



Tuesday, October 22nd, 2024

5:30 p.m.

**Tay Valley Township Municipal Office – 217 Harper Road, Tay Valley, Ontario
Council Chambers**

*5:30 p.m. Public Meeting: Development Charges
Following Council Meeting*

Chair, Reeve Rob Rainer

1. CALL TO ORDER

2. INTRODUCTION

Reeve, Rob Rainer

- The purpose of this public meeting is to provide an opportunity to hear questions, comments and representations on a proposed new Development Charges By-Law and the accompanying Background Study.
- The Consultant will provide a presentation of the Background Study. Then, any person or public body will be heard.

3. DEVELOPMENT CHARGES UPDATE

Nancy Neale, Watson & Associates Economists Ltd.

- Development Charges Update Background Study and Proposed By-Law (2024)
<https://www.tayvalleytwp.ca/DevelopmentChargesUpdate/>
- Presentation – *attached, page 3.*

4. COMMENTS AND QUESTIONS

5. NEXT STEPS

Ashley Liznick, Treasurer.

Committee of the Whole – November 5th, 2024 – Discussion by Council

Council Meeting – November 19th, 2024 – Adoption of By-Law

Notice of Passing – November 20th, 2024

End of 40-day Appeal Period – December 30th, 2024

Effective Date – November 19th, 2024

6. ADJOURNMENT

DEVELOPMENT CHARGES UPDATE



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Introduction

Public Meeting Purpose

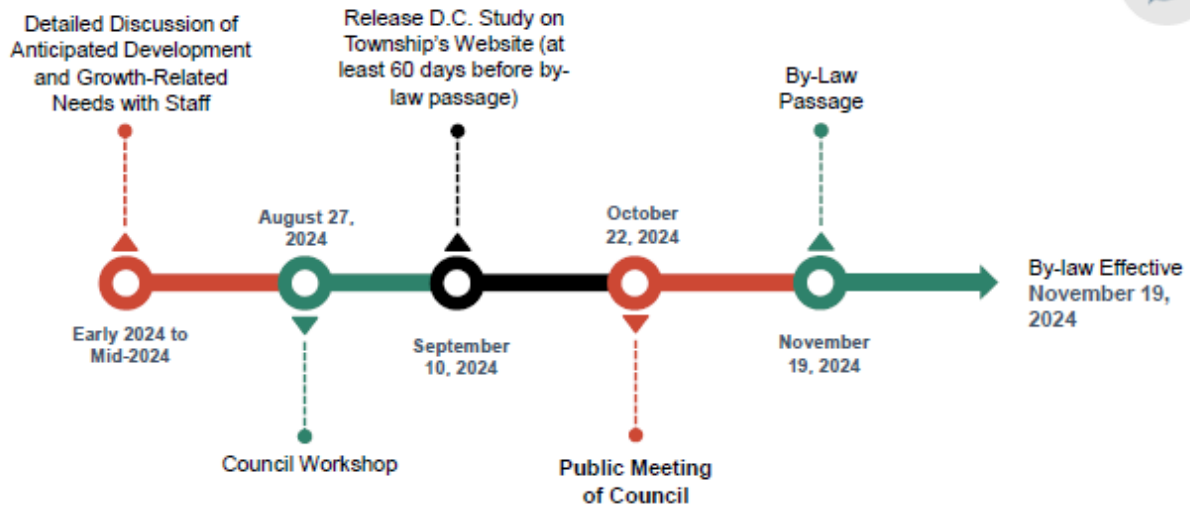


- This meeting is a mandatory requirement under the *Development Charges Act, 1997*, as amended (D.C.A.)
- Prior to Council's consideration of a development charges (D.C.) by-law, a background study must be prepared and available to the public (September 10, 2024) a minimum of 2 weeks prior to a public meeting and provided on the Tay Valley Township (Township) website 60 days prior to by-law passage
- This public meeting is to provide a review of the D.C. proposal and to receive public input on the proposed policies and charges

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Study Process



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Introduction

Development Charges



- Purpose of D.C.s is to recover the capital costs associated with residential and non-residential development within a municipality
- Municipalities are empowered to impose these charges via the D.C.A.
- The capital costs included in the D.C. are those that are in addition to the cost of assets that would normally be constructed as part of a subdivision (i.e., internal roads, watermains, sewers, sidewalks, streetlights, etc.)

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Growth Forecast – Township-Wide Population, Housing, and Employment



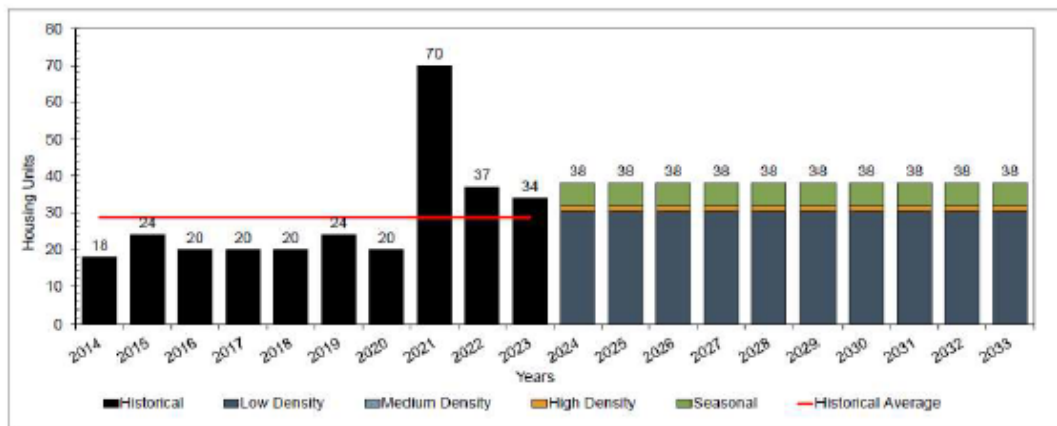
Forecast Population and Housing Growth	10 Year (mid-2024 to mid-2034)
Net Population Increase	677
Gross Population Increase	1,063
Residential Unit Increase	407
Low Density	364
Medium Density	-
High Density	16
Institutional Units	27

Forecast Incremental Non-Residential Employment and Gross Floor Area (G.F.A.) Increase (ft ²)	10 Year (mid-2024 to mid-2034)
Non-residential Employment Growth	72
Primary	12
Commercial/Population-Related	36
Industrial	11
Institutional	14
Non-residential Gross Floor Area Increase (sq.ft.)	81,780

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Growth Forecast – Housing



¹¹ Growth forecast represents calendar year.
Source: Historical housing activity derived from Tay Valley Township building permit data, 2014 to 2023.

Note: Institutional units are not reflected in the data above

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Overview: D.C. Eligible Services and Class of Services Considered in the Study



1. Services Related to a Highway
2. Fire Protection Services
3. Parks and Recreation Services
4. Library Services
5. Waste Diversion
6. Growth-Related Studies (Class of Services)

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Capital Infrastructure Costs Included in the D.C. Calculations



Increased Service Needs Attributable to Anticipated Development	Forecast Period	Gross Capital Cost Estimate (2024\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
Services:										
Services Related to a Highway	2024 to 2033	8,204,557	-	-	8,204,557	5,306,739	-	2,897,818	2,826,036	289,782
Fire Protection Services	2024 to 2033	476,672	-	71,500	405,172	152,170	-	253,002	227,702	25,300
Parks and Recreation Services	2024 to 2033	1,478,600	-	-	1,478,600	1,238,964	-	239,636	227,625	11,685
Library Services	2024 to 2033	198,000	-	-	198,000	16,954	-	151,046	143,493	7,552
Waste Diversion Services	2024 to 2033	80,000	-	-	80,000	4,315	-	55,685	52,901	2,784
Class of Services:										
Growth-Related Studies	2024 to 2033	408,928	-	31,770	377,158	111,662	-	265,486	240,570	24,896
Total		\$10,796,757	\$0	\$103,270	\$10,693,487	\$6,830,868	\$0	\$3,662,622	\$3,500,327	\$362,295
Proportion of Gross Capital Cost Estimate		100%	0%	1%		63%	0%	36%		

- Other Deductions for Fire Services relate to the portion of shared costs that the Township of Drummond/North Elmsley is responsible for.
- Other Deductions for Growth-Related Studies represent the portion of costs that relate to ineligible D.C. Services, these costs must be funded from other Township sources (e.g., taxes/reserves).
- Benefit to Existing relates to the portion of projects that include replacement of existing infrastructure, where assets are being replaced and upgraded/expanded to service growth, this amount must be funded from other Township sources. Existing D.C. reserve fund balances are also included here as they have been recovered from past growth that is now considered existing growth.

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D.C. Calculations



Services/Class of Services	RESIDENTIAL					NON-RESIDENTIAL	GREEN ENERGY
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care/Special Need Dwelling Units	(per sq.ft. of Gross Floor Area)	(per 500 kW generating capacity)
Township-Wide Services/Class of Services:							
Services Related to a Highway	6,389	5,278	3,997	2,863	2,699	3.55	6,389
Fire Protection Services	557	461	349	250	235	0.31	557
Parks and Recreation Services	558	461	349	250	236	0.15	-
Library Services	352	291	220	158	149	0.09	-
Waste Diversion	130	107	81	58	55	0.03	-
Growth-Related Studies	589	487	368	264	249	0.30	589
Total Township-Wide Services/Class of Services	\$8,676	\$7,086	\$5,384	\$3,843	\$3,829	\$4.43	\$7,636

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D.C. Comparison – Current vs. Calculated Rates



Residential (Single Detached) Comparison

Service/Class of Services	Current	Calculated
Township-Wide Services/Classes:		
Services Related to a Highway	5,824	6,389
Fire Protection Services	552	557
Parks and Recreation Services	819	558
Library Services	96	352
Waste Diversion	49	130
Growth-Related Studies	493	589
Total Township-Wide Services/Classes	\$7,833	\$8,575

Non-Residential (per sq.ft.) Comparison

Service/Class of Services	Current	Calculated
Township-Wide Services/Classes:		
Services Related to a Highway	2.83	3.55
Fire Protection Services	0.26	0.31
Parks and Recreation Services	0.25	0.15
Library Services	0.03	0.09
Waste Diversion	0.03	0.03
Growth-Related Studies	0.22	0.30
Total Township-Wide Services/Classes	\$3.62	\$4.43

- The residential charge is increasing by 9% over the current charge and the non-residential charge is increasing by 22% over the current charge

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Municipal Comparison – Residential Development

Cost per Single Detached Dwelling Unit



Municipality	Upper Tier Charges	Lower Tier Charges		Total Development Charges	Rank
		Water & Wastewater	Other Services		
Mississippi Mills	\$1,036	\$12,062	\$11,939	25,037	1
Perth (North of Highway#7)	\$1,036	\$8,948	\$11,567	21,551	2
Carleton Place*	\$1,036	\$7,864	\$8,811	17,711	3
Perth (Municipal Wide)	\$1,036	\$8,948	\$5,821	15,806	4
Beckwith (Calculated)	\$1,036	\$0	\$12,493	13,529	5
Smith Falls	\$1,036	\$2,997	\$8,280	12,313	6
Beckwith (Year 1 Phase-In)	\$1,036	\$0	\$9,994	11,030	7
Tay Valley (Calculated)**	\$1,036	\$0	\$8,575	9,611	8
Tay Valley (Current)	\$1,036	\$0	\$7,833	8,869	9
Drummond North Emsley (Calculated)**	\$1,036	\$0	\$6,135	7,171	10
Montague	\$1,036	\$0	\$4,725	5,761	11
Drummond North Emsley (Current)	\$1,036	\$0	\$4,000	5,036	12
Lanark Highlands	\$1,036	\$0	\$0	1,036	13

* Currently Undertaking a D.C. Study

** Currently in the D.C. Public Process

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Municipal Comparison – Non-Residential Development

Cost per Square Foot Gross Floor Area



Municipality	Upper Tier Charges	Lower Tier Charges		Total Development Charges	Rank
		Water & Wastewater	Other Services		
Perth (North of Highway#7)*	\$0.53	\$6.41	\$6.52	\$13.46	1
Perth (Municipal Wide)*	\$0.53	\$6.41	\$4.13	\$11.07	2
Carleton Place*	\$0.53	\$5.05	\$2.93	\$8.52	3
Mississippi Mills	\$0.53	\$2.54	\$4.23	\$7.30	4
Smith Falls	\$0.53	\$2.26	\$4.31	\$7.10	5
Beckwith (Calculated)	\$0.53	\$0.00	\$5.86	\$6.39	6
Tay Valley (Calculated)**	\$0.53	\$0.00	\$4.43	\$4.96	7
Tay Valley (Current)*	\$0.53	\$0.00	\$3.62	\$4.15	8
Drummond North Emsley (Calculated)**	\$0.53	\$0.00	\$2.40	\$2.93	9
Beckwith (Year 1 Phase-In)	\$0.53	\$0.00	\$2.34	\$2.87	10
Montague	\$0.53	\$0.00	\$0.22	\$0.75	11
Drummond North Emsley (Current)	\$0.53	\$0.00	\$0.00	\$0.53	12
Lanark Highlands	\$0.53	\$0.00	\$0.00	\$0.53	12

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D.C. Policies Contained in Draft D.C. By-law



Mandatory (Statutory)	Discretionary (Non-Statutory)
<ul style="list-style-type: none"> • Industrial Building Expansion (one time up to 50%) • Residential Intensification • Town, County, and School Boards • Additional Residential Units (up to 2 in or ancillary to existing and new dwellings) • Affordable and Attainable Units* • Affordable Inclusionary Zoning Units • Non-Profit Housing • Universities receiving ongoing funding from Province • Rental Housing Discount (based on number of bedrooms: 15% to 25%) • Rate Freeze at Site Plan/Rezoning Applications for 2 years after approval for applications received and approved between Jan. 1, 2020, and Jun. 5, 2024, plus interest • Rate Freeze at Site Plan/Rezoning Applications for 18 months after approval for applications received on or after Jan. 1, 2020, where approval has not been received prior to Jun. 6, 2024, plus interest • Instalment Payments for Rental and Institutional Developments, plus interest (6 instalments beginning at occupancy permit) <p>*Legislation is now proclaimed, and the Bulletin was released on May 1st and became effective on June 1st</p>	<ul style="list-style-type: none"> • Full exemption on Green Energy Development with a rated generating capacity of 100kW or less

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Next Steps



- Receive public comment and refine proposed by-law, if required
- By-Law Passage – November 19, 2024
- By-Law Effective Date – November 19, 2024

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Discussion/
Questions