.C. services (as noted below), in addition to parkland dedication and other types of cost formerly recovered under Section 37 of the Planning Act.

2.2 Bill 138 - *Plan to Build Ontario Together Act, 2019*

On November 6, 2019, the Province release Bill 138 which provided further amendments to the D.C.A. and Planning Act. This Bill received Royal Assent on December 10, 2019 and was proclaimed which resulted in sections related to the D.C.A. (schedule 10) becoming effective on January 1, 2020. The amendments to the D.C.A. included removal of instalment payments for commercial and industrial developments that were originally included in Bill 108.

2.3 Bill 197 - *COVID-19 Economic Recovery Act, 2020*

In response to the global pandemic that began affecting Ontario in early 2020, the Province released Bill 197 which provided amendments to a number of Acts, including the D.C.A. and Planning Act. This Bill also revised some of the proposed changes identified in Bill 108. Bill 197 was tabled on July 8, 2020, received Royal Assent on July 21, 2020, and was proclaimed on September 18, 2020. The following provides a summary of the changes:



2.3.1 D.C. Related Changes

List of D.C. Eligible Services

- As noted above, under Bill 108 some services were to be included under the D.C.A. and some would be included under the C.B.C. authority. However, Bill 197 revised this proposed change and has included all services (with some exceptions) under the D.C.A. These services 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.
 - Electrical power services.
 - Toronto-York subway extension.
 - Transit services.
 - Waste diversion services.
 - Policing services.
 - Fire protection services.
 - Ambulance services.
 - Library services
 - Long-term Care services
 - Parks and Recreation services, but not the acquisition of land for parks.
 - Public Health services
 - Childcare and early years services.
 - Housing services.
 - Provincial Offences Act services.
 - Services related to emergency preparedness.
 - Services related to airports, but only in the Regional Municipality of Waterloo.
 - Additional services as prescribed.

Classes of Services – D.C.

Pre-Bill 108/197 legislation (i.e. D.C.A., 1997) allows for categories of services to be grouped together into a minimum of two categories (90% and 100% services).



The amending legislation repealed and replaced the above with the four following subsections:

- A D.C. by-law may provide for any eligible service or capital cost related to any eligible service to be included in a class, set out in the by-law.
- A class may be composed of any number or combination of services and may include parts or portions of the eligible services or parts or portions of the capital costs in respect of those services.
- A D.C. by-law may provide for a class consisting of studies in respect of any eligible service whose capital costs are described in paragraphs 5 and 6 of s. 5 of the D.C.A.
- A class of service set out in the D.C. by-law is deemed to be a single service with respect to reserve funds, use of monies, and credits.

As well, the removal of 10% deduction for soft services under Bill 108 has been maintained.

Note: An initial consideration of “class” appears to mean any group of services.

10-Year Planning Horizon

- The “maximum” 10-year planning horizon has been removed for all services except transit.

2.3.2 Community Benefit Charges (C.B.C.)

While a Community Benefit Charge is not being considered within this report, a summary of the legislated changes is provided herein for information purposes.

C.B.C. Eligibility

- The C.B.C. is limited to lower-tier and single tier municipalities, whereas upper-tier municipalities will not be allowed to impose this charge.
- O.Reg. 509/20 was filed on September 18, 2020. This regulation provides for the following:
 - A maximum rate will be set as a percentage of the market value of the land the day before building permit issuance. The maximum rate is set at 4%. The C.B.C may only be imposed on developing or redeveloping



buildings which have a minimum height of five stories and contain no less than 10 residential units.

- Bill 197 states that before passing a C.B.C. by-law, the municipality shall prepare a C.B.C. strategy that (a) identifies the facilities, services, and matters that will be funded with C.B.C.s; and (b) complies with any prescribed requirements.
- Only one C.B.C. by-law may be in effect in a local municipality at a time.

2.3.3 Combined D.C. and C.B.C. Impacts

D.C. vs. C.B.C. Capital Cost

- A C.B.C. may be imposed with respect to the services listed in s. 2 (4) of the D.C.A. (eligible services), "provided that the capital costs that are intended to be funded by the community benefits charge are not capital costs that are intended to be funded under a development charge by-law."

Transition – D.C. and C.B.C.

- The specified date for municipalities to transition to the D.C. and C.B.C. is two years after Schedules 3 and 17 of the COVID-19 Economic Recovery Act comes into force (i.e. September 18, 2022).
- Generally, for existing reserve funds (related to D.C. services that will be ineligible):
 - If a C.B.C. is passed, the funds are transferred to the C.B.C. special account;
 - If no C.B.C. is passed, the funds are moved to a general reserve fund for the same purpose.
 - If a C.B.C. is passed subsequent to moving funds to a general reserve fund, those monies are then moved again to the C.B.C. special account.
- For reserve funds established under s. 37 of the Planning Act (e.g. bonus zoning)
 - If a C.B.C. is passed, the funds are transferred to the C.B.C. special account;
 - If no C.B.C. is passed, the funds are moved to a general reserve fund for the same purpose;
 - If a C.B.C. is passed subsequent to moving funds to a general reserve fund, those monies are then moved again to the C.B.C. special account.



If a municipality passes a C.B.C. by-law, any existing D.C. credits a landowner retains may be used towards payment of that landowner's C.B.C.

2.4 Bill 213 – *Better for People, Smarter for Business Act, 2020*

On December 8, 2020, Bill 213 received Royal Assent. One of the changes of the Bill that took effect upon Royal Assent included amending the Ministry of Training, Colleges and Universities Act by introducing a new section that would exempt the payment of D.C.s for developments of land intended for use by a university that receives operating funds from the Government. This additional mandatory exemption has been included in the draft amending by-law in Appendix C.



Chapter 3

Anticipated Development



3. Anticipated Development

3.1 Growth Forecast in the 2018 D.C. Study

The 2018 D.C. study provided for the anticipated residential and non-residential growth within the Town of Pelham. The growth forecast associated with services included in the background study is provided in Figure 3-1 below:

Figure 3-1
Town of Pelham
2018 D.C. Background Study – Growth Forecast Summary

Measure	10 Year 2018 to 2027	20 Year 2018 to 2037	2018 to Urban Buildout
(Net) Population Increase	3,432	5,960	8,580
Residential Unit Increase	1,535	2,649	3,724
Non-Residential Gross Floor Area Increase (sq.ft.)	523,600	862,700	768,700

For the purposes of this D.C. update, the 2018 D.C. Study growth forecast remains unchanged as the incremental growth is anticipated to remain the same.



Chapter 4

Updates to the Town's D.C. Study



4. Updates to the Town's D.C. Study

As noted earlier, the Town's D.C. By-law 4023 (2018), as amended by By-law 4149 (2019), came into effect on October 1, 2018, being a by-law for the purposes of establishing and collecting a D.C. in accordance with the provisions of the D.C.A. The 2018 D.C. Study and by-law identified anticipated capital needs for recovery through D.C.s for municipal-wide and urban services.

This chapter of the report discusses the amendment to the Meridian Community Centre and the removal of the 10% mandatory deduction for parks and recreation services (formerly indoor and outdoor recreation services), library services, and growth studies (formerly administration). As these costs are being added as part of the 2018 D.C. Study, the capital costs are being presented in 2018 dollars. A discussion is also provided on the classification of Growth Studies as a class of service.

As part of a D.C. amendment, consideration must be given to the historical service level calculation to ensure that the service level ceiling has not been exceeded in the updated calculations. These calculations have been undertaken and are included in Appendix B to this report. No service level has been exceeded by the calculations provided herein.

4.1 Parks and Recreation Services

The Town currently collects for Parks and Recreation under two categories, Indoor and Outdoor Recreation Services. With the changes to the D.C. Act, these charges continue to be eligible as Parks and Recreation Services. For updated calculation purposes, we have continued the two sub-categories within this combined eligible service, the first being Outdoor Recreation (Parkland Development and Amenities) and the second being Indoor Recreation (Facilities).

Outdoor Recreation

As discussed earlier, the capital costs included for Parks and Recreation have been modified to remove the mandatory 10% deduction. Figure 4-1 provides the updated capital project listings with the removal of the 10% deduction for Outdoor Recreation. The total D.C. eligible amount being included in the calculations for Outdoor Recreation is approximately \$2.8 million.



Through the updated service standards provided in Appendix B, the maximum D.C. allowed to be recovered for Outdoor Recreation is \$4.2 million. Therefore, the capital amount being recovered is within the level of the service standard ceiling.

Indoor Recreation

As noted in section 1.3, the Meridian Community Centre D.C. recovery is being updated to reflect the increase in the service standard ceiling. This provides for a reduction in the post period benefit to allow for a higher recovery of the debt payments. Additionally, the 10% mandatory deduction has been removed. With both of these changes, the revised D.C. eligible amount being included in the calculations is \$4.8 million (note that of this amount, \$657,515 relating to the interest component is not subject to the service standard ceiling). The updated capital sheet is provided in Figure 4-2.

Through the updated service standards provided in Appendix B, the maximum D.C. allowed to be recovered for Indoor Recreation is \$4.2 million. Therefore, the capital amount being recovered is within the level of the service standard ceiling.

Based on the Town's 2019 D.C. Study, as the predominant users of parks and recreation tend to be residents of the Town, the forecasted growth-related costs have been allocated 95% to residential and 5% to non-residential.



Figure 4-1
Town of Pelham
Parks and Recreation Capital – Update
Parkland Development and Amenities

Town of Pelham
Service Parkland Development

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	2018-2027										
1	East Fonthill Parkland Development	2020	500,000	-		500,000	25,000		475,000	451,250	23,750
2	East Fenwick Parkland Development	2021	947,900	-		947,900	47,395		900,505	855,480	45,025
3	Playground Equipment (X2)	2025	160,000	-		160,000	8,000		152,000	144,400	7,600
4	Playground Equipment (X2)	2026	160,000	-		160,000	8,000		152,000	144,400	7,600
5	Playground Equipment (X2)	2027	160,000	-		160,000	8,000		152,000	144,400	7,600
6	Playground Equipment (X2)	2028	160,000	152,000		8,000	8,000		-	-	-
7	Playground Equipment (X1)	2029	80,000	76,000		4,000	4,000		-	-	-
8	Splash Pad	2019	275,000	-		275,000	13,750		261,250	248,188	13,063
9	Kundra Park	2020	150,000	-		150,000	7,500		142,500	135,375	7,125
10	MSSP Parking Lot	2020	135,000	-		135,000	6,750		128,250	121,838	6,413
11	Woonerf and Central Park	2020	3,500,000	-		3,500,000	-	2,345,000	1,155,000	1,097,250	57,750
12	Lookout Park	2018	230,000	-		230,000	-		230,000	218,500	11,500
13	Weiland Park	2018	150,000	-		150,000	-		150,000	142,500	7,500
14	Skate Park Debt - Principal	2018-2025	242,143	-		242,143	-		242,143	230,036	12,107
15	Skate Park Debt - Discounted Interest	2018-2025	6,807	-		6,807	-		6,807	6,467	340
									-	-	-
16	Reserve Fund Adjustment		-	-		-	1,300,820		(1,300,820)	(1,235,779)	(65,041)
	Total		6,856,851	228,000	-	6,628,851	1,437,215	2,345,000	2,846,636	2,704,304	142,332



4.2 Library Services

With respect to library services, adjustments have been made to reflect the removal of the mandatory 10% deduction. Figure 4-3 provides the capital project listing with the removal of the mandatory deduction.

The details regarding the updated service standards are provided in Appendix B. The resulting service standards for Library provide a D.C. ceiling of \$937,176. Given that the capital program is \$896,221 the D.C.-eligible capital amounts are within the level of the service standard ceiling.

Based on the Town's 2018 D.C. study, the growth-related capital costs have been allocated 95% residential and 5% non-residential. This is to acknowledge that although library usage is predominantly residential based, there is some use of the facilities by non-residential users.



**Figure 4-3
Town of Pelham
Library Services – Updated Capital Listing**

Town of Pelham
Service: Library Services

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 95%	Non- Residential Share 5%
	2018-2027										
1	Provision for additional library space	2018-2027	375,000	-		375,000	93,750		281,250	267,188	14,063
2	Furniture & equipment for additional space	2018-2027	60,000	-		60,000	15,000		45,000	42,750	2,250
3	Provision for Additional library materials	2018-2022	250,000	-		250,000	12,500		237,500	225,625	11,875
4	Provision for Additional library materials	2023-2027	250,000	-		250,000	12,500		237,500	225,625	11,875
									-		
									-		
5	Reserve Fund Adjustment		94,971	-		94,971	-		94,971	90,222	4,749
	Total		1,029,971	-	-	1,029,971	133,750	-	896,221	851,410	44,811



4.3 Growth Studies

A change brought forth through the Bill-197 amended legislation concerned classes of services. A class of service may be composed of any number or combination of services and may include parts or portions of each D.C.-eligible service. Section 7 of the D.C.A. states that a D.C. by-law may provide for any D.C.-eligible service or the capital costs with respect to those services. These provisions allow for services to be grouped together to create a class for the purposes of the D.C. by-law and D.C. reserve funds.

In addition, Section 7(3) of the D.C.A. states that:

“For greater certainty, a development charge by-law may provide for a class consisting of studies in respect of any service listed in subsection 2 (4) whose capital costs are described in paragraphs 5 and 6 of subsection 5 (3).”

As a result of these changes to the D.C.A., this update study provides for the former “Administration” to be categorized as a class of service entitled “Growth Studies.” Growth Studies provide for studies comprised of the following services:

- Water Services;
- Wastewater Services;
- Services Related to a Highway;
- Fire Protection Services;
- Parks and Recreation Services; and
- Library Services.

Figure 4-4 depicts how the costs of capital projects are allocated across the services. For planning related studies, a deduction of 10% has been applied to recognize the extent to which some studies relate to non-D.C.-eligible services. All planning studies have been allocated to the class of services in the following manner:

- Water Services – 25%
- Wastewater Services – 25%
- Services Related to a Highway – 25%
- Fire Protection Services – 10%
- Parks and Recreation Services – 10%



- Library Services – 5%

With respect to the capital cost of D.C. background studies, they have been allocated across the different services based on the proportion of the total net growth-related capital costs. The following provides a breakdown of the allocation of D.C. background studies to each service:

- Water Services – 9%
- Wastewater Services – 21%
- Services Related to a Highway – 51%
- Fire Protection Services – 2%
- Parks and Recreation – 15%
- Library Services – 2%

In addition to the changes noted above, the mandatory 10% deduction has been removed. The total revised growth-related capital costs included in the updated D.C. calculations equal \$1.16 million.

The capital costs have been allocated 82% residential and 18% non-residential based on the incremental growth in population to employment for the 10-year forecast period, consistent with the 2018 D.C. Background Study.



**Figure 4-4
Town of Pelham
Growth Studies Capital – Updated**

Town of Pelham
Service Growth Studies

Prj.No	Increased Service Needs Attributable to Anticipated Development	D.C. Eligible Services to which Study Relates	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
								Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 82%	Non-Residential Share 18%
	2018-2027											
1	Development Charge Background Study											
1a	Development Charge Background Study	Water Services	2018	3,468	-		3,468	-		3,468	2,844	624
1b	Development Charge Background Study	Wastewater Services	2018	8,225	-		8,225	-		8,225	6,745	1,481
1c	Development Charge Background Study	Services Related to a Highway	2018	20,806	-		20,806	-		20,806	17,061	3,745
1d	Development Charge Background Study	Fire Protection Services	2018	779	-		779	-		779	638	140
1e	Development Charge Background Study	Parks and Recreation Services	2018	6,016	-		6,016	-		6,016	4,933	1,083
1f	Development Charge Background Study	Library Services	2018	706	-		706	-		706	579	127
	Sub-Total			40,000	-	-	40,000	-	-	40,000	32,800	7,200
2	Development Charge Background Study											
2a	Development Charge Background Study	Water Services	2023	3,500	-		3,500	-		3,500	2,870	630
2b	Development Charge Background Study	Wastewater Services	2023	8,200	-		8,200	-		8,200	6,724	1,476
2c	Development Charge Background Study	Services Related to a Highway	2023	20,800	-		20,800	-		20,800	17,056	3,744
2d	Development Charge Background Study	Fire Protection Services	2023	800	-		800	-		800	656	144
2e	Development Charge Background Study	Parks and Recreation Services	2023	6,000	-		6,000	-		6,000	4,920	1,080
2f	Development Charge Background Study	Library Services	2023	700	-		700	-		700	574	126
	Sub-Total			40,000	-	-	40,000	-	-	40,000	32,800	7,200
3	Water/Wastewater Master Plan											
3a	Water/Wastewater Master Plan	Water Services	2021	37,500	-		37,500	-		37,500	30,750	6,750
3b	Water/Wastewater Master Plan	Wastewater Services	2021	37,500	-		37,500	-		37,500	30,750	6,750
	Sub-Total			75,000	-	-	75,000	-	-	75,000	61,500	13,500



Figure 4-4 Continued
Town of Pelham
Growth Studies Capital – Updated

Town of Pelham
Service Growth Studies

Prj.No	Increased Service Needs Attributable to Anticipated Development	D.C. Eligible Services to which Study Relates	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
								Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	2018-2027										82%	18%
4	Stormwater Master Plan	Services Related to a Highway	2021	75,000	-		75,000	-		75,000	61,500	13,500
5	Downtown Master Plan Study											
5a	Downtown Master Plan Study	Water Services	2022	31,250	-	3,125	28,125	14,063		14,063	11,531	2,531
5b	Downtown Master Plan Study	Wastewater Services	2022	31,250	-	3,125	28,125	14,063		14,063	11,531	2,531
5c	Downtown Master Plan Study	Services Related to a Highway	2022	31,250	-	3,125	28,125	14,063		14,063	11,531	2,531
5d	Downtown Master Plan Study	Fire Protection Services	2022	18,750	-	1,875	16,875	8,438		8,438	6,919	1,519
5e	Downtown Master Plan Study	Parks and Recreation Services	2022	6,250	-	625	5,625	2,813		2,813	2,306	506
5f	Downtown Master Plan Study	Library Services	2022	6,250	-	625	5,625	2,813		2,813	2,306	506
	Sub-Total			125,000	-	12,500	112,500	56,250	-	56,250	46,125	10,125
6	Environmental Impact Study											
6a	Environmental Impact Study	Water Services	2023	37,500	-		37,500	-		37,500	30,750	6,750
6b	Environmental Impact Study	Wastewater Services	2023	37,500	-		37,500	-		37,500	30,750	6,750
	Sub-Total			75,000	-	-	75,000	-	-	75,000	61,500	13,500
7	Official Plan Review and Update											
7a	Official Plan Review and Update	Water Services	2023	56,250		5,625	50,625	25,313		25,313	20,756	4,556
7b	Official Plan Review and Update	Wastewater Services	2023	56,250		5,625	50,625	25,313		25,313	20,756	4,556
7c	Official Plan Review and Update	Services Related to a Highway	2023	56,250		5,625	50,625	25,313		25,313	20,756	4,556
7d	Official Plan Review and Update	Fire Protection Services	2023	33,750		3,375	30,375	15,188		15,188	12,454	2,734
7e	Official Plan Review and Update	Parks and Recreation Services	2023	11,250		1,125	10,125	5,063		5,063	4,151	911
7f	Official Plan Review and Update	Library Services	2023	11,250		1,125	10,125	5,063		5,063	4,151	911
	Sub-Total			225,000	-	22,500	202,500	101,250	-	101,250	83,025	18,225



Figure 4-4 Continued
Town of Pelham
Growth Studies Capital – Updated

Town of Pelham
Service Growth Studies

Prj.No	Increased Service Needs Attributable to Anticipated Development	D.C. Eligible Services to which Study Relates	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
								Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	2018-2027										82%	18%
8	Pelham Transportation Master Plan	Services Related to a Highway	2021	100,000	-		100,000	25,000		75,000	61,500	13,500
9	Parks, Recreation and Cultural Services Master Plan	Parks and Recreation Services	2020	100,000	-		100,000	25,000		75,000	61,500	13,500
10	East Fonthill Study Debt - Principal						-	-		-	-	-
10a	East Fonthill Study Debt - Principal	Water Services	2018-2025	125,947	-		125,947	-		125,947	103,277	22,670
10b	East Fonthill Study Debt - Principal	Wastewater Services	2018-2025	125,947	-		125,947	-		125,947	103,277	22,670
10c	East Fonthill Study Debt - Principal	Services Related to a Highway	2018-2025	125,947	-		125,947	-		125,947	103,277	22,670
10d	East Fonthill Study Debt - Principal	Fire Protection Services	2018-2025	75,568	-		75,568	-		75,568	61,966	13,602
10e	East Fonthill Study Debt - Principal	Parks and Recreation Services	2018-2025	25,189	-		25,189	-		25,189	20,655	4,534
10f	East Fonthill Study Debt - Principal	Library Services	2018-2025	25,189	-		25,189	-		25,189	20,655	4,534
	Sub-Total			503,788	-		503,788	-		503,788	413,106	90,682
11	East Fonthill Study Debt - Discounted Interest											
11a	East Fonthill Study Debt - Discounted Interest	Water Services	2018-2025	3,541	-		3,541	-		3,541	2,903	637
11b	East Fonthill Study Debt - Discounted Interest	Wastewater Services	2018-2025	3,541	-		3,541	-		3,541	2,903	637
11c	East Fonthill Study Debt - Discounted Interest	Services Related to a Highway	2018-2025	3,541	-		3,541	-		3,541	2,903	637
11d	East Fonthill Study Debt - Discounted Interest	Fire Protection Services	2018-2025	2,124	-		2,124	-		2,124	1,742	382
11e	East Fonthill Study Debt - Discounted Interest	Parks and Recreation Services	2018-2025	708	-		708	-		708	581	127
11f	East Fonthill Study Debt - Discounted Interest	Library Services	2018-2025	708	-		708	-		708	581	127
11g	Sub-Total			14,163	-	-	14,163	-	-	14,163	11,614	2,549
				-	-		-	-		-	-	-
12	Reserve Fund Adjustment			30,283	-		30,283	-		30,283	24,832	5,451
	Total			1,403,234	-	35,000	1,368,234	207,500	-	1,160,734	951,802	208,932



4.4 D.C. By-law Revised Schedule of Charges

4.4.1 Updated D.C. Calculation (2018\$)

Figure 4-5 provides the calculations for municipal-wide services/classes of the 10-year forecast period based on the changes described earlier in this chapter related to Parks and Recreation, Library, and Growth Studies.

The calculations provided herein are similar to what was provided in the 2018 D.C. Study. 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 Figures 4-1 to 4-4 are based on the net anticipated population increase. The cost per capita is then multiplied by the average occupancy of the new units to calculate the charge in Figure 4-5. With respect to non-residential development, the total costs allocated to non-residential development (based on need for service) have been divided by the anticipated development over the planning periods to calculate costs per sq.ft. of gross floor area for each service/class of service.



Figure 4-5
Town of Pelham
Municipal-wide D.C. Calculations (10-Year)

SERVICE/CLASS OF SERVICE	2018 \$ D.C.-Eligible Cost		2018 \$ D.C.-Eligible Cost	
	Residential	Non-Residential	SDU	per sq. ft.
	\$	\$	\$	\$
1. <u>Parks and Recreation Services</u>				
1.1 Parkland development, amenities & trails	2,704,304	142,332	1,966	0.27
1.2 Recreation facilities	4,563,405	240,179	3,316	0.47
	7,267,709	382,511	5,282	0.74
2. <u>Library Services</u>				
2.1 Library Facilities and Collection Materials	851,410	44,811	619	0.09
	851,410	44,811	619	0.09
3. <u>Growth Studies</u>				
3.1 Water Services	211,915	46,518	154	0.09
3.2 Wastewater Services	219,623	48,210	160	0.09
3.3 Services Related to a Highway	301,787	66,246	219	0.13
3.4 Fire Protection Services	59,182	12,991	43	0.02
3.5 Parks and Recreation Services	129,210	28,363	94	0.05
3.6 Library Services	30,083	6,604	22	0.01
	951,802	208,932	692	0.39
TOTAL	\$9,070,920	\$636,254	\$6,593	\$1.22
D.C.-Eligible Capital Cost	\$9,070,920	\$636,254		
10 Year Gross Population / GFA Growth (sq.ft.)	4,023	523,600		
Cost Per Capita / Non-Residential GFA (sq.ft.)	\$2,254.77	\$1.22		
By Residential Unit Type	p.p.u			
Single and Semi-Detached Dwelling	2.92	\$6,593		
Multiples	2.08	\$4,697		
Apartments - 2 Bedrooms +	2.00	\$4,514		
Apartments - Bachelor and 1 Bedroom	1.22	\$2,760		
Special Care/Special Dwelling Units	1.00	\$2,255		

Figures 4-6 and 4-7 compare the amended and existing single detached dwelling unit and non-residential per square foot D.C.s (2018 \$ values).



Figure 4-6
Town of Pelham
Comparison of Existing and Amending Development Charges
Residential Single Detached Unit
Development Charge (2018\$)

Service/Class of Service	Current As per By-law 4023(2018) as amended by By-law 4149(2019) (2018\$)	Calculated D.C. based on 2021 Update (2018\$)
Municipal Wide Services/Classes of Services:		
Services Related to a Highway	9,330	9,330
Fire Protection Services	349	349
Parks and Recreation Services ¹	3,581	5,282
Library Services	563	619
Growth Studies ²	678	692
Total Municipal Wide Services/Classes of Service	14,501	16,272
Urban Services:		
Wastewater Services	2,762	2,762
Water Services	1,165	1,165
Total Urban Services	3,927	3,927
Grand Total - Urban Area	18,428	20,199

¹ Previously presented as two separate charges for Indoor and Outdoor Recreation Services

² Previously presented as Administration



Figure 4-7
Town of Pelham
Comparison of Existing and Amending Development Charges
Non-Residential Development Charges per Square Foot
(2018\$)

Service/Class of Service	Current As per By-law 4023(2018) as amended by By-law 4149(2019) (2018\$)	Calculated D.C. based on 2021 Update (2018\$)
Municipal Wide Services/Classes of Services:		
Services Related to a Highway	5.21	5.21
Fire Protection Services	0.19	0.19
Parks and Recreation Services ¹	0.49	0.74
Library Services	0.08	0.09
Growth Studies ²	0.39	0.39
Total Municipal Wide Services/Classes of Service	6.36	6.62
Urban Services:		
Wastewater Services	1.90	1.90
Water Services	0.80	0.80
Total Urban Services	2.70	2.70
Grand Total - Urban Area	9.06	9.32

¹ Previously presented as two separate charges for Indoor and Outdoor Recreation Services

² Previously presented as Administration



4.4.2 Revised D.C. Rates (2018\$ and 2021\$)

Based on the calculations above, the Municipal-wide D.C. (in 2018\$) is calculated to increase from \$18,428 to \$20,199 per single detached unit and increase from \$9.06 to \$9.32 per square foot for non-residential development.

Figure 4-8 provides for the updated Municipal-wide D.C.s in 2018 values, as the study was originally completed in 2018. This figure would be included as the amending schedule to the D.C. by-law. Figure 4-9 provides for the indexed 2021 values as the Town's current D.C.s have been indexed by 5.27% on January 1, 2021 as per the by-law.



Figure 4-8
Town of Pelham
Updated Development Charge Schedule (2018\$)

Service	RESIDENTIAL				Special Care/Special Dwelling Units	NON-RESIDENTIAL (per ft ² of Gross Floor Area)
	Single and Semi-Detached Dwelling	Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom		
Municipal Wide Services:						
Services Related to a Highway	9,330	6,647	6,388	3,906	3,191	5.21
Fire Protection Services	349	249	239	146	119	0.19
Parks and Recreation Services ¹	5,282	3,763	3,616	2,211	1,806	0.74
Library Services	619	441	424	259	212	0.09
Growth Studies ²	692	493	474	290	237	0.39
Total Municipal Wide Services	16,272	11,593	11,141	6,812	5,565	6.62
Urban Services						
Wastewater Services	2,762	1,968	1,891	1,156	945	1.90
Water Services	1,165	830	798	488	398	0.80
Total Urban Services	3,927	2,798	2,689	1,644	1,343	2.70
GRAND TOTAL RURAL AREA	16,272	11,593	11,141	6,812	5,565	6.62
GRAND TOTAL URBAN AREA	20,199	14,391	13,830	8,456	6,908	9.32

¹ Previously presented as two separate charges for Indoor and Outdoor Recreation Services

² Previously presented as Administration



Figure 4-9
Town of Pelham
Updated Development Charge Schedule (2021\$)

Service	RESIDENTIAL				Special Care/Special Dwelling Units	NON-RESIDENTIAL (per ft ² of Gross Floor Area)
	Single and Semi-Detached Dwelling	Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom		
Municipal Wide Services:						
Services Related to a Highway	9,822	6,997	6,724	4,111	3,359	5.48
Fire Protection Services	367	262	251	153	125	0.19
Parks and Recreation Services ¹	5,560	3,961	3,807	2,328	1,901	0.78
Library Services	652	464	446	273	223	0.09
Growth Studies ²	728	519	499	305	249	0.41
Total Municipal Wide Services	17,129	12,203	11,727	7,170	5,857	6.95
Urban Services						
Wastewater Services	2,907	1,217	2,071	1,991	994	2.00
Water Services	1,227	514	874	840	419	0.84
Total Urban Services	4,134	1,731	2,945	2,831	1,413	2.84
GRAND TOTAL RURAL AREA	17,129	12,203	11,727	7,170	5,857	6.95
GRAND TOTAL URBAN AREA	21,263	13,934	14,672	10,001	7,270	9.79

¹ Previously presented as two separate charges for Indoor and Outdoor Recreation Services

² Previously presented as Administration



Chapter 5

Updates to the D.C. By-law



5. Updates to the D.C. By-law

As summarized in Chapter 2, the D.C. by-law will require several updates to conform with the D.C.A., as amended.

With respect to the “Time of Calculation and Payment” section of the by-law, the following refinements are to be included:

- Six equal annual D.C. payments commencing at occupancy for Rental Housing and Institutional Developments;
- Non-profit Housing Developments will be allowed to pay their D.C.s in 21 equal annual payments; and
- The D.C. amount for all developments occurring within 2 years of a site plan or zoning by-law amendment planning approval (for applications submitted after January 1, 2020) shall be determined based on the D.C. in effect on the day of the site plan or zoning by-law amendment application.

Instalment payments and payments determined at the time of site plan or zoning by-law amendment application are subject to annual interest charges. The interest rate will be based on the Town’s *Timing for Calculation of Development Charge, Instalment and Interest Policy* (S400-09). This policy may be amended from time to time.

For the purposes of administering the by-law, the following definitions are provided as per O. Reg. 454-19:

“Rental housing” means development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises.

“Institutional development” means development of a building or structure intended for use,

- a) as a long-term care home within the meaning of Subsection 2 (1) of the *Long-Term Care Homes Act, 2007*;
- b) as a retirement home within the meaning of Subsection 2 (1) of the *Retirement Homes Act, 2010*;
- c) by any of the following post-secondary institutions for the objects of the institution:



- i. a university in Ontario that receives direct, regular, and ongoing operating funding from the Government of Ontario,
 - ii. a college or university federated or affiliated with a university described in subclause (i), or
 - iii. an Indigenous Institute prescribed for the purposes of Section 6 of the *Indigenous Institutes Act, 2017*;
- d) as a memorial home, clubhouse, or athletic grounds by an Ontario branch of the Royal Canadian Legion; or
- e) as a hospice to provide end of life care.

“Non-profit Housing Development” means development of a building or structure intended for use as residential premises by,

- a) a corporation without share capital to which the *Corporations Act* applies, that is in good standing under that Act and whose primary object is to provide housing;
- b) a corporation without share capital to which the *Canada Not-for-profit Corporations Act* applies, that is in good standing under that Act and whose primary object is to provide housing; or
- c) a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*, or any successor legislation.

In addition to the changes provided above, the following definition for “Class” will be provided:

“Class” means a grouping of services combined to create a single service for the purposes of this by-law and as provided in section 7 of the Development Charges Act.

With respect to exemptions, the following will be included as per O. Reg. 454-19:

No development charge shall be payable where the development:

- is limited to the creation of an additional dwelling unit as prescribed, in prescribed classes of new residential buildings as set out in the Regulations to the Development Charges Act, 1997; and



- is limited to the creation of an additional dwelling unit ancillary to a new dwelling unit in prescribed classes of new residential buildings as set out in the Regulations to the Development Charges Act, 1997.

With respect to exemptions, the following will be included as per Bill 213:

Land vested in or leased to a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education is exempt from development charges imposed under the Development Charges Act, 1997 if the development in respect of which development charges would otherwise be payable is intended to be occupied and used by the university.



Chapter 6

Recommendations



6. Recommendations

It is recommended that Council:

“Approve the Development Charges Update Study dated December 22, 2021, as amended (if applicable)”;

“Approve the updated capital projects set out in Chapter 4 of the Development Charges Update Study dated December 22, 2021”;

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

“Approve the Amending Development Charge By-law as set out in Appendix C”.



Appendix A

Existing Policies under By-law 4023 (2018), as amended with By-law 4149 (2019)



A-1: Existing Policies under By-law 4023 (2018), as amended with By-law 4149 (2019)

The following subsections set out the rules governing the calculation, payment and collection of D.C.s as provided in By-law 4023 (2018) as amended, in accordance with the D.C.A.

Development Charges Imposed

Subject to subsection (2), development charges shall be calculated and collected in accordance with the provisions of the by-law and be imposed on land to be developed for residential and non-residential uses, where, the development requires:

- 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 section 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 50 of the *Condominium Act*;
- g) the issuing of a building permit under the *Building Code Act* in relation to a building or structure.

Calculation of Development Charges

The development charge with respect to the uses of any land, building or structure shall be calculated as follows:

- a) in the case of residential development or the residential portion of a mixed-use development or redevelopment, based on the number and type of dwelling units or redevelopment, as the sum of the product of the number of dwelling units of



each type multiplied by the corresponding total amount for such dwelling unit type, as set out in Schedule "B";

- b) in the case of non-residential development or redevelopment, or the non-residential portion of a mixed-use development, as the sum of the product of the gross floor area multiplied by the corresponding total amount for such gross floor area as set out in Schedule "B".

Rules with Respect to Redevelopment

In the case of the re-development involving the demolition and replacement of all or part of a building or structure:

1. a credit offsetting the development charges payable shall be allowed, provided that the land was improved by occupied structures (or structures capable of occupancy) within the five years prior to the issuance of the demolition permit, and the building permit has been issued for the development or redevelopment within five years from the date the demolition permit has been issued; and
2. the credit shall be calculated as follows;
 - a. for residential buildings, the credit shall be equivalent to the number of dwelling units demolished multiplied by the applicable residential development charge in place at the time the development charge is payable under this by-law.
 - b. for non-residential buildings, the credit shall be equivalent to the gross floor area demolished multiplied by the applicable non-residential development charge in place at the time the development charge is payable under this by-law.

Notwithstanding Subsection 11(1), the credit cannot exceed the amount of the development charge that would otherwise be payable, and no credit is available if the existing land use is exempt under this by-law;

If a development includes the conversion of a premise from one use (the "first use") to another use, then the amount of development charges payable shall be reduced by the amount, calculated pursuant to this By-law at the current development charge rates,



that would be payable as development charges in respect of the first use, provided that such reduction shall not exceed the development charges otherwise payable.

Exemptions (full or partial)

The following are exempted from D.C.s:

- Statutory exemptions
 - a) Industrial building additions of up to and including 50% of the existing gross floor area (defined in O. Reg. 82/98, s. 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 (s. 4 (3)) of the D.C.A;
 - b) buildings or structures owned by and used for the purposes of any municipality, local board or Board of Education (s. 3); and
 - c) 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 s.2 of O. Reg. 82/98).

- Non-statutory exemptions
 - That portion of a place of worship that is exempt from taxation under the Assessment Act;
 - Hospital;
 - Garden suit;
 - Farm help house;
 - A farm building;
 - Institutions that are exempt from municipal taxation under the following legislation;
 - Social Housing Reform Act;
 - Long Term Care Act; or
 - Mental Health Act,

Save and except those that are operated for profit.

Notwithstanding subsection (1), a 75% development charge exemption shall be granted for development of the type defined in paragraph (a), and located within the areas defined in paragraph (b), and subject to such development meeting all of the conditions set out in paragraph (c).



Indexing

The D.C.s imposed shall be adjusted annually commencing on January 1, 2020 and each January 1st thereafter, without amendment to the by-law, in accordance with the Statistics Canada Quarterly, Non-Residential Building Construction Price Index, catalogue number 62-007.

Timing of Calculation and Payment

Development charges shall be calculated and payable in full in money or by provision of services as may be agreed upon, or by credit granted under the Act, on the date that the first building permit is issued in relation to a building or structure on land to which a development charge applies.



Appendix B

Service Standards



TABLE B-1
SUMMARY OF SERVICE STANDARDS AS PER DEVELOPMENT CHARGES ACT, 1997, AS AMENDED
FOR SERVICES REVISED IN THIS 2021 UPDATE STUDY

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	\$27,749.30	0.0142	km of roadways	1,954,176	per lane km	165,385,828
	Services Related to a Highway - Public Works Facilities	\$145.27	0.8618	ft ² of building area	169	per ft ²	865,809
	Services Related to a Highway - Public Works Vehicles	\$199.28	0.0017	No. of vehicles and equipment	117,224	per vehicle	1,187,709
Fire	Fire Facilities	\$403.98	1.4245	ft ² of building area	284	per ft ²	2,407,721
	Fire Vehicles	\$348.06	0.0008	No. of vehicles	435,075	per vehicle	2,074,438
	Fire Small Equipment and Gear	\$51.99	0.0050	No. of equipment and gear	10,398	per Firefighter	309,860
Parks and Recreation	Parkland Development	\$910.98	0.0032	Hectares of Parkland	284,681	per acre	3,126,483
	Parkland Amenities	\$318.87	0.0025	No. of parkland amenities	127,548	per amenity	1,094,362
	Indoor Recreation Facilities	\$1,211.37	4.6847	ft ² of building area	259	per ft ²	4,157,422
Library	Library Facilities	\$207.52	0.6232	ft ² of building area	333	per ft ²	712,209
	Library Collection Materials	\$65.55	8.4599	No. of library collection items	8	per collection item	224,968



**Town of Pelham
Service Standard Calculation Sheet**

Service: Parkland Development
Unit Measure: Hectares of Parkland

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018 Value (\$/Ha)
Centennial Park	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	\$282,000
Cherry Ridge Park	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	\$282,000
Harold Black Park	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	\$282,000
Hurlestone Park	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	\$282,000
Marlene Stewart Streit Park	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	\$282,000
North Pelham Park	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	\$282,000
Pelham Arena (adjacent parkland & tot lot)	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	\$282,000
Pelham Corners Park	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	\$282,000
Pelham Peace Park	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	\$282,000
Woodstream Park	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	\$282,000
Harold Bradshaw Park	20.2	20.2	20.2	20.2	20.2	20.2	20.2	20.2	20.2	20.2	\$282,000
Weiland Park										0.43	\$282,000
Lookout Park										0.82	\$282,000
Total	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	56.0	57.2	

Population	16,598	16,699	16,801	16,907	17,009	17,110	17,589	18,157	18,498	18,608
Per Capita Standard	0.0034	0.0034	0.0033	0.0033	0.0033	0.0033	0.0032	0.0031	0.0030	0.0031

10 Year Average	2011-2020
Quantity Standard	0.0032
Quality Standard	\$284,681
Service Standard	\$911

DC Amount (before deductions)	10 Year
Forecast Population	3,432
\$ per Capita	\$911
Eligible Amount	\$3,126,483



**Town of Pelham
Service Standard Calculation Sheet**

Service: Parkland Amenities
Unit Measure: No. of parkland amenities

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018 Value (\$/item)
Soccer Lit	2	2	2	2	2	2	2	2	2	2	\$435,400
Soccer Intermediate	2	2	2	2	2	2	2	2	3	3	\$209,400
Soccer Mini	1	1	1	1	1	1	1	1	1	1	\$90,400
Ball Diamond Lit	3	3	3	3	3	3	3	3	3	3	\$380,300
Ball Diamond Unlit	4	4	4	4	4	4	4	3	3	3	\$192,900
Tball	1	1	1	1	1	1	1	1	1	1	\$66,100
Portable Lighting Equip	2	2	2	2	2	2	2	6	6	6	\$7,700
Portable bleachers	12	12	12	12	12	12	12	12	12	12	\$9,300
Playground Equip	8	8	8	8	8	8	8	9	9	11	\$137,800
Ice Resurfacer	1	1	1	1	1	1	1	2	2	2	\$92,800
Bandshell	1	1	1	1	1	1	1	1	1	1	\$92,700
Farmers Market	1	1	1	1	1	1	1	1	1	1	\$5,800
Tennis Courts (lit)	4	4	4	4	4	4	4	4	4	4	\$88,200
Skate Park	-	-	-	1	1	1	1	1	1	1	\$438,700
Total	42	42	42	43	43	43	43	49	49	51	

Population	16,598	16,699	16,801	16,907	17,009	17,110	17,589	18,157	18,498	18,608
Per Capita Standard	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025	0.0024	0.0027	0.0026	0.0027

10 Year Average	2011-2020
Quantity Standard	0.0025
Quality Standard	\$127,548
Service Standard	\$319

DC Amount (before deductions)	10 Year
Forecast Population	3,432
\$ per Capita	\$319
Eligible Amount	\$1,094,362



**Town of Pelham
Service Standard Calculation Sheet**

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

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018 Bld'g Value (\$/ft²)	Value/ft² with land, site works, etc.
Arena	29,690	29,690	29,690	29,690	29,690	29,690	-	-	-	-	\$193	\$234
Senior Citizen's Centre	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	\$167	\$206
Outdoor Swimming Pool	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	\$153	\$190
Storage Hut at Arena	912	912	912	912	912	912	-	-	-	-	\$85	\$115
Portable 1 (Dressing Room)	-	-	-	504	504	504	-	-	-	-	\$171	\$210
Portable 2 (Lunchroom/Washroom)	-	-	-	504	504	504	-	-	-	-	\$131	\$166
Meridian Community Centre							143,000	143,000	143,000	143,000	\$256	\$277
Total	38,162	38,162	38,162	39,170	39,170	39,170	150,560	150,560	150,560	150,560		

Population	16,598	16,699	16,801	16,907	17,009	17,110	17,589	18,157	18,498	18,608
Per Capita Standard	2.2992	2.2853	2.2714	2.3168	2.3029	2.2893	8.5599	8.2921	8.1393	8.0911

10 Year Average	2011-2020
Quantity Standard	4.6847
Quality Standard	\$259
Service Standard	\$1,211

DC Amount (before deductions)	10 Year
Forecast Population	3,432
\$ per Capita	\$1,211
Eligible Amount	\$4,157,422



**Town of Pelham
Service Standard Calculation Sheet**

Service: Library Facilities
Unit Measure: ft² of building area

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018 Bld'g Value (\$/ft ²)	Value/ft ² with land, site works, etc.
Main Branch (Fonthill)	8,425	8,425	8,425	8,425	8,425	8,425	8,425	8,425	8,425	8,425	\$258	\$333
Maple Acre (Fenwick) Branch	1,410	1,410	1,410	1,410	1,410	1,410	4,000	4,000	4,000	4,000	\$258	\$333
Total	9,835	9,835	9,835	9,835	9,835	9,835	12,425	12,425	12,425	12,425		

Population	16,598	16,699	16,801	16,907	17,009	17,110	17,589	18,157	18,498	18,608
Per Capita Standard	0.5925	0.5890	0.5854	0.5817	0.5782	0.5748	0.7064	0.6843	0.6717	0.6677

10 Year Average	2011-2020
Quantity Standard	0.6232
Quality Standard	\$333
Service Standard	\$208

DC Amount (before deductions)	10 Year
Forecast Population	3,432
\$ per Capita	\$208
Eligible Amount	\$712,209



**Town of Pelham
Service Standard Calculation Sheet**

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

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018 Value (\$/item)
Books	52,566	41,589	44,952	45,334	42,284	35,096	35,792	31,876	33,155	33,595	\$21
Non-books	4,299	3,588	5,079	5,262	5,525	5,270	5,774	6,821	7,362	7,296	\$29
Magazine Titles	55	77	274	177	294	232	226	117	104	104	\$77
Value of Subscriptions	49,620	49,620	49,620	73,720	74,250	67,800	77,410	112,260	136,760	348,710	\$1
Electronic Products	30	35	40	45	50	55	60	65	70	70	\$500
Total	106,570	94,909	99,965	124,538	122,403	108,453	119,262	151,139	177,451	389,775	

Population	16,598	16,699	16,801	16,907	17,009	17,110	17,589	18,157	18,498	18,608
Per Capita Standard	6.42	5.68	5.95	7.37	7.20	6.34	6.78	8.32	9.59	20.95

10 Year Average	2011-2020
Quantity Standard	8.4599
Quality Standard	\$8
Service Standard	\$66

DC Amount (before deductions)	10 Year
Forecast Population	3,432
\$ per Capita	\$66
Eligible Amount	\$224,968



Appendix C

Draft Amending Development Charge By-law



Town of Pelham

By-law Number _____

Being a By-Law of the Town of Pelham To Amend By-Law 4023 (2018), as amended, Respecting Development Charges

Whereas the Town of Pelham (the “Town”) enacted By-law 4023 (2018) pursuant to the *Development Charges Act, 1997*, S.O. 1997, c. 27, as amended (the “Act”), which Act authorizes Council to pass By-laws for the imposition of development charges against land;

And Whereas the Town has undertaken a study pursuant to the Act which has provided updated Schedules to By-law 4023 (2018);

And Whereas the Council of the Town of Pelham (“Council”) has before it a report entitled “Town of Pelham 2021 Development Charge Update Study” prepared by Watson & Associates Economists Ltd., dated December 22, 2021 (the “update study”);

And Whereas the update study and proposed amending By-law were made available to the public on December 22, 2021 and Council gave notice to the public pursuant to Section 12 of the Act.

And Whereas Council, on February 7, 2022 held a meeting open to the public, pursuant to Section 12 of the Act, at which Council considered the study, and written and oral submissions from the public;

NOW THEREFORE Council hereby enacts as follows:

1. By-law 4023 (2018) is hereby amended as follows:

A. Addition of Class to the definitions in Section 1 as follows:

“Class” means a grouping of services combined to create a single service for the purposes of this By-law and as provided in Section 7 of the Development Charges Act.

B. Addition of Institutional Development to definitions in Section 1 as follows:

“Institutional Development” means development of a building or structure intended for use:



- (i) as a long-term care home within the meaning of Subsection 2 (1) of the *Long-Term Care Homes Act, 2007*;
- (ii) as a retirement home within the meaning of Subsection 2 (1) of the *Retirement Homes Act, 2010*;
- (iii) by any of the following post-secondary institutions for the objects of the institution:
 - 1. a university in Ontario that receives direct, regular, and ongoing operating funding from the Government of Ontario,
 - 2. a college or university federated or affiliated with a university described in subclause (1), or
 - 3. an Indigenous Institute prescribed for the purposes of Section 6 of the *Indigenous Institutes Act, 2017*;

C. Addition of Interest Rate to the definitions in Section 1 as follows:

“Interest Rate” means the annual rate of interest calculated as per the Town’s *Timing for Calculation of Development Charge, Instalment and Interest Policy (S400-09)* as may be revised from time to time.

D. Addition of Non-profit Housing Development to the definitions in Section 1 as follows:

“Non-profit Housing Development” means development of a building or structure intended for use as residential premises by,

- (i) a corporation without share capital to which the *Corporations Act* applies, that is in good standing under that Act and whose primary object is to provide housing;
- (ii) a corporation without share capital to which the Canada Not-for-profit Corporations Act applies, that is in good standing under that Act and whose primary object is to provide housing; or
- (iii) a non-profit housing co-operative that is in good standing under the Co-operative *Corporations Act*, or any successor legislation.

E. Addition of Rental Housing to the definitions in Section 1 as follows:



“Rental Housing” means development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises;

F. Addition of exemption for University to Section 4, subsection (6), as follows:

New bullet “j) land vested in or leased to a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education is exempt from development charges imposed under the Act, if the development in respect of which development charges would otherwise be payable is intended to be occupied and used by the university.”

G. Addition of Section 4(8) for “Rules with Respect to Exemptions for New Development”

“4(8) Notwithstanding the provisions of this By-law, no development charge shall be payable where the development:

(a) is limited to the creation of an additional dwelling unit as prescribed, in prescribed classes of new residential buildings as set out in the Regulations to the Development Charges Act, 1997; and

(b) is limited to the creation of an additional dwelling unit ancillary to a new dwelling unit for prescribed classes of new residential buildings as set out in the Regulations to the Development Charges Act, 1997.”

H. Addition of policies related to the timing of development charges payments. These will be included after Section 14(2) of the development charges by-law:

New Sections:

14(3) Notwithstanding subsections 14(1) and 14(2), Development Charges for Rental Housing and Institutional Developments are due and payable in six equal annual instalment payments commencing with the first instalment payable on the date of occupancy, and each subsequent instalment, including interest as per the Town’s D.C. Interest Policy, payable on the anniversary date each year thereafter.



14(4) Notwithstanding subsections 14(1) and 14(2), Development Charges for Non-profit Housing Developments are due and payable in 21 equal annual instalment payments commencing with the first instalment payable on the date of occupancy, and each subsequent instalment, including interest as per the Town's D.C. Interest policy, payable on the anniversary date each year thereafter.

14(5) Where the development of land results from the approval of a site plan or zoning by-law amendment application received on or after January 1, 2020, and the approval of the application occurred within two years of building permit issuance, the development charges under section 2 (2) and shall be calculated on the rates set out in Schedule "B" on the date of the planning application, including interest. Where both planning applications apply development charges under section 2 (2) shall be calculated on the rates payable on the anniversary date each year thereafter, set out in Schedule "B" on the date of the later planning application, including interest as provided in the Town's D.C. Interest Policy.

- I. Schedule "A" is deleted, and the attached Schedule "A" is substituted, therefore.
- J. Schedules "B" is deleted, and the attached Schedule "B" is substituted, therefore.

- 2. This By-law shall come into force and effect at 12:01AM on March 8, 2022.
- 3. Except as amended by this By-law, all provisions of By-law 4023 (2018), as amended, are and shall remain in full force and effect.

By-law read a first and second time this 7th day of March, 2022.

By-law read a third time and finally passed this 7th day of March, 2022.

Mayor: _____



Clerk: _____



**SCHEDULE “A”
TO BY-LAW NO. 4023 (2018)
DESIGNATED MUNICIPAL SERVICES/CLASSES OF SERVICES UNDER THIS
BY-LAW**

Town-Wide D.C.-Eligible Services

- Services Related to a Highway
- Fire Protection Services
- Library Services
- Parks and Recreation Services
- Growth Studies

Urban Area D.C.-Eligible Services

- Water Services
- Wastewater Services



SCHEDULE B SCHEDULE OF DEVELOPMENT CHARGES

Service	RESIDENTIAL					Special Care/Special Dwelling Units	NON-RESIDENTIAL (per ft ² of Gross Floor Area)
	Single and Semi-Detached Dwelling	Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom			
Municipal Wide Services:							
Services Related to a Highway	9,330	6,647	6,388	3,906	3,191	5.21	
Fire Protection Services	349	249	239	146	119	0.19	
Parks and Recreation Services ¹	5,282	3,763	3,616	2,211	1,806	0.74	
Library Services	619	441	424	259	212	0.09	
Growth Studies ²	692	493	474	290	237	0.39	
Total Municipal Wide Services	16,272	11,593	11,141	6,812	5,565	6.62	
Urban Services							
Wastewater Services	2,762	1,968	1,891	1,156	945	1.90	
Water Services	1,165	830	798	488	398	0.80	
Total Urban Services	3,927	2,798	2,689	1,644	1,343	2.70	
GRAND TOTAL RURAL AREA	16,272	11,593	11,141	6,812	5,565	6.62	
GRAND TOTAL URBAN AREA	20,199	14,391	13,830	8,456	6,908	9.32	

¹ Previously presented as two separate charges for Indoor and Outdoor Recreation Services

² Previously presented as Administration