



# The Regional Municipality of Durham Report

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To: Committee of the Whole  
From: Acting Commissioner of Finance  
Report: #2018-COW-108  
Date: June 6, 2018

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**Subject:**

Final Recommendations Regarding Regional Residential, Commercial, Institutional and Industrial Development Charges

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**Recommendations:**

That the Committee of the Whole recommends to Regional Council:

- A) That Pursuant to Section 10(1) of the Development Charges Act, 1997, the Regional Development Charges Background Study dated March 27, 2018 be adopted (including the forecasts of anticipated development, the underlying capital forecasts, the development charges calculations and policies contained in the Background Study) and further, that the approval of the capital forecasts in the Background Study indicate Regional Council's intention to ensure that such an increase in need for services will be met as required under paragraph 3 of Section 5(1) of the Development Charges Act, 1997 and Section 3 of Ontario Regulation 82/98;

**Residential, Commercial, Industrial & Institutional Development Charge Rates**

- B) That the Regional Residential Development Charges for each service and unit type as indicated in Table 1 below be imposed on a uniform Region-wide basis effective July 1, 2018 (which includes a new category for Housing Services):

**Table 1**

Region of Durham Recommended Residential Development Charges Effective July 1, 2018 \$ per Dwelling Unit				
	Single and Semi Detached \$	Medium Density Multiples \$	2 Bedroom Apartments and Larger \$	1 Bedroom Apartments and Smaller \$
Water Supply <sup>(1)(2)</sup>	9,420	7,569	5,472	3,566
Sanitary Sewerage <sup>(1)(2)</sup>	9,170	7,368	5,327	3,472
Regional Roads	9,250	7,432	5,373	3,502
Regional Police Services	715	575	416	271
Long Term Care	19	15	11	7
Paramedic Services	170	137	99	64
Health and Social Services	123	99	72	47
Housing Services	387	311	225	147
Development Related Studies	<u>19</u>	<u>15</u>	<u>11</u>	<u>7</u>
<b>Total – Recommended By-Law<sup>(3)</sup></b>	<b><u>29,273</u></b>	<b><u>23,521</u></b>	<b><u>17,006</u></b>	<b><u>11,083</u></b>
<b>Note:</b>				
(1)	These charges are payable only in areas where the services are, or will be, available in an area designated for the particular service in the Region's Official Plan.			
(2)	Not applicable to the Seaton Area as defined in Appendix A of the Background Study and Schedule F of the proposed By-law.			
(3)	Additional Regional development charges exist for GO Transit and Regional Transit under By-law 86-2001 and 81-2017 respectively.			

- C) That the Regional Commercial Development Charges for each service as indicated in Table 2 below be imposed on a uniform Region-wide basis effective July 1, 2018:

**Table 2**

Region of Durham Recommended Commercial Development Charges Effective July 1, 2018 \$ per Square Foot of Gross Floor Area	
<b>Service Component</b>	<b>\$/sq.ft. GFA</b>
Water Supply <sup>(1) (2)</sup>	3.51
Sanitary Sewerage <sup>(1) (2)</sup>	5.88
Regional Roads	8.54
<b>Recommended Total<sup>(3)</sup></b>	<b><u>17.93</u></b>
<b>Notes:</b>	
(1) These charges are payable only in areas where the services are, or will be, available in an area designated for the particular service in the Region's Official Plan.	
(2) Not applicable in the Seaton area as defined in Appendix A of the Background Study and Schedule F of the proposed by-law.	
(3) Additional Regional Development Charges exist for Regional Transit under By-law No. 81-2017.	

- D) That the Regional Institutional Development Charges for each service as indicated in Table 3 below be imposed on a uniform Region-wide basis effective July 1, 2018:

**Table 3**

Region of Durham Recommended Institutional Development Charges Effective July 1, 2018 \$ per Square Foot of Gross Floor Area	
<b>Service Component</b>	<b>\$/sq.ft. GFA</b>
Water Supply <sup>(1) (2)</sup>	0.86
Sanitary Sewerage <sup>(1) (2)</sup>	1.05
Regional Roads	7.18
<b>Recommended Total<sup>(3)</sup></b>	<b><u>9.09</u></b>
<b>Notes:</b>	
(1) These charges are payable only in areas where the services are, or will be, available in an area designated for the particular service in the Region's Official Plan.	
(2) Not applicable in the Seaton area as defined in Appendix A of the Background Study and Schedule F of the proposed by-law.	
(3) Additional Regional Development Charges exist for Regional Transit under By-law No. 81-2017.	

- E) That the Regional Industrial Development Charges for each service as indicated in Table 4 below be imposed on a uniform Region-wide basis effective July 1, 2018:

**Table 4**

Region of Durham Recommended Industrial Development Charges Effective July 1, 2018 \$ per Square Foot of Gross Floor Area	
<b>Service Component</b>	<b>\$/sq.ft. GFA</b>
Water Supply <sup>(1)</sup> <sup>(2)</sup>	2.80
Sanitary Sewerage <sup>(1)</sup> <sup>(2)</sup>	3.38
Regional Roads	3.24
<b>Recommended Total<sup>(3)</sup></b>	<b><u>9.42</u></b>
<b>Notes:</b>	
(1) These charges are payable only in areas where the services are, or will be, available in an area designated for the particular service in the Region's Official Plan.	
(2) Not applicable in the Seaton area as defined in Appendix A of the Background Study and Schedule F of the proposed by-law.	
(3) Additional Regional Development Charges exist for Regional Transit under By-law #81-2017.	

### Exemptions, Discounts and Redevelopment

- F) That the exemption provided in the Development Charges Act, 1997 of up to two additional residential units within an existing residential unit, be broadened to include units that are not attached to the primary residence, but are on the same site, so as to encourage innovative affordable housing options as suggested in the Affordable and Seniors' Housing Task Force recommendations;
- G) That the exemption provided in the Development Charges Act, 1997 for industrial expansions of up to 50% of the existing floor space be applied regardless of whether the expansion is attached or detached from the existing facility and that the existing floor space be defined as of July 1, 2018 in order to support the existing industrial sector in Durham;
- H) That exemptions for agriculture (i.e. bona fide farming), schools, municipal facilities, places of worship, public hospitals, gas canopies and roof-like structures and parking structures from Regional Development Charges (as defined in the by-law) be continued;
- I) That with regard to temporary dwelling units, such as mobile homes and garden suites, the Regional Development Charges continue to be fully refunded to the property owner, upon request, if the structure is removed or demolished within ten years of the date of issuance of a building permit and satisfactory proof of the same is provided;
- J) That a redevelopment credit equivalent to the prevailing development charge by unit type for residential development and square footage of gross floor area for non-



residential development be provided for either or both residential or non-residential development, if such demolition has occurred within ten years prior to the date of issuance of a new building permit as evidenced by a demolition permit, and satisfactory proof of same is provided;

- K) That the redevelopment credit apply to the demolition and redevelopment of exempt facilities (i.e. public schools, places of worship, government buildings) at the institutional development charge rate;

### **Collection Policy**

- L) (a) That Regional Water Supply, Sanitary Sewerage and Regional Roads Residential Development Charges for residential plans of subdivision be payable by cash or certified cheque at the rates in effect at the time of payment and due as follows:

- in full upon signing of a subdivision agreement;
- or at the option of the developer
- 50% upon the execution of the subdivision agreement with payment to be secured by a letter of credit upon execution of the subdivision agreement, in a form acceptable to the Region in the amount of 55% of the estimated total Regional Development Charges payable, except for apartment and condominium blocks; with
  - 50% upon the first anniversary date of the execution of the subdivision agreement, or at building permit, whichever is sooner;

and

(b) That Regional Residential Development Charges for Long Term Care, Regional Police Services, Paramedic Services, Health and Social Services, Housing Services and Development Related Studies to be payable upon issuance of building permit by cash or certified cheque at the rates in effect at the time of payment;

- M) That the Regional Development Charge for high density blocks (apartments and condominium development) in plans of residential subdivision be payable upon issuance of building permit at the rates in effect at the time of payment, by cash or certified cheque;
- N) That all Regional Residential Development Charges for all residential development other than plans of residential subdivision be payable, at the rates in effect at the time of payment, upon issuance of building permit, by cash or certified cheque;
- O) That all Regional Development Charges for all non-residential development be payable, at the rates in effect at the time of payment, upon issuance of building permit, by cash or certified cheque;

- P) That Regional Development Charges for Social Housing and Government-Assisted Affordable Housing units be payable up to 18 months (at the discretion of the Commissioner of Finance) after issuance of the first building permit, at the rate in effect at time of building permit issuance;
- Q) That provision be made to allow Regional Council by agreement, to consider the payment of a development charge before or after it would otherwise be payable as permitted under s.27(1) of the Development Charges Act, 1997;
- R) That provision be made to permit the consideration of credits towards a development charge in exchange for performance of work by a developer, subject to approval of the Committee of the Whole and Regional Council;

### **Indexing of the Development Charges**

- S) That the Regional Residential and Non-residential Development Charges be indexed annually as of July 1<sup>st</sup> of each year for the most recently available annual period ending March 31 in accordance with the prescribed index, defined in O.Reg. 82/98 s.7 as “The Statistics Canada Quarterly, Construction Price Statistics, catalogue number 62-007”, with the first indexing to occur on July 1, 2019;
- T) That the Regional GO Transit Development Charge By-law #86-2001 and the Seaton Water Supply and Sanitary Sewerage Area Specific Development Charge By-law #19-2013 be indexed on July 1, 2018 to reflect the annual increase in the 12 month period ending March 31, 2018 using the prescribed index, defined in O.Reg. 82/98 s.7 as “The Statistics Canada Quarterly, Construction Price Statistics, catalogue number 62-007”;

### **Intensification Servicing Policy**

- U) That the revised Intensification Servicing Policy to provide an allowance in the sanitary sewerage development charge capital program to support future intensification projects as provided in Appendix #2 be adopted effective July 1, 2018;

### **Region Share Policy for Residential and Non-residential Development**

- V) That the Region Share Policy for Residential Development as provided in Appendix #3 with the exception of Sanitary Sewerage and Water Supply services in Seaton, be adopted effective July 1, 2018;

### **Well Interference Policy**

- W) That the revised Well Interference Policy as provided in Appendix #4 be adopted effective July 1, 2018;

### **Transitional Policies**

- X) That any complete submission for the preparation of a subdivision agreement

received by the Development Approvals Division of the Regional Works Department on or by June 30, 2018 be given the option of being processed under the policies and rates of the current Development Charges By-Law #16-2013 or the proposed replacement by-law, where a complete submission requires all of the following to have been submitted to the Development Approvals Division in a form satisfactory to the Region:

- i) Ministry of the Environment and Climate Change approval is received;
- ii) Detailed cost estimate received;
- iii) Three (3) copies of the proposed Final Plan (M-Plan) received;
- iv) Regional Planning approval of the Final Plan received;
- v) Three(3) copies of all proposed Reference Plans (R-Plans) received;
- vi) Three (3) copies of approved General Plan of Services received (signed by the Local Municipality and the Region); and
- vii) Regional Subdivision Agreement Information Checklist.

Subdivision agreements which have been processed according to By-Law #16-2013 must be executed within three months following the termination of By-Law #16-2013, otherwise they shall be deemed cancelled and will be replaced with a subdivision agreement processed according to the replacement by-law, where execution requires all of the following to have been submitted to the Regional Legal Department in a form satisfactory to the Region:

- i) signed Subdivision Agreement received, including all schedules;
- ii) payments of fees identified in the agreement received;
- iii) securities identified in the agreement received;
- iv) prepayment of Development Charges for Sanitary Sewerage, Water Supply and Regional Roads received, and
- v) Insurance Certificate received.

### **Front Ending Agreements**

- Y) That with regard to front-ending agreements, any credit or payment provided be applied only against the applicable service component(s) of the Regional development charges with any further details of a front ending agreement subject to Council approval;

### **General**

- Z) That the existing complaint procedure as provided in Regional By-law #52-2014 continue for the purposes of conducting hearings regarding complaints made under Section 20 of the Development Charges Act, 1997;
- AA) That Section 12(3) of the Development Charges Act, 1997 which requires Regional Council to determine whether a further public meeting is necessary when changes are made to a proposed development charges by-law following a public meeting and whereas limited changes were made to the Region's proposed development charges

by-law following the public meeting on April 11, 2018, it is recommended that Regional Council resolve that a further public meeting is not necessary and therefore Council indicate that a second public meeting is not required prior to the passage of the recommended Regional Development Charges By-law;

BB) That the Regional Solicitor be instructed to finalize the proposed Development Charge By-law for presentation to Regional Council and passage;

CC) That the Regional Solicitor be instructed to revise future development agreements and any by-law(s) relating thereto to reflect any changes required to implement the foregoing recommendations and that such revised by-law(s) be presented to Council for passage;

DD) That the Regional Clerk be instructed to follow the notification provisions pursuant to the Development Charges Act, 1997;

EE) That the Acting Treasurer be instructed to prepare the requisite development charge pamphlet pursuant to the Development Charges Act, 1997 and related materials; and

FF) That a copy of this report be forwarded to the area municipalities.

## **Report:**

### **1. Introduction**

The purpose of this report is to provide final recommendations regarding the proposed Regional Residential and Non-residential Development Charges. These recommendations form the basis for the by-law to be implemented on July 1, 2018 to replace the existing Regional Development Charges By-law #16-2013.

These recommendations reflect the public submissions made in this regard at i) the Public Meeting of Regional Council on April 11, 2018; and ii) in writing (received on or before May 21, 2018 including the Town of Whitby, Township of Scugog and Township of Uxbridge Council resolutions), and iii) comments from the development industry and area municipal staff at a number of meetings held in the March to May 2018 period.

The 2018 Regional Development Charge Background Study contained the proposed by-law and provided information regarding the proposed development charge policies for review by Regional Council and the public. The background study was made available to the public (free of charge) beginning March 27, 2018 as indicated in the public notices placed in the Toronto Star on March 17 and 19, 2018 and three times in the local Metroland newspapers throughout the Region over the time period March 15 to March 29, 2018.

An overview of the key recommendations contained in the proposed development charge by-law and background study was provided in Report #2018-COW-64: Public Meetings Regarding Proposed Development Charge By-laws and Background Studies (Appendix #5) as presented to Regional Council at the meeting on April 11, 2018.

## **2. Highlights of Final Recommendations Compared to Proposed By-law and Background Study Recommendations**

In response to the public submissions received and further discussion with area municipal staff, the final recommendations reflect certain changes from the original recommendations of the proposed by-law and Background Study released March 27, 2018, including:

- Modification to the proposed collection policy for Social and Government-Assisted Affordable Housing units. It was proposed that development charges for Social and Affordable Housing be deferred from building permit issuance to first occupancy permit. Based on discussions with area municipal staff, it is recommended that the payment of Regional development charges be deferred from building permit issuance to up to 18 months after issuance of the first building permit issuance.
- Adjusting the timing of construction of the Baseline Road Sanitary Sewage Pumping Station and forcemain (Development Charge Item #208) from 2025 to 2023;
- Clarifying the limits of the Thornton Road widening in the City of Oshawa; and
- The proposed next step of consultation with the area municipalities and the development industry to consider the development of a Regional area specific development charge policy to facilitate recovery for the construction of local water and sewer services required to service non-residential lands.

Appendix #1-Amended Pages from the 2018 Regional Development Charge Background Study reflect modifications made to clarify the information reported in the Background Study released March 27, 2018.

The Residential Development Charge rates have remained virtually unchanged (i.e. a decrease of \$1 for the sanitary sewerage charge) with the proposed timing adjustment. No changes are recommended to the Regional Non-residential Development Charge rates as proposed in the Background Study (and Report 2018-COW-64).

## **3. Ten Year Capital Requirements Recovered Through Proposed Development Charges**

Development charges (DCs) are payments made by new development in Durham (and other municipalities) normally as part of the building permit approval and/or the subdivision/severance agreement process. These payments are made by all such new development, unless specifically exempt by the Development Charges Act or the Region's Development Charges by-law.

These payments are made for the initial capital requirements of providing services to new development anticipated over the next ten years. All Region-funded services are eligible for DC funding, except those specifically excluded via the Development Charges Act.

“Capital” is defined in the DCA to include the municipal cost to acquire, lease, construct or improve land or facilities, including rolling stock (with a 7+ year useful life), furniture and equipment (other than computer equipment), library materials, as well as related study and financing costs.

Development Charges are the primary financial tool to facilitate infrastructure growth, ensuring the necessary water, sanitary sewerage and transportation infrastructure is in place for developments to proceed. Development charges represent a significant capital funding source for many services and serve to provide a significant portion of funding for designated projects.

The recommended development charge by-law is in keeping with Regional Council’s approved financial policies with respect to capital financing to ensure that growth pays for growth. This financial policy contributes to minimize the impact on user rates and property taxes.

Any discount or exemption in development charges must be funded through property taxes (for roads and general services) and user rates (for water and sanitary sewerage). The funding shortfall from development charge exemptions / discounts cannot be recovered by increasing development charge rates on other types of development, as per the Development Charges Act.

In addition, maintaining the residential and non-residential development charges is necessary to honour prior commitments made in executed agreements, such as those with the West Whitby and Seaton Landowner Groups. These landowner groups have provided significant upfront financing for Regional water, sanitary sewerage and roads capital infrastructure required to support the development of their lands in exchange for residential and non-residential development charge credits. Providing new exemptions within the residential and / or non-residential categories would prevent these landowner groups from recovering their costs through development charge credits and create a significant inequity in the financing required from previous and future developments.

The capital costs eligible for Development Charge recoveries for other Services (Long Term Care, Development Related Studies, Regional Police, Health and Social Services, Housing Services and Paramedic Services) and for Water Supply, Sanitary Sewerage and Regional Roads are considered over the ten year period from 2018 to 2027. These are summarized in the following table:

**Summary of Capital Forecast for all Eligible Programs (2018-2027)**  
**(\$2018, \$millions)**

Services	Gross Cost	Less:					Net Growth		
		Ineligible (Level of Service)	Benefit to Existing Development	Subsidy Developer Contribution/ Other <sup>(1)</sup>	Post Period Capacity	10% Statutory Deduction	Total	Res	Non-res
<b>Hard Services (2018-2027):</b>									
Water Supply	1,023.9	-	52.7	64.0	77.7	-	829.5	670.6	158.9
Sanitary Sewer	1,071.3	-	33.0	11.7	340.7	-	685.9	491.7	194.2
Regional Roads	1,251.6	-	129.8	-	118.4	-	1,003.4	701.7	301.7
Subtotal	3,346.8	-	215.5	75.7	536.8	-	2,518.8	1,864.0	654.8
<b>Other Services (2018-2027):</b>									
Regional Police Services	72.0	-	-	-	-	-	72.0	50.4	21.6
Paramedic Services	15.7	0.1	0.6	-	-	1.5	13.5	11.9	1.6
Long Term Care	1.3	-	-	-	-	-	1.3	1.3	-
Health & Social Services	18.3	7.2	0.6	-	-	1.0	9.5	9.5	-
Housing Services	62.4	-	31.2	-	-	3.1	28.1	28.1	-
Development Related Studies	2.0	-	-	-	-	0.1	1.9	1.3	0.6
Subtotal	171.7	7.3	32.4	-	-	5.7	126.3	102.5	23.8
<b>Total<sup>(2)</sup></b>	<b><u>3,518.5</u></b>	<b><u>7.3</u></b>	<b><u>247.9</u></b>	<b><u>75.7</u></b>	<b><u>536.8</u></b>	<b><u>5.7</u></b>	<b><u>2,645.1</u></b>	<b><u>1,966.5</u></b>	<b><u>678.6</u></b>

Notes:  
(1) Includes Capital Cost Allocations to Seaton and Federal Lands in Pickering.  
(2) May not add due to rounding.

#### 4. Input / Questions Regarding Proposed Regional Residential and Non-residential Development Charges

Pursuant to the requirements of the DCA, 1997, Regional Council held a public meeting on April 11, 2018 to receive input on the proposed development charge by-law and policies contained in the background study. Members of Regional Council provided comments and questions at the public meeting and subsequently various items of correspondence were received from:

- Delta Urban, on behalf of the Southwest Courtice Landowners Group and the Southeast Courtice Landowners Group (April 12, 2018 and April 16, 2018);
- Gary Valcour, Chair of the Government Relations Committee of the Oshawa Chamber of Commerce (April 13, 2018)

- WSP Canada Groups Limited on behalf of the Columbus Landowners Group (April 16, 2018);
- BILD Durham Chapter (April 19, 2018);
- North Pickering Community Management Inc. on behalf of the Seaton Landowners Group (May 18, 2018); and
- Davies Howe LLP on behalf of Bowmanville East Developers Group (May 21, 2018).

Local area municipal Council reports regarding Regional Development Charges were received from:

- Town of Whitby Council (May 11, 2018);
- Township of Scugog Council (May 16, 2018);
- Township of Uxbridge Council (May 18, 2018);

#### 4.1 Public Input

Regional Staff met with the development industry (BILD –Ontario and Durham Chapter and the Durham Region Homebuilders Association) prior to and after the Public Meeting on April 11, 2018. Subsequent to the meetings, two letters were received from the development industry. Regional staff have met with local area municipal staff prior to and after the Public Meeting on April 11, 2018 on numerous occasions. Regional staff also presented an overview of the proposed by-law to the Durham Region Association of Realtors and addressed concerns.

Correspondence to the Boards of Trade and Chambers of Commerce advising of the public process, was provided on February 13, 2018 and March 27, 2018. The Chair of the Government Relations Committee of the Greater Oshawa Chamber of Commerce provided a list of questions subsequent to the staff presentation to the Committee. (Appendix #6 provides the correspondence and staff responses). Resolutions from local area municipal Councils were forwarded to the Region from the Townships of Uxbridge and Scugog and the Town of Whitby.

The following table provides a brief summary of the suggestions, concerns and questions received from these groups (at meetings and through written requests) and any other correspondence regarding the proposed Regional development charges by-law and background study:



<b>Suggestions / Concerns / Questions</b>	<b>Staff Response</b>
A resident in Ajax inquired as to whether the Regional and Carruthers Creek Area Specific Development Charge would both apply to his property.	Staff responded that the Carruthers Creek Area Specific Development Charge would not apply (i.e. his property is outside the Carruthers Creek Service Area) and that the Regional Development Charges would apply (the general services only as water, sewer and roads had already been paid).
Letter from Gary Valcour, Chair of the Government Relations Committee, Greater Oshawa Chamber of Commerce.	Clarification regarding various Development Charge policies (area specific development charges, housing services development charge, collection policy), comparability with other municipalities in terms of rates and growth forecast and coordination with area municipalities in the by-law development.
Letter from Building Industry and Land Development Association (BILD).	Answers were provided to specific questions regarding Regional Roads (use of volume to capacity ratio, level of service analysis request, number of screenlines used, projects in the Regional Transportation Master Plan not included in DC study, specific project cost explanation request), requests for explanations regarding cost increases to a number of projects in the Water Supply and Sanitary Sewerage Capital Programs, replacement value explanation for items in Paramedic Services and Health and Social Services Capital Programs and further rationale regarding what is included in the level of service for Housing Services.
Durham Agricultural Advisory Committee	A copy of the Development Charges Background Study was distributed at the April 10, 2018 meeting and was on the agenda for discussion on the May 8, 2018. No comments were provided.
<b>Specific Project Questions/Concerns/Comments:</b>	
Delta Urban – on behalf of the Southwest Courtice Landowners Group requesting that the Region advance the Zone 1 Feedermain from Prestonvale Road to Townline Road to 2020 from 2021 and the Baseline Road Sanitary Sewage Pumping Station to 2020 from 2025.	Staff recommend advancing the Baseline Road Sanitary Sewage Pumping Station to 2023 from 2025. Staff do not recommend changes to the timing of the feedermain. The need for the feedermain will be reviewed on an annual basis within the context of the status of the Secondary Plan for the South West Courtice Secondary Plan Area.
Delta Urban – on behalf of the Southeast Courtice Landowners Group requesting that the Region advance the sanitary sewer along Courtice Road from Bloor Street to the Canadian Pacific Rail tracks and along the Canadian Pacific Rail tracks to Trulls Road to 2020 from 2023.	The timing of this sanitary sewer will be reviewed on an annual basis within the context of the status of the Secondary Plan for the South East Courtice Secondary Plan Area. No recommended changes.

<p>Also requesting that the following two projects be included in the Region’s DC Study:</p> <ul style="list-style-type: none"> <li>• a watermain on Courtice Road (north and south of Bloor Street) and on Bloor Street (325 metres east of Trulls Road to Hancock); and</li> <li>• a small section of sewer on Bloor Street from Courtice Road to east of Tooley Creek</li> </ul>	<p>These items are local services that will be constructed by the developer. As such, these projects have not been included in the Development Charge Background Study. If the Region requires the services to be oversized, the Region will fund the oversizing share as per the Region Share Policy (Appendix B in the March 27, 2018 Regional Development Charge Background Study).</p>
<p>WSP Canada Groups Limited on behalf of the Columbus Landowners Group has requested that a number of feeder mains and sanitary sewers be advanced to 2022 that are currently in the 2024-2026 timeframe in the 2018 DC Study to service the proposed Columbus Development Area.</p>	<p>Based on the anticipated timeline to complete all the related water and sanitary sewerage capital projects downstream and outside of the Columbus Development Area (i.e. infrastructure for Kedron and Brooklin), it is recommended that the timeline remain unchanged for these projects in the 2018 Regional Development Charge Background Study.</p> <p>The Regional capital programs are reviewed annually and the timing of individual capital projects are subject to change based on the demand for the works and the availability of funds.</p>
<p>Davies Howe LLP on behalf of the Bowmanville Landowners Group have requested that a number of water and sanitary sewerage capital projects be advanced to support the development of the Bowmanville East and Bowmanville North Development Areas.</p>	<p>Based on the latest preliminary design work completed by the Region, it is recommended that the timing of the capital remain as included in the DC Background Study. The need for the capital items required to support the Bowmanville East and Bowmanville North Development Areas will be reviewed on an annual basis within the context of the status of the Secondary Plans (which have not yet commenced) for these lands.</p>
<p>North Pickering Community Management Inc. on behalf of the Seaton Landowners Group is requesting that the Region consider their cost estimates for three Regional Road projects within Seaton and clarification on changes to development charge allocations (benefit to existing and post period) and costing from the 2013 DC Study to the 2018 DC Study.</p>	<p>The cost estimates provided by the Landowners’ consultant are in the design phase and it is premature at this point to modify the estimated costs provided in the 2018 Development Charge Study. The information from a tender issued for one section of Rossland Road may not be indicative of the remaining projects in Seaton.</p> <p>The changes in benefit to existing and post period allocations from the 2013 DC Study to the 2018 DC Study are due to changes in condition and construction timelines of some projects and the use of an updated model (based on a more recent Transportation Tomorrow Survey)</p> <p>Consideration will be given to amend the Region-wide development charge by-law to update the Roads development charge once additional information is known. Given the Region’s commitment in the Seaton Front-ending Agreement to provide residential and non-residential development charge credits, it is</p>

	recognized that the DC By-law may need to be updated to include the actual costs of Regional roads being upfronted by the Seaton Landowners Group
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## 4.2 Questions / Comments From Regional Council

The following section provides answers to questions raised by Regional Council at the April 11, 2018 Public Meeting.

### 4.2.1 Well Interference

Council requested clarification of the intent and potential impacts of the one proposed revision to the Regional Well Interference Policy, specifically section 1.0 (b) of Attachment No. 1 of Appendix C (from the March 27 DC Background Study), which states:

**“Well Interference During Construction Provisions**

In the event that the resident is unwilling to cooperate with the Region's investigation into the well interference claim, as determined by the Commissioner of Works, the "During Construction Provisions" of the well interference policy will no longer be available to provide relief to the subject property.”

A memo from the Commissioner of Works was provided to Regional Chair and all members of Regional Council on April 13, 2018 and was included in the April 20, 2018 Council Information Package (also included in Appendix #6), which outlined the justification for the change.

### 4.2.2 Deferral of Development Charges for Social / Affordable Housing

A question was raised with respect to the proposal to permit the deferral of development charges to first occupancy for social and affordable housing units. After further consultation with local area planning, building and finance staff, it was determined that time-based deferral period would be preferred to the first occupancy permit milestone.

The purpose of the deferral is to help alleviate cash flow challenges these, often not-for-profit, developers have when constructing social or government-assisted affordable housing projects and to align the payment of development charges with timing of associated grant payments.

The consensus among local area municipal staff was that there is no legal mechanism to collect charges at the issuance of the occupancy permit (as there is with building permits). Therefore, it is recommended that the Region permit up to 18 months deferral, at the discretion of the Commissioner of Finance, on the payment of Regional development charges for social or government assisted affordable housing projects. In order to receive the deferral option, a tri-party agreement would be executed by the Region, local area municipality and developer to enable the deferral of the payment of Regional development charges up to 18 months from the date of the first building permit.

The developer would be requested to remit the payment to the Region. The development charges would be calculated based upon the date the building permit is issued.

#### 4.2.3 Proposed Revisions to Secondary Unit Exemptions and Apartments within Commercial Uses

A question was raised with respect to any local planning or building code issues related to two changes in the proposed by-law: secondary unit exemption expansion to include units built outside the main dwelling unit, but on the same property and the refined definition of apartment building. Direction was given to coordinate with area municipal staff on these two matters.

The recommended by-law expands the statutory exemption in the Development Charge Act for development charges on secondary units built in homes (up to two for a single detached and one for a semi-detached dwelling), to exempt secondary units built on-site but not within the main structure on a property.

Under the current by-law, units that are built in a structure which do not fit the specific definition of apartment building "...consisting of more than 3 dwelling units, which dwelling units have a common entrance to grade" are charged the higher medium density development charge rate. The recommended revised definition broadens the application to include apartment dwellings that may not share a common entrance to grade, but rather have individual entrances, but are not a tri-plex, semi-detached duplex, semi-detached triplex, townhouse or stacked townhouse. The recommended definition refinement would permit apartment-type dwelling units to be charged the appropriate apartment rate rather than higher medium density rate.

During consultations with local area municipal staff in May 2018, it was clarified that the intention to enable innovative intensification where supported by local planning policy. This exemption will only apply if this type of unit is permitted under local area municipal zoning and building code by-laws.

#### 4.3 Area Municipal Council Resolutions

A summary of the resolutions forwarded from local area municipal councils are included in the table below. For more detail on the individual resolutions and responses, see Appendix #7.

<b>Suggestions / Concerns / Questions</b>	<b>Staff Response</b>
Town of Whitby passed resolutions requesting the Region consider exemptions and discounts within CIP areas, re-introduce the large office discount, introduce a large industrial discount and add exemptions for other community buildings.	Development Charges are the primary financial tool to facilitate infrastructure growth and the recommended development charge rates and policies are consistent with Regional Council's long term strategy to implement full non-residential development charges (i.e. the full industrial development charge was phased in from July 1, 2013 to July 1, 2016 as approved by Regional Council in the 2013 DC Study). The Council approved financial policies ensure that growth pays for growth and

	<p>minimizes the impact on user rates and property taxes.</p> <p>Any discount or exemption in development charges must be funded through property taxes (for roads and general services) and user rates (for water and sanitary sewerage). The funding shortfall from development charge exemptions / discounts cannot be recovered by increasing development charge rates on other types of development, as per the Development Charges Act.</p> <p>Since CIP boundaries are established by the area municipalities, if the Region was to provide exemptions to match CIP exemptions provided by local area municipalities, the foregone revenue to the Region may be significant and would have to be funded on an annual basis through the Regional Water and Sewer User Rate and Property Tax budgets.</p> <p>If a proposed redevelopment project within a CIP area is not financially viable, the area municipality can apply for funding under the Regional Revitalization Program.</p> <p>Large office discounts were part of Regional Council's long term strategy to phase in non-residential development charges.</p> <p>Should Regional Council elect to provide financial assistance to a particular type of housing or development, it is recommended that this occur external to the policies of the development charge by-law on a case-by-case basis.</p>
<p>Town of Whitby resolutions regarding the development of employment lands including amendments to its regional share policy and regional servicing of employment lands in the Brooklin Secondary Plan be advanced in the Development Charge capital forecast.</p>	<p>The Region Share Policy for non-residential development is to fund over-sized requirements that the Region requests from non-residential development with Regional Council approval on a case-by-case basis.</p> <p>The need for the Regional DC capital items (not local services) required to service the Brooklin Secondary Plan will be reviewed on an annual basis. If staff identify the need for these works to be advanced and the capital items can be accommodated within other capital project priorities, staff will recommend that they be included in the applicable Capital Budget, which is subject to Regional Council approval.</p>
<p>Township of Uxbridge Council received an information report that was supportive of the proposed Regional DC By-law.</p>	<p>Staff recognize the support.</p>
<p>Township of Scugog Council asked the Region to consider advancing the timing of various projects within the capital forecast, a new category for hotel developments and for broadband infrastructure.</p>	<p>The timing of these capital projects reflects the timing of anticipated development in this area. Furthermore, the Regional capital programs are reviewed annually and the timing of individual capital projects are subject to change based on the demand for the works and the availability of funds.</p>

	<p>A hotel category was not considered as the Regional Development Charges rely on an average approach and do not segregate sub-categories of commercial development.</p> <p>A broadband infrastructure charge was not considered as this is not a service the Region has defined, established a historical level of service nor an expression of Regional Council to provide the increase in need over the 10-year forecast period.</p>
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## 5. Area Specific Development Charges to Facilitate Local Water and Sanitary Sewerage Services for Non-residential Lands

### 5.1 Overview

As part of the development charge review, numerous meetings were held with Regional and area municipal economic development staff and interest and concerns were expressed with respect to the servicing and development of employment lands and key corridors throughout the Region. The amount of serviced employment lands in Durham Region is important to expand industry, increase employment opportunities and move Durham towards a more complete community with more employment located in proximity to Durham's labour force.

In order to promote the development of employment lands in Durham Region, the following work was completed and is being recommended as part of the 2018 Development Charge Review (discussed in more detail in the following pages):

- Regional staff undertook an extensive review of the Regional capital needs to support the future servicing of employment lands throughout the Region and have included numerous new capital projects to support the servicing of employment lands throughout Durham Region; and
- To assist with the challenges facing developers to implement local water and sewer services for non-residential lands, staff propose consultation with area municipal staff and the development industry to consider a policy to permit the utilization of a Regional Area Specific Development Charges By-law in order to facilitate the recovery of costs for local water and sewer services to service non-residential lands.

### 5.2 Rationale

The Region focuses on constructing the major requirements of the water supply and sanitary sewer systems with the developer/end user responsible for the local services. The reasons for this position are as follows:

- Ensure that development proceeds sequentially;
- Maintain equity with prior developers/end users who have paid 100% of the cost of local services (i.e. West Whitby and Seaton Landowner Groups) ;
- Inability to service employment lands where local roads do not exist (site

- configuration and uses unknown);
- Avoid pre-servicing of land with local services in advance of knowing the use and configuration of the development and knowing if the lands will be made available for sale after servicing (which could result in stranded assets); and
- Minimize impact on user rates and development charges.

If the Region assumed responsibility to fund the cost of local water and sewer services and include these projects in the Region-wide development charge by-law, it is anticipated that this would result in a significant increase in the non-residential development charges. As well, it would result in higher water and sewer user rates as development charges would not fund 100% of the cost of local water and sewer services and any shortfall must be funded from water and sewer user rates.

The Region of Durham's long standing and consistent practice with respect to employment land servicing for water supply and sanitary sewer services is as follows:

- A) **Regional Projects:** The Region designs, constructs and funds the major sanitary sewer and water supply infrastructure (i.e. the backbone of the systems) required to service employment land. These projects include the funding and construction of water supply and water pollution control plants, pumping stations, reservoirs, trunk sewers and feeder mains. These projects are funded from Development Charges (growth-related share) and User Rates; and
- B) **Local Developer Services:** For these types of services, developers or end users construct and fund the smaller "local" works (i.e. the extensions of the sanitary sewers and water mains from the trunk sewers and feeder mains) required to service their individual land parcels.

### 5.3 Recently Completed and Pending Capital Projects to Support Servicing of Employment Lands

The following provides a list of selected capital projects that are under construction or that have been completed which provide Regional services to employment lands and increases the amount of serviced employment lands in Durham Region:

- Construction of water and sewer services along the Consumers Drive extension in the Town of Whitby and City of Oshawa that will provide services to employment lands in this area (estimate \$2.3 million);
- Construction of watermain and sewer through West Whitby Lands that will service employment lands (Region share of sewer is \$3.4 million and the Region share of water is \$1.4 million);
- Construction of West Whitby trunk sanitary sewerage system which will facilitate servicing employment lands adjacent to Highway 412 (estimated \$41.0 million);
- Extension of water and sewer services on Thornton Road from Taunton to Conlin (Oshawa) (estimated \$3.3 million);
- Phase 2 construction of the Courtice Trunk Sanitary Sewer from Energy Drive to Courtice Road (Clarington) (estimated \$ 21 million) and Zone 1 feeder main

- (estimated \$ 5.8 million);
- Extension of watermain along Scugog Line 6 to Easy Street (Port Perry) (estimated \$1.4 million, Regional share is \$0.7 million); and
- Projects are under construction within Seaton which will provide services to approximately 200 acres of employment lands adjacent to the Whites Road Highway 407 Interchange. An additional 600 acres of employment lands is anticipated to be serviced in Seaton along Highway 7 / 407 through future front funding servicing agreements or Regional DC projects.

#### 5.4 Proposed Servicing

Staff undertook an extensive review as part of the 2018 Development Charge Review to identify new water supply and sanitary sewerage capital projects that could be brought forward from a future timeframe in order to further support the servicing of employment lands and provide services to the outer boundary of employment lands throughout the Region. The following provides a list of recommended development charge projects that are specifically targeted to support employment lands:

- Sanitary sewage pumping station and forcemain in Beaverton (estimated at \$4.0 million);
- Sanitary sewage pumping station and forcemain in Port Perry (estimated at \$10.7 million);
- A sanitary sewer on Thickson Road from south of Conlin Road to employment lands located north of Conlin Road (estimated at \$3.1 million);
- A sanitary sewer in the proposed east-west collector road through the Brooklin Employment Lands; and
- Although not a new project and not specifically constructed to support the employment lands, it is important to note that the construction of the Courtice Trunk Sanitary Sewer in the City of Oshawa and Municipality of Clarington (estimated at nearly \$100 million over the next six years), will provide services to employment land in the City of Oshawa and Municipality of Clarington, and will be constructed through the centre of the South Courtice employment lands.

#### 5.5 Servicing of Lands by Developers and Landowners

There are a number of factors related to the construction of local services by non-residential developers and landowners required within and external to employment lands, including:

- Employment lands typically require the construction of local area municipal roads for access to the lands. The local water and sanitary sewer services are usually constructed within these area municipal roads (i.e. within the Brooklin Secondary Plan area as an example). It would not be possible to design and construct services without the local roads being constructed in these instances;
- Local water and sanitary sewer services are best suited to be constructed by



a third party such as a developer who is responsible to construct the local internal roads, storm sewers, stormwater management ponds and to coordinate the installation of electricity, telecommunication and natural gas services required to support the development. Examples of areas developed in this manner are the Salem Road area north of 401 in Ajax and the Nordeagle lands in South Whitby; and

- Employment lands in Durham Region are often owned in numerous parcels of varying sizes by a large number of individuals and corporations and it may be cost prohibitive for a single owner to extend services to its property which may provide benefit to adjacent properties. Due to the potential large number of landowners involved, it may also be difficult to coordinate funding arrangements with the adjacent benefitting landowners.

Thus, it is proposed that Regional staff consult with area municipalities and landowners to consider how the Region could facilitate the recovery of costs for local water and sewer services required to service non-residential lands through the use of area specific development charges.

The Region has successfully utilized area specific development charges in the Carruthers Creek Service Area in the Town of Ajax and the Seaton Community in the City of Pickering to advance major water supply and sanitary sewerage infrastructure works. Under the authority of the DCA, the use of area-specific development charges can be extended to facilitate the recovery of local servicing costs from benefitting landowners when a developer is required to fund the construction of local water and sewer services required to service their lands. An area-specific development charge by-law imposed by the Regional Council could be used to recover the local servicing capital costs from the non-participating benefitting landowners as they develop their lands, in order to reimburse the landowners who up-fronted the capital costs.

The area specific development charges would be imposed by a Regional by-law (through the preparation of a development charge background study and public process) on the lands within the defined area and be payable by future development at the time of building permit issuance or execution of subdivision agreement. The capital costs of the local water and sewer works would form the basis for the area-specific development charge.

## **6. Further Considerations by Regional Council per DCA, 1997**

### **6.1 Formal Consideration of Need for Further Public Meeting**

Given that the final recommendations do vary from the proposed Regional Development Charge by-law, Regional Council is required under provisions of the DCA, 1997 to consider whether a second public meeting is required. A second public meeting would require public notices to be placed providing at least twenty days' notice of such a public meeting.

Although the final recommendations do vary from the proposed Regional Development Charge by-law, in all instances they are considered minor in nature and reflect the input received from the public and do not impose a greater burden on these parties who will pay the recommended Development Charges. Therefore, it is recommended that Council indicate that a second public meeting is not required prior to the passage of the recommended Regional Development Charges By-law.

## 6.2 Necessary Approvals and Actions to Support Proposed Development Charge By-law

The approval of service levels, development charge calculations and policies, and the capital forecast is required by Regional Council.

In order to implement the recommended Regional Development Charges By-law, various administrative tasks must be undertaken by the Regional Solicitor, Regional Clerk and Regional Treasurer. These include the notification of the passage of by-laws, preparation of information pamphlets and a revised development charge form to be distributed to the area municipalities.

## 7. Transition Policies

The following provides a list of transition policies to be utilized for the implementation of the 2018 Development Charge By-law (same transitional policies utilized for prior development charge studies):

- Any complete submission of a subdivision agreement received by June 30, 2018 will be provided the option of being processed under the current by-law or the new by-law. This will provide developers the option to pay the current development charge rates (i.e. the rates prior to the increase on July 1, 2018). The subdivision agreement must be executed by September 30;
- Any complete building permit application received prior to June 30, 2018 will be processed at the current rates (prior to the July 1, 2018 increase), assuming the building permit is issued by July 15, 2018 (Written correspondence to the area treasurers is provided advising them of this transition process for building permit applications); and
- Any developer with an executed Subdivision Agreement is permitted to prepay the water supply, sanitary sewerage and roads components prior to the new development charge by-law implementation on July 1, 2018.

## 8. Conclusion

The above recommendations reflect the substantial input received from the development industry and others. These recommendations seek to achieve the necessary balance between the financing requirements of the Region and the impacts of development charges on the local economy. As a package, these recommendations will update the current Residential and Non-residential development charges and related policies and position the Region to provide the infrastructure necessary to accommodate the anticipated development.

Staff will continue to monitor the impact of the new Development Charges By-law on future development and redevelopment.

The Commissioner of Works, the Commissioner of Planning and Economic Development and the Regional Solicitor concur with these recommendations and these departments have assisted throughout the development charge review.

## **9. Appendices**

Appendix #1: Amended Pages from the 2018 Regional Development Charge Background Study

Appendix #2: Intensification Servicing Policy

Appendix #3: Region Share Policy for Residential Development

Appendix #4: Regional Well Interference Policy

Appendix #5: Report #2018-COW-64: Public Meetings Regarding Proposed Development Charges By-laws and Background Studies

Appendix #6: Written Public Submissions and Staff Responses

Appendix #7: Area Municipal Resolutions and Staff Responses

Appendix #8: Recommended Regional Development Charge By-law

Additional copies of the 2018 Regional Development Charge Background Study are available from the Regional Clerk's Office or the Regional website.

Original Signed By

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M.E. Simpson, CPA, CMA, MA  
Acting Commissioner of Finance

Recommended for Presentation to  
Committee

Original Signed By

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G.H. Cubitt, M.S.W.  
Chief Administrative Officer

**Appendix #1**

**Amended Pages From The 2018 Regional Development Charge  
Background Study**











Table G.2 - Regional Sanitary Sewerage: Capital Cost Summary: Non-Residential (Year 2018 - 2027)																										
Item #	Description	Gross Cost (2018 Estimated Cost)	Benefit to Existing Development	Post Period Benefit	Grants, Subsidy & Other	Seaton	Development Related		Total Net Non-Residential Growth Cost	BY YEAR																
							Federal Lands	Non-Resid.		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027							
		\$ 000's	%	%	%	%	%	%	%																	
<b>Trunk Sanitary Sewers (TSS)</b>																										
209	South-West Courtyce TSS - Baseline Rd. from 650 m west of Trulls Rd. to Trulls Rd. - Courtyce	3,705	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	79	892															
210	Courtyce TSS Phase 3 - Baseline Rd. from Courtyce Rd. to Trulls Rd. and on Trulls Rd. from Baseline Rd. to Bloor St. - Courtyce	25,885	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		6,777															
211	Courtyce TSS Phase 4 - Trulls Rd. from Bloor St. to Future Adelaide Ave. - Courtyce	43,310	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			11,347														
212	Oshawa/Courtyce	14,740	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
213	Courtyce TSS Phase 5 - Adelaide Ave. extension from Trulls Rd. to Townline Rd. - Oshawa/Courtyce	14,460	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
214	Courtyce TSS Phase 6 - Stage 2 - Townline Rd. from Adelaide Ave. to Bearice St. - Oshawa/Courtyce	2,935	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
215	Farwell Creek TSS on easement west of Grandview St. - Oshawa	1,245	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
216	Twinning of Oshawa Creek TSS from Gibb St. to Greenwood Ave. - Oshawa (Region's Share)	4,820	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
217	North Oshawa Creek (West Branch) TSS - south side of Hydro Easement to Columbus Rd. - Oshawa (Region's Share)	15,285	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
218	North Oshawa Creek (East Branch) TSS on easement - E/S Thornton Rd. to Simcoe St. - Oshawa (Region's Share)	15,685	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
219	Corlin Rd. W. TSS, Oshawa/Whitby Boundary to Corlin Road SSPS - Oshawa (Region's Share)	6,615	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
220	North Oshawa Creek (East Branch) TSS on easements - Arctic Red Dr. to Winchester Rd. - Oshawa (Region's Share)	4,370	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
221	Forcemain on Corlin Rd. from Ritson Rd. to Harmony Rd. - Oshawa	7,970	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
222	West Whitby sub-trunk sanitary sewer on Dundas St. from Coronation Rd. to Halls Rd. - Whitby (Region's Share)	3,350	10.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
223	Ash Creek TSS from Consumers Dr./Green Rd. to Ash Creek TSS at Pringle Creek WPCP - Whitby	20,390	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
224	Corbett TSS on easement from Wertworth St. to Corbett Creek WPCP - Whitby	2,530	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
225	Harmony Rd. TSS on Harmony Rd. from Corlin Rd. to 1500 m North of Corlin Rd. - Oshawa (Region's Share)	4,285	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
226	Brooklin TSS Diversion on easement from Anderson St. to Thickson Rd. SSPS - Whitby	4,400	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
227	West Brooklin TSS from west of Cochrane St. to east of Highway 12 - Whitby (Region's Share)	14,880	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
228	Southwest Brooklin TSS from west of Cochrane St. on New Collector Rd. to east of Highway 12 (Region's Share)	4,190	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
229	West Central Brooklin TSS west of Way St. - Whitby (Region's Share)	1,695	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
230	Central Brooklin TSS - Whitby (Region's Share)	4,355	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
231	Central East Brooklin TSS east of Baldwin St. - Whitby (Region's Share)	925	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
232	East Brooklin TSS east of Thickson Rd. - Whitby (Region's Share)	2,825	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
233	Thickson Road Sub-Trunk Sanitary Sewer from Glengowan St. to Corlin Rd. - Whitby (Region's Share)	3,085	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
234	Trulls Rd. to Courtyce Sub-Trunk Sanitary Sewer on easement along north side of CPR from Trulls Rd. to Courtyce Rd. from north side of CPR to Bloor St. - Courtyce (Region's Share)	4,650	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%																	
<b>Total Whitby/Oshawa/Clarington(Courtyce)</b>		<b>626,940</b>	<b>592,206,370</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>118,755</b>	<b>301,223</b>	<b>118,755</b>	<b>472</b>	<b>9,644</b>	<b>6,978</b>	<b>12,657</b>	<b>20,448</b>	<b>16,382</b>	<b>8,270</b>	<b>19,174</b>	<b>20,413</b>	<b>4,318</b>				



**Table G.3**  
**RESIDENTIAL SEWER**  
**Region-Wide Development Charge (With-out Seaton)**  
**Cash Flow Calculation of the Residential Development Charge**  
**(\$'000's)**

Year	1	2	3	4	5	6	7	8	9	10	11	12
	DC Reserve Fund Opening Balance	Existing Debt Payments Total	Development Related Expenditures	Development Related Expend. Inflated @ 3.0%	Issuing of New Debt	Debt Costs on new Debt 5.0%	Equivalent Single Detached Units	Unit Charge Inflated @ 3.0%	Anticipated Revenue	Surplus (Deficit)	Int. Earnings 2.5%/debt rate 5.00%	DC Reserve Fund Closing Bal.
2018-19	35,669	11,167	13,579	13,579			6,316	9,170	57,921	68,843	1,721	70,564
2019-20	70,564	11,167	48,370	49,821			6,316	9,446	59,658	69,234	1,731	70,965
2020-21	70,965	9,347	36,236	38,443			6,316	9,729	61,448	84,623	2,116	86,739
2021-22	86,739	5,930	55,064	60,170			6,316	10,021	63,291	83,930	2,098	86,028
2022-23	86,028	5,663	98,284	110,620			6,321	10,321	65,242	34,988	875	35,862
2023-24	35,862	5,663	57,512	66,672			5,034	10,631	53,517	17,044	426	17,470
2024-25	17,470	5,663	46,372	55,371			5,034	10,950	55,122	11,559	289	11,848
2025-26	11,848	5,661	65,305	80,317			5,034	11,278	56,776	(17,354)	(868)	(18,222)
2026-27	(18,222)	5,658	37,929	48,047			5,034	11,617	58,479	(13,447)	(672)	(14,120)
2027-28	(14,120)	3,026	33,060	43,136		0	5,038	11,965	60,281	(0)	(0)	(0)
<b>Total</b>		68,945	491,711	566,175	0	0	56,759		591,735		7,715	

	Single/Semi Detached	Medium Density Multiple	2 Bedroom Apartment	1 Bedroom Apartment
<b>DC/Unit</b>	<b>\$9,170</b>	<b>\$7,368</b>	<b>\$5,327</b>	<b>\$3,472</b>

**Table G.4**  
**COMMERCIAL SEWER**  
**Development Charge (With-out Seaton)**  
**Cash Flow Calculation of the Commercial Development Charge**  
**(\$000's)**

Year	1	2	3	4	5	6	7	8	9	10	11
DC Reserve Fund Opening Balance	Existing Debt Payments Total	Development Related Exp Total	Development Related Exp Commercial <sup>1</sup>	Development Related Exp Commercial <sup>1</sup>	Development Related Exp. Inflated @ 3.0%	Estimated Development m <sup>2</sup> Commercial	Charge m <sup>2</sup> inflated 3.0%	Anticipated Revenue	Surplus (Deficit)	Int. Earnings 2.5%/debt rate 5.00%	DC Reserve Fund Closing Bal.
2018-19	3,221	1,440	4,964	874	874	64,200	63.28	4,062	4,970	124	5,094
2019-20	5,094	1,439	18,850	3,318	3,417	64,200	65.17	4,184	4,422	111	4,532
2020-21	4,532	1,438	13,713	2,413	2,560	64,200	67.13	4,310	4,844	121	4,965
2021-22	4,965	758	21,157	3,724	4,069	64,200	69.14	4,439	4,577	114	4,692
2022-23	4,692	706	36,884	6,492	7,306	64,200	71.22	4,572	1,252	31	1,283
2023-24	1,283	706	19,694	3,466	4,018	58,240	73.35	4,272	831	21	852
2024-25	852	577	16,463	2,897	3,460	58,240	75.55	4,400	1,215	30	1,246
2025-26	1,246	577	24,231	4,265	5,245	58,240	77.82	4,532	(44)	(2)	(46)
2026-27	(46)	577	24,364	4,288	5,432	58,240	80.15	4,668	(1,387)	(69)	(1,456)
2027-28	(1,456)	161	13,894	2,445	3,191	58,240	82.56	4,808	(0)	(0)	(0)
<b>Total</b>		8,378	194,214	34,182	39,572	612,200		44,248		481	

	Commercial
Development Charge/m <sup>2</sup>	\$63.28
Development Charge/sq ft	\$5.88
Proposed Rate/sq ft	\$5.88

**Table G.5**  
**INDUSTRIAL SEWER**  
**Development Charge (With-out Seaton)**  
**Cash Flow Calculation of the Industrial Development Charge**  
**(\$'000's)**

Year	1	2	3	4	5	6	7	8	9	10
	DC Reserve Fund Opening Balance	Development Related Exp Total	Development Related Exp Industrial <sup>(1)</sup>	Development Related Expend. Inflated @ 3.0%	Estimated Development m <sup>2</sup> Industrial	Charge m <sup>2</sup> inflated 3.0%	Anticipated Revenue	Surplus (Deficit)	Int. Earnings 2.5%/debt rate 5.00%	DC Reserve Fund Closing Bal.
2018-19	3,207	4,964	4,041	4,041	444,000	36.34	16,134	15,301	383	15,683
2019-20	15,683	18,850	15,344	15,804	444,000	37.43	16,618	16,497	412	16,910
2020-21	16,910	13,713	11,162	11,842	444,000	38.55	17,117	22,185	555	22,739
2021-22	22,739	21,157	17,222	18,819	444,000	39.71	17,631	21,551	539	22,090
2022-23	22,090	36,884	30,024	33,792	444,000	40.90	18,159	6,458	161	6,619
2023-24	6,619	19,694	16,031	18,584	411,220	42.13	17,323	5,358	134	5,492
2024-25	5,492	16,463	13,401	16,001	411,220	43.39	17,843	7,334	183	7,517
2025-26	7,517	24,231	19,724	24,258	411,220	44.69	18,378	1,637	41	1,678
2026-27	1,678	24,364	19,832	25,123	411,220	46.03	18,930	(4,515)	(226)	(4,741)
2027-28	(4,741)	13,894	11,310	14,757	411,220	47.41	19,498	0	0	0
<b>Total</b>		194,214	158,090	183,021	4,276,100		177,632		2,182	

	Industrial
Development Charge/m <sup>2</sup>	\$36.34
Development Charge/sq ft	\$3.38
Proposed Rate/sq ft	\$3.38

**Table G.6**  
**INSTITUTIONAL SEWER**  
**Development Charge (With-out Seaton)**  
**Cash Flow Calculation of the Institutional Development Charge**  
**(\$000's)**

Year	1	2	3	4	5	6	7	8	9	10
	DC Reserve Fund Opening Balance	Development Related Exp Total	Development Related Exp Institutional <sup>(1)</sup>	Development Related Expend. Inflated @ 3.0%	Estimated Development m <sup>2</sup> Institutional	Charge m <sup>2</sup> inflated 3.0%	Anticipated Revenue	Surplus (Deficit)	Int. Earnings 2.5%/debt rate 5.00%	DC Reserve Fund Closing Bal.
2018-19	4	4,964	50	50	21,880	11.33	248	202	5	207
2019-20	207	18,850	189	194	21,880	11.67	255	269	7	275
2020-21	275	13,713	137	145	21,880	12.02	263	393	10	403
2021-22	403	21,157	212	231	21,880	12.38	271	443	11	454
2022-23	454	36,884	369	415	21,880	12.76	279	318	8	326
2023-24	326	19,694	197	228	12,500	13.14	164	262	7	268
2024-25	268	16,463	165	197	12,500	13.53	169	241	6	247
2025-26	247	24,231	242	298	12,500	13.94	174	123	3	126
2026-27	126	24,364	244	309	12,500	14.36	179	(3)	(0)	(3)
2027-28	(3)	13,894	139	181	12,500	14.79	185	0	0	0
<b>Total</b>		194,214	1,942	2,248	171,900		2,189		56	

	Institutional
Development Charge/m <sup>2</sup>	\$11.33
Development Charge/sq ft	\$1.05
Proposed Rate/sq ft	\$1.05

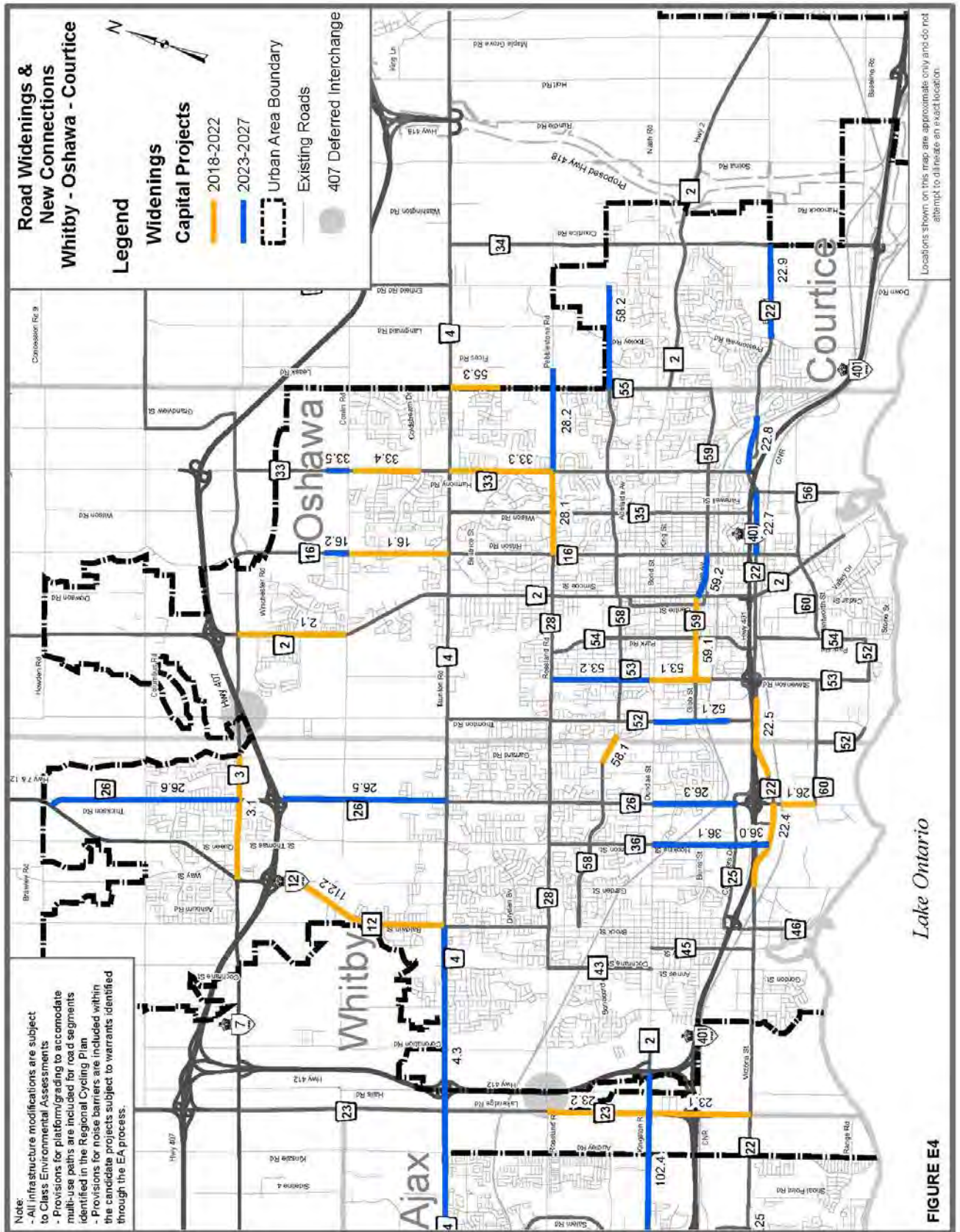




TABLE E.1 - REGIONAL ROADS: CAPITAL COST SUMMARY - RESIDENTIAL (YEAR 2018 - 2027)																		
ITEM #	ROAD NAME	DESCRIPTION	GROSS COST TO EXISTING DEVELOPMENT (2018 Estimated Cost)	BENEFIT TO EXISTING DEVELOPMENT	POST PERIOD BENEFIT	GRANTS, SUBSIDY & OTHER	DEVELOPMENT RELATED		NET RESIDENTIAL GROWTH COST (2018 Estimated Cost)									
							NON-RESID.	RESID.	BY YEAR									
									2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
\$ 000's		%		%		%		\$ 000's										
<b>Widening, New Connections and Corridor Modifications</b>																		
31.1	Westney Rd #31	Bely St #22 to Hwy 401	7,930	8%	0%	0%	28%	64%	5,075	0	131	198	198	198	4,416	0	0	
31.2	Westney Rd #31	Hwy 401 to S. of Kingston Rd (Reg Hwy 2)	5,925	9%	0%	0%	27%	64%	3,792	0	131	198	230	3,034	0	0	0	
31.4	Westney Rd #31	N. of Rossland Rd #28 to Taunton Rd #4	11,980	3%	0%	0%	29%	68%	8,126	211	0	7,915	0	0	0	0	0	
31.5	Westney Rd #31	S. of Greenwood to N. of Greenwood	12,770	8%	0%	0%	28%	64%	8,173	0	0	0	262	989	330	6,592	0	
33.3	Harmony Rd #33	Rosland Rd #28 to Taunton Rd #4	9,270	8%	0%	0%	28%	64%	5,933	0	0	0	0	0	0	0	0	
33.4	Harmony Rd #33	N. of Coldstream Dr. to S. of Conlin Rd	6,075	8%	0%	0%	28%	64%	3,888	330	3,558	0	0	0	0	0	0	
33.5	Harmony Rd #33	Conlin Rd to Britanna Ave	4,485	34%	59%	0%	2%	5%	206	0	0	0	0	14	12	5	9	
36.0	Hepkiss St	Construct new Hepkiss St. overpass	15,550	0%	0%	0%	30%	70%	10,855	0	0	361	287	287	9,951	0	0	
36.1	Hepkiss St #36	Consumers Dr #25 to Dundas St	15,760	5%	0%	0%	29%	66%	10,402	0	0	0	0	340	340	205	340	
37.1	Finch Ave #37	Albena Rd #27 to Brook Rd #1	27,295	40%	0%	0%	18%	42%	11,464	0	0	216	216	433	10,382	0	0	
38.1	Whites Rd #38	Bely St #22 to Kingston Rd (Reg Hwy 2)	515	4%	0%	0%	29%	67%	345	0	0	0	0	0	0	0	345	
38.2	Whites Rd #38	N. of Kingston Rd (Reg Hwy 2) to Finch Ave #37	21,420	58%	0%	0%	13%	29%	6,213	0	59	59	90	90	5,915	0	0	
38.3	Whites Rd #38	Finch Ave #37 to S. of Third Concession Rd	23,020	17%	40%	0%	13%	30%	6,922	0	0	0	0	0	0	0	6,922	
38.4	Whites Rd #38	S. of Third Concession Rd to Taunton Rd #4	78,900	1%	0%	0%	30%	69%	54,254	0	0	0	0	54,254	0	0	0	
38.5	Whites Rd #38	Taunton Rd #4 to Whitevale Rd	14,960	0%	0%	0%	30%	70%	10,472	0	0	10,472	0	0	0	0	0	
38.6	Whites Rd #38	Whitevale Rd to Hwy 7	7,850	0%	0%	0%	30%	70%	5,495	0	0	5,495	0	0	0	0	0	
38.7	Whites Rd #38	Whitevale Rd to Hwy 7	4,880	20%	0%	0%	24%	56%	2,733	0	0	0	0	0	0	0	2,733	
40.1	Alexander Knox Rd # 40	York/Dundas Line to Golf Club Rd	44,030	0%	0%	0%	30%	70%	30,821	0	0	0	0	0	0	0	30,821	
40.2	Alexander Knox Rd # 40	Golf Club Rd to E. of Brook Rd #1	46,000	0%	0%	0%	30%	70%	32,200	0	0	32,200	0	0	0	0	0	
52.1	Thornton Rd #52	N. of Stellar Dr #25 to King St	10,095	13%	0%	0%	26%	61%	6,158	0	314	189	314	5,026	0	0	0	
53.1	Stevenson Rd #53	CPR Belleville to Bond St	9,060	6%	0%	0%	28%	66%	5,980	271	340	135	271	4,963	0	0	0	
53.2	Stevenson Rd #53	Bond St to Roseland Rd #28	14,420	44%	0%	0%	17%	39%	5,624	0	0	201	41	160	5,222	0	0	
55.3	Townline Rd #55	Beatrice Rd to Taunton Rd #4	3,295	13%	0%	0%	26%	61%	2,010	0	125	1,885	0	0	0	0	0	
57.1	Bowmanville Ave #57	Baseline Rd to N. of Stevens Rd	22,020	17%	0%	0%	25%	58%	12,772	435	3,138	9,198	0	0	0	0	0	
57.2	Bowmanville Ave #57	N. of Stevens Rd to Nash Rd	9,375	7%	0%	0%	28%	65%	6,094	0	0	335	68	335	5,566	0	0	
58.1	Manning Rd/Adeleide Ave #58	Construct new connection to 2 lanes, with new crossing of Corbett Creek	13,495	1%	0%	0%	30%	69%	9,312	711	72	8,528	0	0	0	0	0	
58.2	Adeleide Ave #58	Garrard Rd to Thornton Rd #52	28,995	0%	0%	0%	30%	70%	20,010	0	0	0	0	361	3,605	182	15,862	
59.1	Gibb St #59	E. of Stevenson Rd #53 to Simcoe St #2	15,460	29%	0%	0%	21%	50%	7,725	1,468	978	588	4,713	0	0	0	0	
59.2	Gibb St/Olive Ave #59	Interconnection from Simcoe St #2 to Ritsen Rd #16	14,320	4%	0%	0%	29%	67%	9,594	0	690	690	345	657	6,348	0	0	
102.2	Kingston Rd (Reg Hwy 2)	Pickering/Toronto Boundary to Notion Rd	69,270	7%	0%	0%	28%	65%	45,028	2,178	0	0	0	670	2,678	3,348	33,475	
102.4	King St (Reg Hwy 2)	Westney Rd #31 to Hwy 412	24,310	11%	0%	0%	27%	62%	15,072	1,150	0	0	0	639	1,277	639	1,277	
102.5	King St (Reg Hwy 2)	Townline Rd #55 to Courtice Rd #34	4,425	50%	0%	0%	15%	35%	1,549	0	0	0	0	144	72	72	1,262	
112.2	Baldwin St (Reg Hwy 12)	N. of Taunton Rd #4 to N. of Garden St	15,960	9%	0%	0%	27%	64%	10,150	330	330	922	8,570	0	0	0	0	
147.1	Reg Hwy 47	York/Dundas Line #30 to Goodwood Rd #21	12,975	0%	81%	0%	6%	13%	1,622	0	0	0	65	65	130	1,297	0	
<b>Sub-Total (Widening, New Connections and Corridor Modifications)</b>			<b>1,085,890</b>	<b>113,734</b>	<b>118,391</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>596,966</b>	<b>23,986</b>	<b>23,293</b>	<b>123,221</b>	<b>18,749</b>	<b>31,963</b>	<b>92,707</b>	<b>42,140</b>	<b>54,399</b>	<b>44,344</b>



TABLE E.2 - REGIONAL ROADS: CAPITAL COST SUMMARY - NON-RESIDENTIAL (YEAR 2018 - 2027)																								
ITEM #	ROAD NAME	DEVELOPMENT RELATED NON-RESIDENTIAL SHARE SERVICE: REGIONAL ROADS	DESCRIPTION	GROSS COST (2018 Estimated Cost)	BENEFIT TO EXISTING DEVELOP.	POST PERIOD BENEFIT	GRANTS, SUBSIDY & OTHER	DEVELOPMENT RELATED	NET NON-RESIDENTIAL GROWTH COST															
									TOTAL							BY YEAR		2027						
									2018	2019	2020	2021	2022	2023	2024	2025	2026							
									\$ 000's															
<b>Widenings, New Connections and Corridor Modifications</b>																								
31.1	Westney Rd #31		Widen from 5 to 7 lanes	7,930	8%	0%	0%	28%	64%	2,220	0	57	0	57	87	1,932	0	0						
31.2	Westney Rd #31		Widen from 5 to 7 lanes, including structure widening	5,925	9%	0%	0%	27%	64%	1,600	0	55	84	97	1,280	0	0	0						
31.4	Westney Rd #31		Widen from 2 to 5 lanes	11,950	3%	0%	0%	29%	68%	3,466	90	0	3,376	0	0	0	0	0						
31.5	Westney Rd #31		Construct new Greenwood by-pass to 2 lanes	12,770	8%	0%	0%	28%	64%	3,576	0	0	0	115	433	1,444	2,884	0						
33.3	Harmony Rd #33		Rossland Rd #28 to Taunton Rd #4	9,270	8%	0%	0%	28%	64%	2,596	0	0	0	0	0	0	0	0						
33.4	Harmony Rd #33		N. of Coldstream Dr. to S. of Conlin Rd	6,075	8%	0%	0%	28%	64%	1,701	144	1,557	0	0	0	0	0	0						
33.5	Harmony Rd #33		Conlin Rd to Britannia Ave	4,465	34%	59%	0%	2%	5%	90	0	0	0	0	6	5	2	4						
36	Higgins St		Construct new Higgins St overpass	15,350	0%	0%	0%	30%	70%	4,265	0	0	155	123	123	4,265	0	0						
36.1	Higgins St #36		Construct new 4 lane overpass of Hwy 401	15,760	5%	0%	0%	28%	66%	4,570	0	0	0	0	149	149	90	149						
37.1	Fitch Ave #37		Widen from 2 to 3 lanes	27,295	40%	0%	0%	18%	42%	4,913	0	0	93	93	93	185	4,450	0						
38.1	Whites Rd #38		Widen from 5 to 7 lanes, including structure widening	21,425	55%	0%	0%	29%	67%	149	0	0	0	0	0	0	0	149						
38.2	Whites Rd #38		N. of Kingston Rd (Reg Hwy 2) to Fitch Ave #37	21,425	55%	0%	0%	13%	29%	2,785	0	27	27	40	40	2,651	0	0						
38.3	Whites Rd #38		Fitch Ave #37 to S. of Third Concession Rd #37	23,020	17%	40%	0%	13%	30%	2,993	0	0	0	0	0	0	0	2,993						
38.4	Whites Rd #38		S. of Third Concession Rd to Taunton Rd #4	78,600	1%	0%	0%	30%	69%	23,580	0	0	0	0	23,580	0	0	0						
38.5	Whites Rd #38		Construct new alignment to 6 lanes, with new bridge crossing of West Duffins Creek	14,960	0%	0%	0%	30%	70%	4,488	0	0	4,488	0	0	0	0	0						
38.6	Whites Rd #38		Construct new alignment to 6 lanes	7,850	0%	0%	0%	30%	70%	2,355	0	0	2,355	0	0	0	0	0						
38.7	Whites Rd #38		Whitevale Rd to Hwy 7	4,880	20%	0%	0%	24%	56%	1,171	0	0	0	0	0	0	0	1,171						
40.1	Alexander Knox Rd # 40		Widen from 4 to 6 lanes	44,030	0%	0%	0%	30%	70%	13,209	0	0	0	0	0	0	0	13,209						
40.2	Alexander Knox Rd # 40		Construct new connection to 2 lanes, including new structure	46,000	0%	0%	0%	30%	70%	13,800	0	0	13,800	0	0	0	0	0						
52.1	Thornton Rd #52		Construct new connection to 4 lanes	10,095	13%	0%	0%	28%	61%	2,625	0	134	134	81	134	2,142	0	0						
53.1	Stevenson Rd #53		Widen from 2 to 4.5 lanes, with new CPR grade separation	9,060	6%	0%	0%	28%	66%	2,537	115	144	57	115	2,106	0	0	0						
53.2	Stevenson Rd #53		Widen from 4 to 5 lanes	14,420	44%	0%	0%	17%	39%	2,451	0	0	88	18	70	2,276	0	0						
55.3	Townline Rd #55		Bond St to Rossland Rd #28	3,295	13%	0%	0%	26%	61%	857	0	53	803	0	0	0	0	0						
57.1	Bowmanville Ave #57		Widen and urbanize road from 2 to 3 lanes	22,020	17%	0%	0%	25%	56%	5,505	188	1,353	3,965	0	0	0	0	0						
57.2	Bowmanville Ave #57		Widen from 2 to 4 lanes	9,375	7%	0%	0%	28%	65%	2,625	0	0	144	29	144	2,307	0	0						
58.1	Manning Rd/Adeelaide Ave #58		Widen from 2 to 4 lanes	13,495	1%	0%	0%	30%	69%	4,049	309	32	3,708	0	0	0	0	0						
58.2	Adeelaide Ave #58		Construct new connection to 3 lanes, with new crossing of Corbett Creek	28,585	0%	0%	0%	30%	70%	8,576	0	0	0	155	1,545	78	6,798	0						
59.1	Gibb St #59		Construct new bridge crossing of Farewell Creek and construct new 3 lane road (segments). *New road (segments) to be constructed by others with funding provided by the Region to widen from 2 to 3 lanes.	15,450	29%	0%	0%	21%	50%	3,245	616	411	238	1,979	0	0	0	0						
59.2	Gibb St/Olive Ave #59		Widen from 3 to 4 lanes	14,320	4%	0%	0%	29%	67%	4,153	0	289	299	149	374	2,748	0	0						
102.2	Kingston Rd /Reg Hwy 2		Interconnection from Simcoe St #2 to Rislon Rd #16	69,270	7%	0%	0%	28%	65%	19,396	938	0	0	0	288	1,154	1,442	14,420						
102.4	Kingston Rd /Reg Hwy 2		Pickering/Toronto boundary to Nobon Rd	24,310	11%	0%	0%	27%	62%	6,564	501	0	0	0	278	556	278	4,394						
102.5	King St /Reg Hwy 2		Widen from 5 to 7 lanes	4,425	50%	0%	0%	15%	35%	664	0	0	0	0	62	31	31	541						
112.2	Baldwin St /Reg Hwy 12		Widen from 2 to 5 lanes	15,860	9%	0%	0%	27%	64%	4,282	139	139	389	3,615	0	0	0	0						
147.1	Reg Hwy 47		Widen from 2 to 4 lanes, with intersection modifications at Goodwood	12,875	0%	81%	0%	6%	13%	773	0	0	0	31	31	62	618	0						
<b>Sub-Total (Widenings, New Connections and Corridor Modifications)</b>									<b>1,085,890</b>	<b>113,734</b>	<b>118,391</b>	<b>0</b>	<b>0</b>	<b>256,779</b>	<b>10,305</b>	<b>10,079</b>	<b>52,882</b>	<b>7,940</b>	<b>13,650</b>	<b>39,936</b>	<b>18,285</b>	<b>23,242</b>	<b>19,193</b>	<b>61,267</b>

**Appendix #2**

**Intensification Servicing Policy**

## **Appendix #2 – Intensification Servicing Policy**

### **1. Introduction**

The intensification servicing policy was approved in the 2013 Development Charge Study by Regional Council. This policy was developed in response to an analysis of the costs of sanitary sewerage and water supply servicing associated with the 40% intensification requirement in the Durham Regional Official Plan (ROP). The following provides a background of the intensification servicing policy, applicability and the proposed changes.

As well, the following provides discussion on the increased intensification and density target requirements approved in the Growth Plan for the Greater Golden Horseshoe (2017) and the impact it may have on the intensification servicing policy.

#### **1.1. Background**

The ROP requires that urban areas be planned to achieve the following growth management objective on a Region wide basis:

“By 2015, and each year thereafter, accommodate a minimum 40% of all residential development occurring annually through intensification within built-up areas”.

Accordingly, the population forecasts contained in Appendix A have distributed 40% of the population growth in the urban areas throughout the built-up areas, based on density considerations for key structural elements of the Regional Official Plan (e.g. Urban Growth Centres, Regional Centres and Corridors, Commuter Stations and Waterfront Places).

Overall servicing of this intensification has been included in the water supply and sanitary sewerage analyses contained in Appendix F and Appendix G. However, even though the forecasted growth has been targeted to strategic areas on an average density basis, intensification projects may occur at specific locations at a density beyond the average estimated for a broader area, such as a Regional Corridor. In these instances additional development charge works may be required to service the specific sites.

Because the location of intensification projects and the associated required development charge works are site or area specific, they cannot be predicted with certainty in advance. Therefore, it is necessary to include an allowance for such works required to support intensification and to reaffirm a policy to provide access to these allowances, based on the costs of recent experiences in Durham Region.

## 1.2 Approved Policy

In order to address the difficulty in anticipating where Regional development charge works will be required for intensification projects, Regional Council approved the intensification servicing policy in 2013 which created an intensification allowance within the sanitary sewage development charge quantum calculation.

Under the approved policy, developers apply to use the funds in this allowance if their proposed development meets the following conditions:

- The proposed development is located within the existing built-up area.
- The proposed development requires a development charge sanitary sewage work that is not already listed in the projects included in Appendix G.
- All local works as defined in Section 3.0 of this Appendix are to be funded by the developer.
- The development includes new housing for at least 1,000 people.

Council approval is required for all expenditures from this allowance. For future updates to the development charge by-law, actual sanitary sewage development charge servicing costs within the built-up area would be continuously monitored and included in future analyses contained within this Appendix, and the charge per person updated.

## 2. Applicability

The intensification servicing policy is only applicable to residential development within the built-up area, whether the development proceeds by plan of subdivision or condominium, consent or issuance of a building permit on an existing vacant parcel or redevelopment site.

## 3. Development Charges Act

The Development Charges Act, 1997, states that:

“ss.59(1) a municipality shall not, by way of a condition or agreement under section 51 or 53 of the *Planning Act*, impose directly or indirectly a charge related to a development or a requirement to construct a service related to development except as allowed in subsection (2).

(2) a condition or agreement referred to in subsection (1) may provide for:

- a) local services, related to a plan of subdivision or within the area to which the plan relates, to be installed or paid for by the owners as a condition of approval under section 51 of the *Planning Act*,
- b) local services to be installed or paid for by the owner as a condition of approval under section 53 of the *Planning Act*.”

The term "local services" is not specifically defined in the DCA, 1997 or the associated regulations.

The proposed Intensification Servicing Policy is consistent with the requirements referenced above.

### 3.1 Definition of "Local Service"

For the purposes of intensification servicing, "Local Service" is defined as the linear components of the sanitary sewerage system and water supply system, which conform to Regional design guidelines and are of the minimum size required to provide service to the proposed development in its entirety.

## 4. Analysis of Previous Intensification Projects (2008 – 2017)

### 4.1. 2013 Development Charge Analysis

As part of the 2013 Development Charge Study, staff examined a number of large developments constructed or initiated in Durham that are representative of the type of intensification that is consistent with the policy directions of the ROP, and that had development charge funded works (i.e. costs) associated with them, including:

- Simcoe Street Corridor, south of Durham College/UOIT, Oshawa
- San Francisco by the Bay, on Bayly Street, Pickering
- Vision at Pat Bayly Square at Bayly Street and Harwood Avenue (Medallion Corporation project), Ajax

A brief description of each project and the development charge works that were required to service these intensification sites is provided below.

#### Simcoe Street Corridor

To address student housing pressures in this corridor provision was made within the sanitary sewerage system to provide housing for 6,800 additional people. In order to provide service to these lands, modifications were required to the Simcoe Street Sanitary Pumping Station and forcemain totaling an estimated development charge cost of \$548,000 (\$2013). There were no development charge funded water supply works required to service this intensification project.

#### San Francisco by the Bay

This project involved the redevelopment of an underutilized shopping plaza into condominium apartments and townhouses for an ultimate population of 1,200 people. This project required the replacement of undersized sanitary trunk sewers downstream at a development charge cost of \$1,565,000 (\$2013). There were no development charge funded water supply works required to service this intensification project.

#### Vision at Pat Bayly Square (Medallion Corporation project)

This project is under construction and will create six apartment blocks over several phases. The ultimate population is planned at 3,190 people. Sanitary sewerage servicing required for this development is the construction of a new sanitary sewage

pumping station and forcemain. These works will be oversized to allow for further intensification north of the subject site for an additional 4,800 people. The estimated development charge component of the cost of these works is \$2,555,000 (\$2013). There are no development charge funded water supply works required to service this intensification project.

Staff also looked at a number of smaller developments constructed that are representative of the type of intensification required by the ROP, including:

- 44 Bond Street, Oshawa: Redevelopment of an office building into condominiums for 229 people
- 400 Bloor Street East, Oshawa: Redevelopment of an abandoned industrial property into apartments for 90 people.
- 50 Station Street, Ajax: Redevelopment of vacant surplus commercial property into apartments for 136 people.

As these projects occurred on much smaller sites and involved significantly fewer units, no development charge funded water supply works or sanitary sewage works were required to service these intensification projects.

None of the above projects required any upgrades to the water supply system. Regional water supply systems are designed to support domestic uses as well as fire fighting demands. Fire fighting demands have a significant impact on the sizing of the systems as compared to increases in domestic uses resulting from intensification. It is, therefore, reasonable to only address sanitary sewerage servicing in this intensification policy.

The following table summarizes the additional sanitary sewerage servicing development charge costs per person required to service the intensification associated with the preceding examples (based on the 2013 analysis):

Table 1  
Sanitary Sewer Development Charge Costs  
Intensification Projects (2008-2013)  
(per person)

Project	Intensification Population	Sanitary DC Cost (\$2013)	Sanitary DC Cost / Person
Simcoe Street Corridor	6,800	\$ 548,000	\$ 81
SF by the Bay	1,200	\$ 1,565,000	\$ 1,304
Bayly and Harwood	7,990	\$ 2,555,000	\$ 320
44 Bond Street	229	\$ 0	\$ 0
400 Bloor Street East	90	\$ 0	\$ 0
50 Station Street	136	\$ 0	\$ 0
<b>Total</b>	<b>16,445</b>	<b>\$ 4,668,000</b>	<b>\$ 284</b>

The 2013 analysis illustrates that servicing requirements of intensification projects within the built up area on these selected sites varies significantly and is very site specific. As noted above, some projects required significant development charges funded works while others did not require any.

The above table indicates that for every person planned to be added within the built boundary for this particular sample, it costs \$284 to provide sanitary sewerage servicing. However, at this time, 40% of the Region wide growth is planned to be provided within the built-up area, therefore, on a Region wide basis, a cost of \$114/person ( $\$284 \times 40\%$ ) is the currently required sanitary servicing cost.

#### 4.2. Additional Intensification Projects

Since the implementation of the Intensification Servicing Policy in July 2013, there have been numerous residential developments within the built up area. Staff identified 16 apartment building developments from 2013-2017 with the number of units ranging from 25 units to 239 units (staff included developments with 25 or more units). The largest development completed was located at 100 Bond Street (239 units) which received \$430,000 in Regional funding as a part of the Regional Revitalization Program. No Regional sanitary sewer development charge capital works were required to accommodate these developments (i.e. only local works were required which are funded by the developer) and therefore there were no applications for this funding.

Although no intensification projects required sanitary sewerage development charge works within the last five years, it is recommended that this policy be retained as it is likely that future projects may need such improvements. Further, during discussions with area municipal staff, they expressed interest in seeing this policy continue and requested that the policy be less restrictive with respect to the minimum 1,000 person equivalent threshold. Staff also met with the Building Industry and Land Development Association and Durham Region Homebuilders Association prior to the release of the Development Charge Background Study and they expressed support of this policy, recognizing that infill projects may result in significant infrastructure costs.

The following table provides an updated sanitary sewer development charge costs per person for the intensification projects, incorporating the projects from 2013-2017. The projects from the 2013 analysis have been indexed by 9%, utilizing the non-residential construction price index for Toronto, to convert the costs from \$2013 to \$2018.

Table 2  
 Updated Sanitary Sewer Development Charge Costs  
 Intensification Projects (2008-2017)  
 (per person)

Project	Intensification Population	Sanitary DC Cost (\$2018)	Sanitary DC Cost / Person
Simcoe Street Corridor	6,800	\$ 597,000	\$ 88
SF by the Bay	1,200	\$ 1,706,000	\$ 1,421
Bayly and Harwood	7,990	\$ 2,785,000	\$ 349
44 Bond Street	229	\$ 0	\$ 0
400 Bloor Street East	90	\$ 0	\$ 0
50 Station Street	136	\$ 0	\$ 0
<b>Sub-total</b>	<b>16,445</b>	<b>\$ 5,088,000</b>	<b>\$ 309</b>
Projects from 2013-2017	3,945	\$ 0	\$0
<b>Total</b>	<b>20,390</b>	<b>\$ 5,088,000</b>	<b>\$250</b>

## 5. Proposed Policy

It is recommended that the intensification policy continue and that an intensification allowance be provided within the sanitary sewage development charge quantum calculation. Building upon the analysis completed in 2013 and including the 16 apartment developments over 2013-2017, it is estimated that the cost per person to provide sanitary sewerage servicing is \$250, down from the previous estimate of \$284 in the 2013 Development Charge Study. Based on 40% of the Region wide growth being planned to be provided within the built-up area, the cost on a Region-wide basis is \$100 per person (i.e. 40% x \$250) or \$346 per single detached unit (assuming 3.46 ppu).

Based on discussions with area municipal staff and staff from BILD and DRHBA, it is recommended that the minimum 1,000 people threshold be eliminated, in order to allow a wider range of intensification projects to be considered.

Developers can apply to use the funds in this allowance if their proposed development meets the following conditions:

- The proposed development must be located within the existing built-up area;
- The proposed development must require a development charge sanitary sewage work that is not already listed in the projects included in Appendix G; and



- All local works as defined in Section 3.0 of this Appendix must be funded by the developer.

Council approval will be required for all expenditures from this allowance.

## **6. Financial Impact**

The estimated financial impact on the development charge quantum based on the analyses contained in this Appendix is:

	Average Cost Per Dwelling Unit (3.46 ppu) (\$2018)
Sanitary Sewerage	<u>\$346</u>
TOTAL	<u>\$346</u>

## **7. Comparison of Greenfield vs Intensification Costs / New Requirements of Growth Plan (2017)**

As noted previously, the Regional Official Plan currently requires that a minimum of at least 40% of all new development occur within the built-up area. This policy direction serves to reduce the need for additional new growth (i.e. greenfield) areas while accommodating the population forecasts in the Plan.

The sanitary servicing analyses contained within this Background Study assume that 60% of the growth will occur within greenfield areas and 40% will occur within the built-up area as intensification, consistent with the directions of the ROP.

However, the Province has approved the Growth Plan for the Greater Golden Horseshoe (2017) which introduces increased intensification targets and densities as follows:

- Increasing the residential intensification target within the designated built boundary from 40 per cent to 50 per cent from the time of the next Regional Municipal Comprehensive Review to 2031, increasing to an intensification target to 60 per cent post 2031;
- Increasing the minimum density target for existing designated greenfield areas (i.e. urban lands outside of the built boundary) from 50 residents and jobs combined per hectare to 60 people and jobs combined per hectare for community area lands. For new community area lands designated in the upper tier plan after the Growth Plan came into effect on July 1, 2017, the density target rises to 80 residents and jobs combined per hectare.

The Province will also be implementing a new land needs methodology that upper and single tier municipalities will be required to use for their respective Municipal Comprehensive Reviews. The increased intensification targets and the new land needs methodology will be incorporated in the Region's next Municipal Comprehensive Review. This review will examine the increased intensification targets and the implications for providing the requisite infrastructure.

It is not yet known what effect these provincial policy changes will have on the existing water and sewer infrastructure. As mentioned previously, it is difficult to determine the impact of intensification on the water and sewer system due to the site specific requirements of each individual development project. However, the additional development related to the increased intensification targets will put additional demands on the Regional water and sewer system.

These new Provincial policy requirements will trigger an analysis of the servicing needs for intensification and related financial implications within Strategic Growth Areas. This analysis will be undertaken as part of the Municipal Comprehensive Review and will include scenario analyses given the localized nature in servicing needs. This work, to be completed as part of the Municipal Comprehensive Review, will assist in assessing the costs of greenfield development vs intensification development and will provide the necessary background information for the next Development Charge Study in 2022-2023.

## **8. Recommendations**

It is proposed that the Region continue with an Intensification Policy, as outlined above, to address site specific sanitary sewage servicing requirements within the built-up area and that the Sanitary Sewerage capital program include a provision for the anticipated additional growth related infrastructure costs in order to accommodate site specific, population-intense residential developments.

This intensification policy ensures that the Regional Development Charge is sized so as to cover the unknown additional sanitary sewerage costs that are not included in the sanitary sewerage capital program. This development charge component is addressed on an average Region-wide calculation basis, as with virtually all Regional servicing costs. Further, the development charge by-law provides an incentive for redevelopment via the redevelopment credit, which applies to non-exempt development being redeveloped.

This policy is designed to provide assistance to intensification projects that require substantial Regional sanitary sewerage capital works (due to the specific location and the infrastructure constraints of the development). This is similar to the Regional Revitalization Plan which targets developments that require financial assistance due to the locational and infrastructure characteristics of the proposal. These financial policies target the eligibility of specific developments in need of financial assistance, instead of applying a general discount or exemption to a specific area or specific class of development, which may result in providing financial assistance to development projects that are viable without Regional financial assistance.

The intensification servicing policy and the broader concern of the cost of greenfield development vs intensification development will be reviewed as part of the Municipal Comprehensive Review in light of the increased intensification targets stipulated in the Growth Plan for the Greater Golden Horseshoe (2017) and will provide background information required for the 2022-2023 Development Charge Background Study.

**Appendix 3**

**Region Share Policy For Residential Development**

## **Appendix #3 – Region Share Policy**

### **1. Introduction**

The purpose of this policy paper is to examine the Regional policy of cost sharing with developers for the construction of sanitary sewers, watermains and Regional roads in conjunction with residential development.

### **2. Applicability**

This policy is intended to be applicable to all residential development for the areas specified in this by-law, whether the development proceeds by plan of subdivision, consent or issuance of a building permit.

### **3. Development Charges Act**

The Development Charges Act, 1997, states that:

“ss.59(1) a municipality shall not, by way of a condition or agreement under section 51 or 53 of the *Planning Act*, impose directly or indirectly a charge related to a development or a requirement to construct a service related to development except as allowed in subsection (2).

(2) a condition or agreement referred to in subsection (1) may provide for:

- a) local services, related to a plan of subdivision or within the area to which the plan relates, to be installed or paid for by the owners as a condition of approval under section 51 of the *Planning Act*,
- b) local services to be installed or paid for by the owner as a condition of approval under section 53 of the *Planning Act*.”

The term "local services" is not specifically defined in the DCA, 1997 or the associated regulations.

The existing Region's share policy is consistent with the requirements referenced above.

#### **3.1 Definition of "Local Service"**

For the purposes of Region Share, "Local Service" may be defined as the linear components of the sanitary sewerage system, water supply system or Regional road system which conform to Regional design guidelines and are of the minimum size required to provide service to the proposed development in its entirety.

## **4. Current Policy**

### **4.1 General Philosophy**

There is a range of significantly different approaches which can be taken under the DCA, 1997 with respect to the provision of municipal services.

One end of the range is to use the Front-ending provisions of the Act or the equivalent and have willing developers pay the full cost of necessary infrastructure with eventual collection and reimbursement by the municipality from other benefiting, but not contributing, landowners. This approach works relatively well in municipalities with only a few developers controlling large areas of land and a housing market that can support large scale land development. The developers have control over the cost and timing of servicing and the municipality does not have to provide major capital funding and assume the associated risk that developers will not proceed in a timely fashion.

At the opposite end of the range of approaches is for the municipality to partner with developers and provide major infrastructure through its capital budget. Infrastructure (beyond local services) constructed by developers, under this approach, is limited and eligible for either a credit against development charges or a cash rebate from the municipality. This is a workable approach in municipalities with a multitude of developers controlling relatively small and fragmented parcels of property. It also results in more competition among developers, which should result in lower consumer costs, and allows development to proceed in a slower housing market.

Elements of the developer's capital requirements and risk are reduced, or rather, shifted to the municipality.

Due to the fragmented land ownership and the multitude of developers in much of Durham Region, the Region has traditionally tended toward the second approach to the provision of infrastructure. The existing Region Share policy has been crafted in accordance with this philosophy and has worked well within the economic and market realities faced by Durham Region.

### **4.2 Existing Regional Policy, Established 1991, Amended 1993, 1999 and 2003**

The current Region Share policy covers all Regional "hard" services, consisting of sanitary sewers, watermains and Regional roads, constructed in conjunction with residential development. The Policy came into effect in November 1991 and has been subsequently amended in 1993, 1999 and 2003 by Regional Council. The original policy provided for the Region to pay for oversizing of services internal to the subdivision and all works external to the subdivision.

The policy was amended, by Council, in May 1993, to recognize the special case of abutting services and to require developers to pay for 50% of the minimum size of abutting services. The policy was amended further by Council, in July 1999, to address oversizing for non-sequential development and allow developers to claim a cost recovery prior to 100% payment of their development charges. In August 2003, the policy was amended to reduce the Region’s share for external services for sequential development from the full cost of the works to the oversizing cost only, similar to the Region’s share for non-sequential development. There were no changes in the 2008 and 2013 DC Studies.

The current Region Share policy is as follows:

Category of Service	Source of Financing	
	Developer	Region
Sequential External Works	Min. Size	Oversizing Share
Non-Sequential External Works	Min. Size	Oversizing Share
Internal Works	Min. Size	Oversizing Share
Abutting Works	50% of Min. Size	Remainder

The definitions of the service categories may be found in Attachment No. 1.

### 4.3 Sequentiality

Sequentiality is defined as "something which follows something else, or something which occurs in a chronological order of events". In the context of subdivision development, it can be defined as the next subdivision which may proceed geographically and for which all necessary external infrastructure is in place.

In order for a development to be defined as sequential, the following criteria must be satisfied:

- Adequate Water Pollution Control Plant capacity;
- Adequate Water Supply Plant capacity;
- Trunk sewers available;
- Feeder mains available;
- Sanitary Sewerage Pumping stations available;
- Water booster pumping station available;
- Reservoir storage available;
- The development must be the next, closest, geographic extension of service to allow residential development (extension of services over open spaces or other non-developable lands may be permitted depending on the site location).

For services to be "available," they must exist, be committed in a Council approved tender award, or be contained within an executed servicing agreement (backed by 100% performance guarantees).

Development which does not fit the above criteria is non-sequential.

Regional staff is currently authorized to arrange up to \$500,000 in Regional financing for sequential development and up to \$100,000 in Regional financing for non-sequential development. For larger amounts, Council authorization is required.

#### 4.4 Oversizing/external/abutting Services

The Region cost shares (with funding largely from development charge revenue) the portion of those services which are sized or located so as to benefit lands beyond the proposed development. These include: services which are oversized beyond the minimum size required by the development or the minimum size permitted by the Regional Design Guidelines, whichever is larger; services which are external to, or not required by the development; and services which abut the development and provide direct service to adjacent lands.

The developer funds the minimum size of services required for the subject development, or the Regional Design Guideline minimum size, whichever is larger, in the case of internal or external oversizing. The developer funds one half of the cost of the minimum size, or the Regional Design Guideline minimum size of services, in the case of abutting services of direct benefit to adjacent lands. The Region bears the remainder of the cost (one half of the cost of the minimum size plus oversizing).

No compensation is given to a developer for any extra cost incurred due to increased depth of service which is necessary to accommodate lands beyond the proposed development.

#### 4.5 Projected Value of Region Share

The estimated financial impact on the development charge quantum using current policy and based on projections of sanitary sewer, watermain and road construction required to support the residential activity in the next 10 year period, is:

Average Cost Per Single Detached Equivalent Unit (\$2018)	
Sanitary Sewers	\$190
Water Supply	225
Regional Roads	<u>29</u>
TOTAL	<u>\$444</u>



#### 4.6 Timing of Payment

Currently, the payment of Region's share is made once the following are satisfied:

- a) All required works have been completed and received Regional approval, as evidenced by a Completion Acceptance Certificate; and
- b) The required documentation in a form satisfactory to the Region has been submitted.

The required documentation consists of:

- an invoice with actual cost backup data; and
- a Statutory Declaration satisfactory to the Region.

Documentation should normally be filed with the Region shortly after completion of construction.

#### 4.7 Form of Payment

The Region's share can be paid in the form of Development Charge credits or cash.

Under the current extended timeframe for the payment of Region's share, credits are popular with developers as they effectively speed up repayment to the developer, who receives recovery upon obtaining building permits. Unfortunately, the Region usually cannot quantify the amount of the credit until i) the works are completed, ii) the contractor has submitted the final invoice and iii) the developer has invoiced the Region for their share.

For this reason, payment of the Region's share by cash is preferred once the conditions in the agreement have been satisfied and a satisfactory invoice from the developer has been received.

## **5. Proposed Policy**

There are no recommended changes to the Region's Cost Sharing Policy as described below.

### **5.1 External Services – Non-Sequential**

Under the current policy, where the development is considered to be non-sequential, the developer pays for the minimum size of external sanitary sewers and watermains and the Region pays for oversizing. It is proposed that this policy remain in effect.

### **5.2 External Services - Sequential**

Under the current policy the Development Charge By-law requires the developer to pay for the minimum size of external sanitary sewers and watermains and the Region to pay only for over sizing. For an external service which is not required to service the subdivision, the Region shall pay 100 percent of the cost, subject to the availability of financing as approved by Regional Council. It is proposed that this policy remain in effect.

### **5.3 Regional Roads and Storm Drainage**

Under the current policy, the developer pays for Regional road improvements required to access a development and for the minimum size of Regional storm drainage works required to service a development.

The Region's cost sharing policy for Roads mainly consists of paying for Regional road improvements over and above the cost of those required for the development and for the oversizing of Regional storm sewers. The Region also pays for its share of any non-Regional storm drainage works that are oversized to convey or treat runoff from Regional roads.

### **5.4 Remaining Services**

The current cost sharing policy with respect to internal and abutting services is a mechanism for equitably distributing the costs of network benefits over all other developments within the network. No revisions are proposed for these components of the policy.

## 5.4 Summary

The Region's share policy is proposed to remain unchanged as follows:

Category Service	Source of Financing	
	Developer	Region
Sequential External Works	Min. size	Oversizing
Non-Sequential External Works	Min. Size	Oversizing
Internal Works	Min. Size	Oversizing
Abutting Works	50% of Min. Size	Remainder

Examples of the above are illustrated in Attachment No. 2.

## 6. Financial Impact

With no changes to the Region's current cost sharing policy, the estimated financial impact on the development charge quantum based on projections of sanitary sewer, watermain and road construction required to support the residential activity in the next 10 year period, is:

Average Cost Per Single Detached Equivalent Unit (\$2018)	
Sanitary Sewers	\$190
Water Supply	225
Regional Roads	<u>29</u>
<b>TOTAL</b>	<b><u>\$444</u></b>

## 7. Financing of Region Share Payments to Developers

The construction of municipal sewer, watermain and road services in conjunction with new residential development also provides capacity for new non-residential development and occasionally for existing residential or non-residential development.

The new residential development component of the rebate to the developer is funded from the Residential Development Charge Fund. A share (i.e. 12.4% for water supply, 26.2% for sanitary sewerage and 30.0% for roads) is related to Non-residential Development Charges (Commercial, Institutional and Industrial) collected from non-residential growth. Shortfalls in the Non-residential Development Charge funding are typically financed from User Revenue for Water Supply and Sanitary Sewerage systems and Property Taxes for Regional Roads, with the allocation reviewed on an annual business planning basis.

Historically during years 2013 to 2017, the financing of the Region Share Payments to developers has been as follows:

<u>Service</u>	<u>Residential Development Charge Reserve Fund</u>	<u>Commercial Development Charge Reserve Fund</u>	<u>Property Tax/ User Revenue <sup>(1)</sup></u>
Water Supply	87.80%	2.70%	9.50%
Sanitary Sewerage	74.30%	5.80%	19.90%
Regional Roads	68.00%	10.00%	22.00%

(1) Due to the funding shortfalls with the institutional and industrial non-residential development charge shares

During the review of the Development Charges study, an updated analysis has been undertaken with respect to determining the percentage allocation attributable between the Regional Development Charge Reserve Funds.

The proposed attribution of financing is based on historic and projected data and is summarized in the Capital Cost Summary Tables as provided in Appendix E, F and G of the Development Charges Background Study.

## **8. Recommendations**

It is recommended that where applicable, the Region continue to cost share in the oversizing of infrastructure required for future residential development and that no changes to the Region’s Cost Sharing Policy be made.

## **Attachments**

**Attachment No.1 – Cost Sharing Policy for Regional Services**

**Attachment No.2 – Illustration of Region’s Share Calculation for Sewer and Water**

## **Attachment No. 1**

### **Cost Sharing Policy For Regional Services**

## SCHEDULE H

TO SUBDIVISION AGREEMENT dated the \_\_\_\_\_ day of \_\_\_\_\_

B E T W E E N:

-and-

**THE REGIONAL MUNICIPALITY OF DURHAM**

-and-

### COST SHARING POLICY FOR REGIONAL SERVICES

#### A. DEFINITION OF TERMS

- |                  |   |  |
|------------------|---|--|
| Abutting service | - | shall include a service either existing or proposed, that is either located on a road allowance outside the limit of a subdivision but abuts the subdivision or located on a road allowance within the limit of a subdivision but abuts other lands outside the subdivision. |
| Cost             | - | for an existing service, shall be the current cost, as determined by the Region, of constructing the service.  |
|                  | - | for a proposed service, shall be the final cost of designing and constructing the service, as determined by the Region, after the construction is complete.  |
| External service | - | shall include a service, either existing or proposed, that is located outside the limit of a subdivision but shall not include abutting service.   |
| Internal service | - | shall include a service, either existing or proposed, that is located within the limit of a subdivision but shall not include an abutting service.   |

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Minimum size	-	shall be the size of a service of sufficient size, as determined by the Region, to service a subdivision provided that the minimum size shall not be less than a two lane urban cross section road for regional roads, 200 millimetres in diameter for sanitary sewers, 100 millimetres in diameter for sanitary sewer connections, 300 millimetres in diameter for storm sewers, 150 millimetres in diameter for storm sewer connections, 150 millimetres in diameter for watermains and 19 millimetres in diameter for water connections.
Regional road	-	shall be a road and related appurtenances that form part of the road system under the jurisdiction and control of the Regional Municipality of Durham and designed in accordance with Regional standards.
Regional road connection	-	shall be that portion of a road and related appurtenances designed in accordance with Regional standards that provide direct access from the travelled portion of the regional road to a road under or planned to be under the jurisdiction of a lower-tier municipality or to a private driveway issued in accordance with the Region's Entranceway policy and by-law.
Sanitary sewer	-	shall refer to a sanitary sewer system and related appurtenances designed in accordance with regional standards.
Sanitary sewer connection	-	shall refer to a sanitary sewer service connection and related appurtenances designed in accordance with regional standards.
Sequential development	-	the next development which may proceed geographically for which all necessary external regional service infrastructure is in place and capacity is available.
Service	-	shall be a sanitary sewer, sanitary sewer connection, storm sewer, storm sewer connection, watermain or water connection.
Shared stormwater management facility	-	shall refer to the portion of a storm sewer system, such as a storm water detention or retention pond, and related appurtenances that accommodates storm water drainage from a Regional Road, and may be shared with other benefiting users.

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Storm sewer	-	shall refer to a storm sewer system including catchbasins, connections, outfalls, inlets and related appurtenances under the jurisdiction and control of the Regional Municipality of Durham and designed in accordance with regional standards.
Storm sewer connection	-	shall refer to a storm sewer service connection and related appurtenances under the jurisdiction and control of the Regional Municipality of Durham and designed in accordance with regional standards.
Subdivision	-	shall mean the draft plan of subdivision approved, in accordance with the Planning Act, by the Regional Municipality of Durham, the Ministry of Housing or the Ontario Municipal Board subject to the conditions set out in Schedule C of this Agreement.
Water connection	-	shall refer to a water service connection and related appurtenances designed in accordance with regional standards.
Watermain	-	shall refer to a watermain system and related appurtenances designed in accordance with regional standards.

## **B. POLICY**

### **1. Sanitary Sewer, Storm Sewer and Watermain**

#### **(a) Internal service**

The cost of an internal service shall be shared between the Region and the Subdivider on the following basis:

- (i) For an internal service, which is not required to service the subdivision, the Region shall pay for 100 percent of the cost.
- (ii) For an internal service, which is required to service the subdivision, the Subdivider shall pay for 100 percent of the cost for the minimum size required to service the subdivision and the Region shall pay for the balance of the cost.

#### **(b) Abutting service**

The cost of an abutting service shall be shared between the Region and the Subdivider on the following basis:

- (i) For an abutting service, which is not required to service the subdivision, the Region shall pay for 100 percent of the cost.



- (ii) For an abutting service which is required to service the subdivision as well as other lands which are located outside the limit of the subdivision and abut the service, the Subdivider shall pay 50 percent of the cost for the minimum size required to service the subdivision and the Region shall pay for the balance of the cost.
  - (iii) For an abutting service, which is required to service the subdivision, but will not service other lands which are located outside the limit of the subdivision and abut the service, the Subdivider shall pay for 100 percent of the cost for the minimum size required to service the subdivision and the Region shall pay for the balance of the cost.
- (c) External service

The cost of an external service shall be shared between the Region and the Subdivider on the following basis:

- (i) For an external service, which is required to service the subdivision, the Subdivider shall pay 100 percent of the cost for the minimum size required to service the subdivision and the Region shall pay for the balance of the cost.
- (ii) For an external service, which is not required to service the subdivision, the Region shall pay for 100 percent of the cost.

## **2. Sanitary Sewer Connection, Storm Sewer Connection and Water Connection**

The cost of sanitary sewer connections, storm sewer connections and/or water connections shall be shared between the Region and the Subdivider on the following basis:

- (a) For lands within the subdivision  
The Subdivider's cost of sanitary sewer connections, storm sewer connections and/or water connections shall be the total cost of the connections to each lot, block or building site within the subdivision.
- (b) For lands external to the subdivision  
The cost of sanitary sewer connections, storm sewer connections and/or water connections to lands external to the subdivision shall be 100 percent paid for by the Region.

## **3. Regional Road Connection**

The cost of a regional road connection shall be shared between the Region and the Subdivider on the following basis:

- (a) The cost of Regional road improvements over and above the cost of those required for the development shall be 100 percent paid for by the Region.
- (b) All other costs necessary to provide safe and efficient access and egress to the subdivision, including, but not limited to, costs for turning lanes, tapers and traffic control measures, shall be 100 percent paid for by the Subdivider.

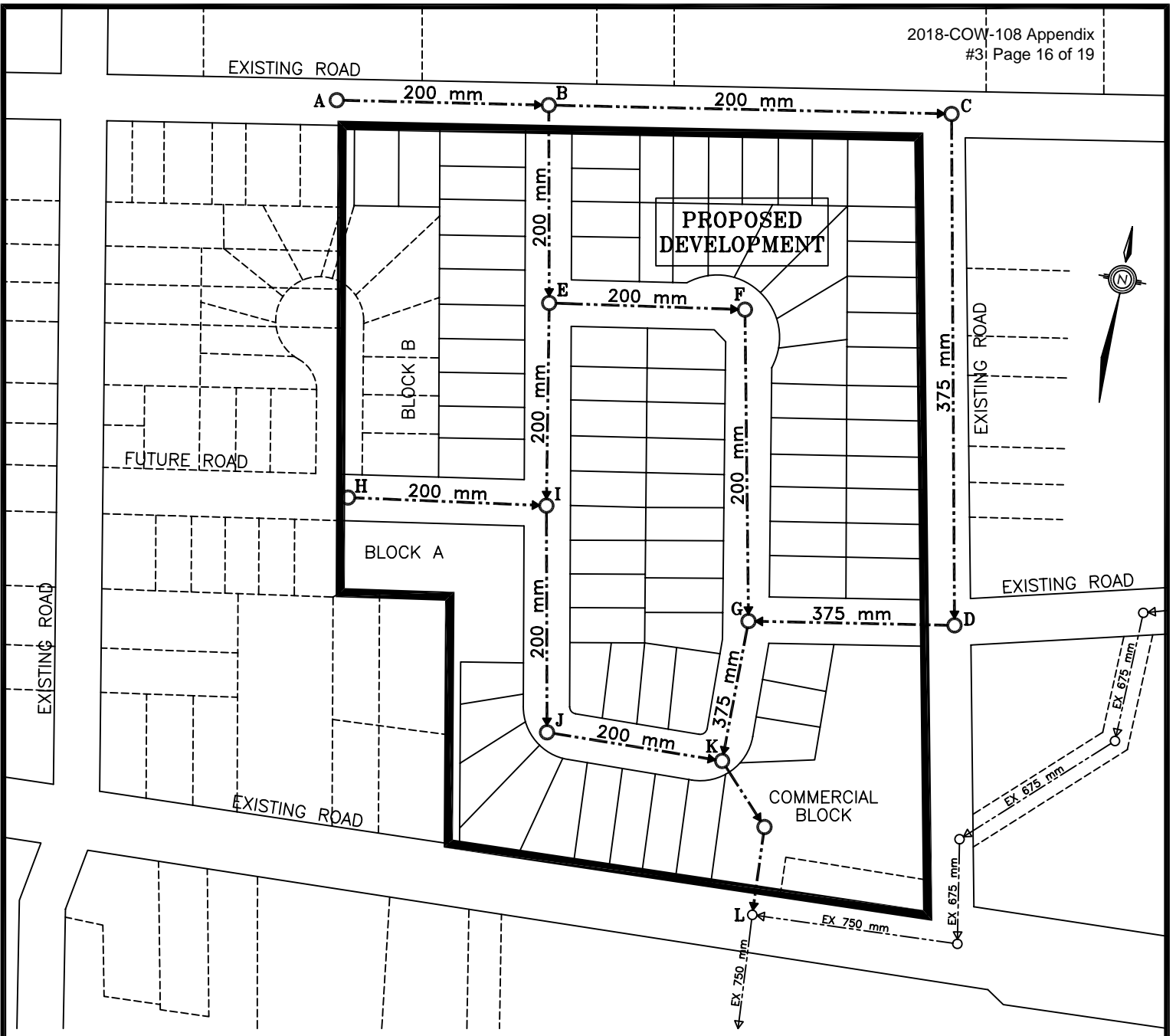
## **4. Shared Stormwater Management Facility**

The cost of a shared stormwater management facility shall be shared between the Region and the Subdivider on the following basis:

- (a) The Subdivider shall pay for 100 percent of the cost of the minimum size required to service the subdivision and other contributing lands owned by the Subdivider.
- (b) The oversizing cost shall be attributed to other contributing parties, including the Region, based on each party's contributing area multiplied by runoff coefficient.
- (c) The Region shall pay for its share of the oversizing cost based on the Region's contributing area multiplied by runoff coefficient.

## **Attachment No. 2**

### **Illustration of Region Share Calculation for Sewer and Water**



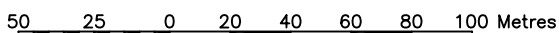
COST SHARING			
SECTION	SIZE	DEVELOPER'S SHARE	REGION'S SHARE
A-B, B-C	200 mm	50 %	50 %
C-D	375 mm	50% OF MINIMUM SIZE	BALANCE
D-G, G-K, K-L	375 mm	100% OF MINIMUM SIZE	BALANCE
OTHERS	200 mm	100 %	--

**Note:** EXTERNAL AND ABUTTING INFRASTRUCTURE FINANCED BY THE REGION OF DURHAM WILL BE SUBJECT TO COLLECTIONS FROM FUTURE BENEFITTING DEVELOPMENT OR LANDOWNERS.



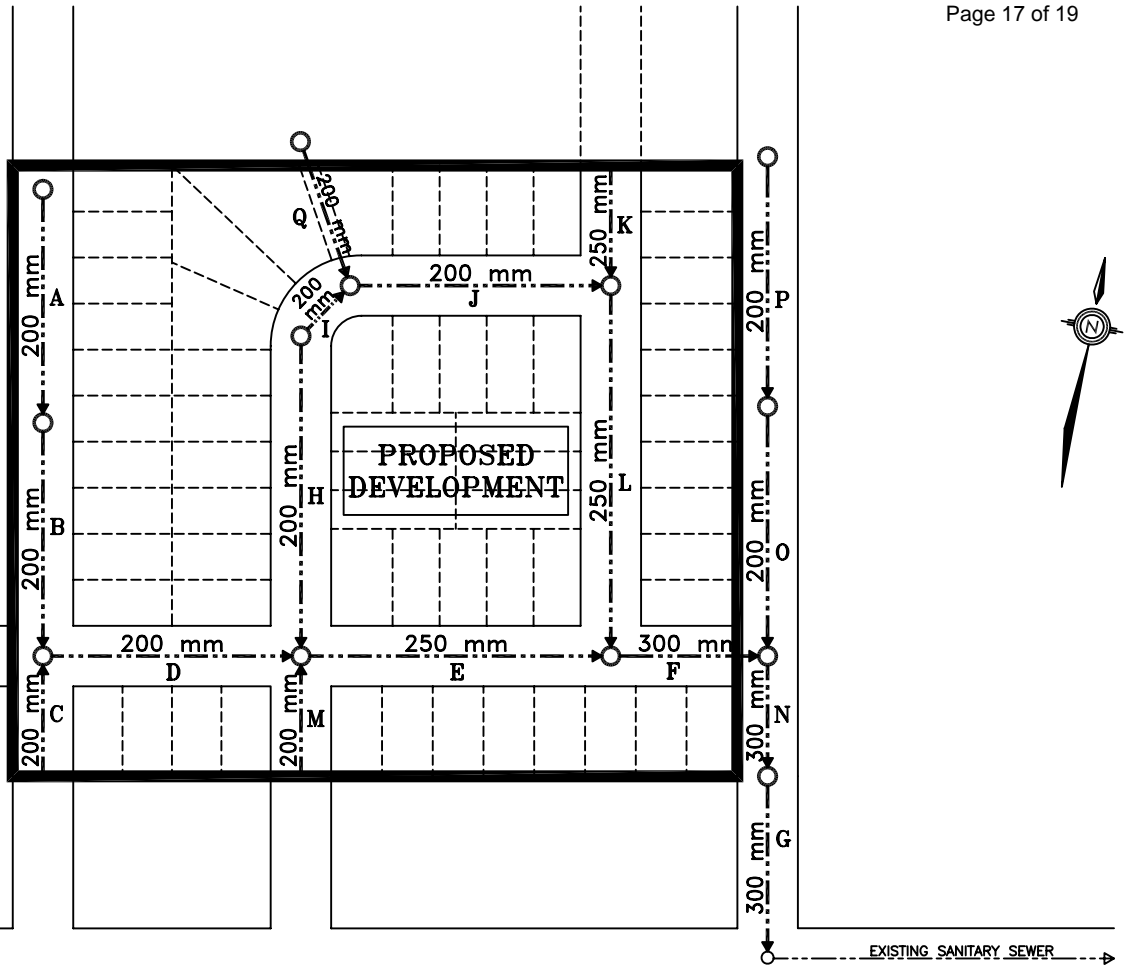
**LEGEND**

- EX. 750 mm EXISTING SANITARY SEWER
- 200 mm REQUIRED SANITARY SEWER



May 5, 2003

TYPICAL EXAMPLE  
COST SHARING  
SANITARY SEWER SERVICING  
Attachment No. 2 – Page 1



### COST SHARING

SECTION	SIZE	DEVELOPER'S SHARE	REGION'S SHARE
A	200 mm	50% OF MINIMUM SIZE	50 %
B	200 mm	50% OF MINIMUM SIZE	BALANCE
C	200 mm	--	100%
D	200 mm	100 %	--
E	250 mm	100% OF MINIMUM SIZE	BALANCE
F	300 mm	100% OF MINIMUM SIZE	BALANCE
G	300 mm	100% OF MINIMUM SIZE	BALANCE
H	200 mm	100 %	--
I	200 mm	100 %	--

SECTION	SIZE	DEVELOPER'S SHARE	REGION'S SHARE
J	200 mm	100 %	--
K	250 mm	100% OF MINIMUM SIZE	BALANCE
L	250 mm	100% OF MINIMUM SIZE	BALANCE
M	200 mm	--	100 %
N	300 mm	50% OF MINIMUM SIZE	BALANCE
O	200 mm	--	100 %
P	200 mm	--	100 %
Q	200 mm	--	100 %

**Note:** EXTERNAL AND ABUTTING INFRASTRUCTURE FINANCED BY THE REGION OF DURHAM WILL BE SUBJECT TO COLLECTIONS FROM FUTURE BENEFITTING DEVELOPMENT OR LANDOWNERS.

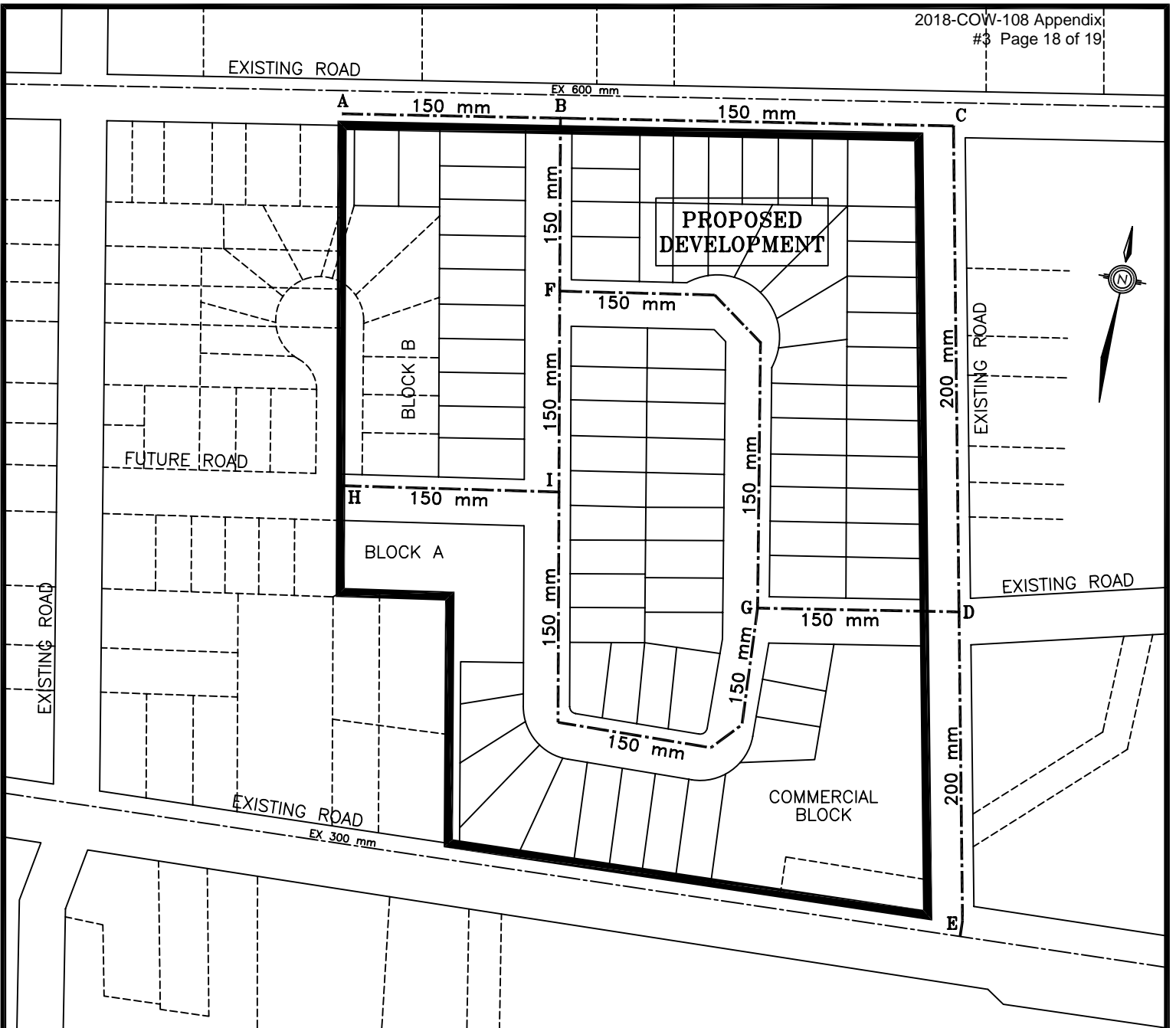


#### LEGEND

- EX. 750 mm EXISTING SANITARY SEWER
- 200 mm — ○ REQUIRED SANITARY SEWER

May 5, 2003

SCHMATIC  
COST SHARING  
SANITARY SEWER SERVICING  
Attachment No. 2 – Page 2



COST SHARING			
SECTION	SIZE	DEVELOPER'S SHARE	REGION'S SHARE
A-B, B-C	150 mm	50 %	50 %
C-D	200 mm	50% OF MINIMUM SIZE	BALANCE
D-E	200 mm	100 %	--
OTHERS	150 mm	100 %	--

**Note:** EXTERNAL AND ABUTTING INFRASTRUCTURE FINANCED BY THE REGION OF DURHAM WILL BE SUBJECT TO COLLECTIONS FROM FUTURE BENEFITTING DEVELOPMENT OR LANDOWNERS.



**LEGEND**

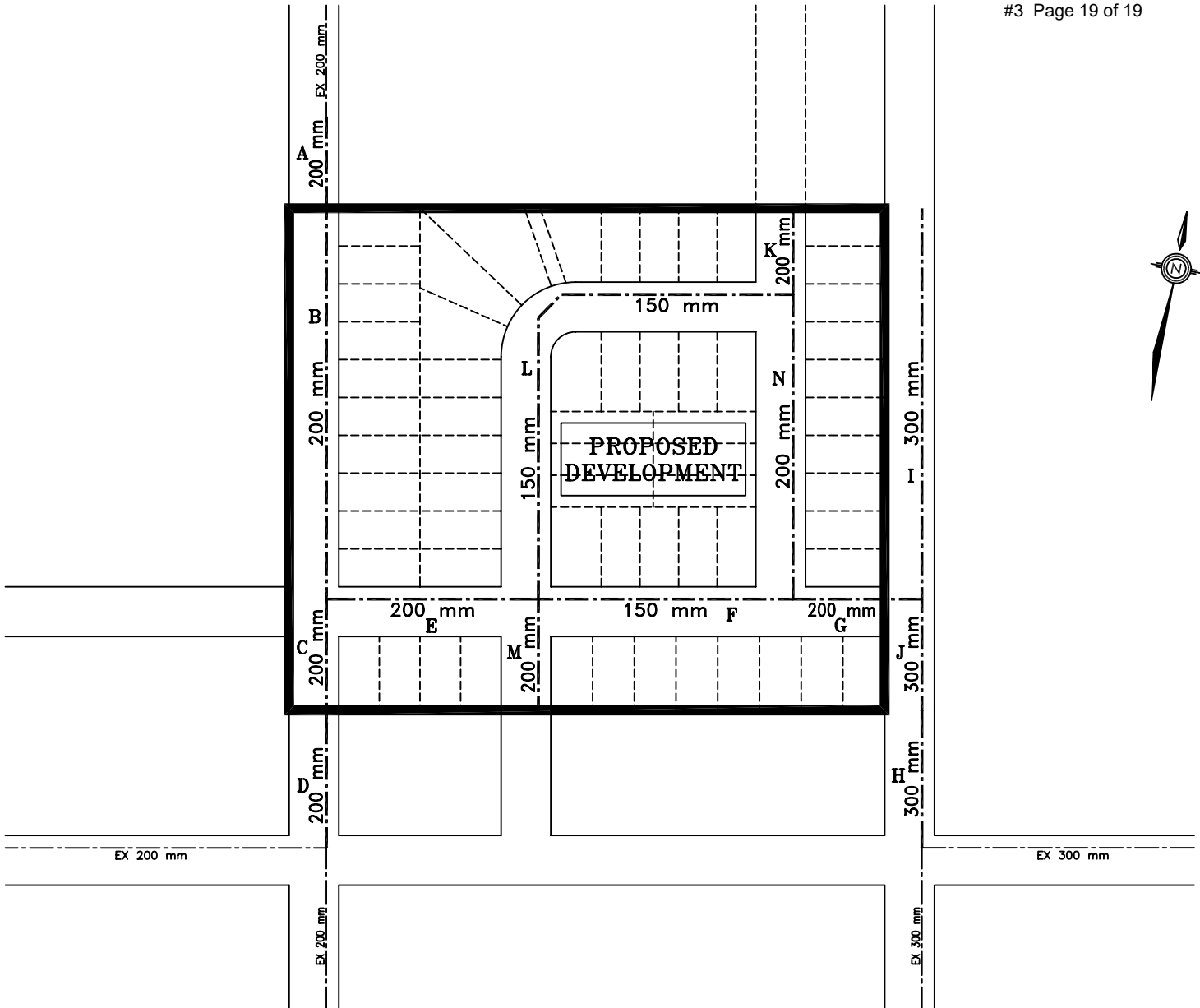
— EX 200 mm — EXISTING WATERMAIN

— 200 mm — REQUIRED WATERMAIN

50 25 0 20 40 60 80 100 Metres

May 5, 2003

TYPICAL EXAMPLE  
 COST SHARING  
 WATER SUPPLY SERVICING  
 Attachment No. 2 – Page 3



### COST SHARING

SECTION	SIZE	DEVELOPER'S SHARE	REGION'S SHARE	SECTION	SIZE	DEVELOPER'S SHARE	REGION'S SHARE
A	200 mm	100% OF MINIMUM SIZE	BALANCE	H	300 mm	100% OF MINIMUM SIZE	BALANCE
B	200 mm	50% OF MINIMUM SIZE	BALANCE	I	300 mm	--	100 %
C	200 mm	50% OF MINIMUM SIZE	BALANCE	J	300 mm	50% OF MINIMUM SIZE	BALANCE
D	200 mm	100% OF MINIMUM SIZE	BALANCE	K	200 mm	100% OF MINIMUM SIZE	BALANCE
E	200 mm	100% OF MINIMUM SIZE	BALANCE	L	150 mm	100 %	--
F	150 mm	100 %	--	M	200 mm	--	100 %
G	200 mm	100% OF MINIMUM SIZE	BALANCE	N	200 mm	100% OF MINIMUM SIZE	BALANCE

**Note:** EXTERNAL AND ABUTTING INFRASTRUCTURE FINANCED BY THE REGION OF DURHAM WILL BE SUBJECT TO COLLECTIONS FROM FUTURE BENEFITTING DEVELOPMENT OR LANDOWNERS.



#### LEGEND

— EX 200 mm — EXISTING WATERMAIN  
200 mm  
 K REQUIRED WATERMAIN

May 5, 2003

SCHMATIC  
 COST SHARING  
 WATER SUPPLY SERVICING  
 Attachment No. 2 – Page 4

**Appendix #4**  
**Regional Well Interference Policy**



## **Appendix #4 - Regional Well Interference Policy**

### **1. Introduction**

The purpose of this policy paper is to examine the existing Regional Well Interference Policy.

The existing Regional Well Interference Policy provides relief to residential property owners in situations where their private well has potentially been negatively impacted by the construction of Regional services. The construction of Regional services does not include local servicing impacts due to grading, storm water management ponds, storm sewers, foundation drain collectors etc. The current policy has been Regional practice since 1999. Similar practices existed, in various forms, prior to 1999.

The existing Regional Well Interference Policy uses Development Charge revenue to:

- provide a temporary supply of water during construction of Regional Services to the affected homeowner; and
- construct watermains and water services to homes, i.e. only to the front line of homes that have been or will potentially be negatively impacted. Work on private property remains at the homeowner's expense.

These costs are included in the Development Charge Study and are funded 100% from water development charges.

### **2. Proposed Policy Revision**

The Regional Well Interference Policy is shown in Attachment No. 1. There is one recommended change to the policy. In the event that the resident is unwilling to cooperate with the Region's investigation into the well interference claim, as determined by the Commissioner of Works, the "During Construction Provisions" of the well interference policy will no longer be available to provide relief to the subject property (Policy 1.0 (b) in Attachment No. 1).

There has also been a clarification to the definition of Regional services to clarify that the construction of Regional services does not include local servicing impacts due to grading, storm water management ponds, storm sewers, foundation drain collectors and other such services.

### **3. Financial Impact**

The number of units that will fall under the well interference policy over the 2018-2027 forecast period is estimated at 415 units, resulting in a total cost of approximately \$16.1 million (average cost per unit is approximately \$38,800 per unit). The estimated financial impact of the \$16.1 million in well interference costs on the development charge quantum over the next 10 year period (56,759 standard equivalent units) is approximately \$284 per new single detached dwelling unit.

There is no matching user rate contribution as 100% of the cost associated with the well interference policy is funded by development charges.

#### **4. Recommendations**

It is recommended that the Region continue to address well interference in accordance with this Policy and that the policy be amended to incorporate item (b) of section 1. in Attachment No.1 which states that the “During Construction Provisions” of the well interference policy will no longer be available to provide relief to the subject property if the resident is unwilling to cooperate with the Region’s investigation into the well interference claim, as determined by the Commissioner of Works.

As well, there is a modification to the definition of Regional services to clarify that the construction of Regional services does not include local servicing impacts due to grading, storm water management ponds, storm sewers, foundation drain collectors etc.

# **Attachment No. 1**

## **Well Interference Policy**

## Well Interference Policy

### A. Definition of Terms

Affected Party	Shall be the owner of the property that is subject to a Well Impact.
Connection Fee	Shall be the fee paid by a homeowner for a Water Connection, as defined in the Region's Water System by-law.
Frontage Charge	Shall be the charge paid by a homeowner for a Watermain, as defined in the Region's Water System by-law.
Regional Service	Shall be a Watermain, Water Connection, sanitary sewer, sanitary sewer connection, Regional storm sewer, Regional storm sewer connection or Regional Road and for greater clarity, the construction of Regional services does not include local servicing impacts due to grading, storm water management ponds, storm sewers, foundation drain collectors etc.
Temporary Supply of Water	Shall be a system of supplying water to an Affected Party during the construction period by any method deemed appropriate by the Region.
Water Connection	Shall refer to a water service connection and related appurtenances designed in accordance with Regional standards and located within the road right-of way, between the Watermain and the private property line.
Watermain	Shall refer to a watermain system and related appurtenances designed in accordance with Regional standards.
Well Impact	Shall refer to negative influences on the performance of a well, as determined by the Region, that reasonably, and in light of all available data can be attributed to the construction of a Regional Service.
Works on Private Property	Shall refer to all works outside of the municipal road right-of-way including, but not limited to, underground piping, internal and external plumbing, and the abandonment of unused wells.

## **B. Policy**

### **1. Well Interference During Construction Provisions**

- a) A Temporary Supply of Water will be provided to an Affected Party at no cost during the construction period where there is a direct impact on the existing private well supply. Once a Water Connection is constructed and available for use to the property, this provision no longer applies. This often takes the form of water deliveries and temporary above ground tanks. In order to invoke this aspect of the Policy, there needs to be some evidence of an actual impact related to the construction of Regional services as determined by Regional staff, such as:
  - o Lowering of the water level in the well beyond a usable level; and/or
  - o Negative impact on the quality of the water.
- b) In the event that the resident is unwilling to cooperate with the Region's investigation into the well interference claim, as determined by the Commissioner of Works, the During Construction Provisions of the well interference policy will no longer be available to provide relief to the subject property.

### **2. Well Interference Provisions Post Construction**

- a) When Regional services are constructed, water services will be extended to adjacent properties that have private wells which potentially could be negatively impacted by construction which must be within the urban boundary or abutting the urban boundary and conform with the Region's water service request connection policy.
- b) Once the watermain and water service is constructed to the property line, the temporary water supply is removed and the affected homeowner is given the choice to connect to the Regional service. This offer never expires.
- c) The Region will waive the applicable Frontage Charges and Connection Fee for properties serviced by Regional Water supply under this policy.
- d) The costs of constructing the Works on Private Property, including any plumbing requirements and the abandonment of unused wells will be borne by the property owner.
- e) In the event that an Affected Party is located outside of the water supply service area (outside the urban boundary) or when it is not economically feasible to extend water services to the affected party, a new well may be constructed as an alternative method of addressing a well impact, subject to the approval of Committee of the Whole and Council.

**3. Future Redevelopment of the Lands**

- a) In the event that a property which has received the benefits of this policy is severed or subdivided in the future, Frontage Charges and Connection Fees will be payable to the Region for any new lots created at the rates in effect at the time of connection of the newly created lots to the Regional water supply system.
- b) In the event that a property which has received the benefits of this policy is rezoned or redeveloped in the future for a different use, Frontage Charges and Connection Fees will be payable to the Region for the property at the rates in effect at the time of rezoning or redevelopment application.

**4. Other Matters**

- a) Once connected to the Regional water supply system and provided the benefits of the Policy, the residents will be charged for water usage based on water meter readings and Regional water rate policies as approved by Council.
- b) Any existing unconnected properties that are experiencing impacts, where the watermain was previously constructed, will be granted the benefits of the Policy. The Policy is not retroactive to any previously connected properties that paid frontage and connection charges at the time of connection.
- c) Where the Region requests that the developer of a nearby development construct a watermain under the Well Interference Policy, the developer will be compensated for those works upon issuance of the “Completion Acceptance Letter” and provision of supporting documentation in accordance with the terms of the executed subdivision or servicing agreement.
- d) In the event that well monitoring is required, this work is to be completed by the Region and funded by the well interference program.
- e) In the event that there is a dispute with respect to the issue of actual well impact, the Region will request that the Ministry of the Environment and Climate Change review the situation and provide a decision in the matter as a means of resolving the dispute.
- f) That Council approval be required for well interference work that exceeds \$100,000 and approval of the Commissioners of Works and Finance be required for works under \$100,000.

**Appendix #5**  
**Report #2018-COW-64: Public Meetings Regarding Proposed  
Development Charges By-laws and Background Studies**



# The Regional Municipality of Durham Report

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To: Regional Council  
From: Commissioner of Finance  
Report: #2018-COW-64  
Date: April 11, 2018

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**Subject:**

Public Meetings Regarding Proposed Development Charges By-laws and Background Studies

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**Recommendations:**

That the Committee of the Whole recommends to Regional Council:

- A) That Report #2018-COW-64 be received for information; and
  - B) That all submissions received by Regional Council and the written submissions received by the Regional Clerk by 5:00 p.m. on May 21, 2018, including those opinions expressed verbally at the April 11, 2018 public meetings, be received and referred to Regional staff for consideration in the preparation of the final development charge recommendations and by-laws scheduled to be presented to Regional Council for approval on June 13, 2018.
- 

**Report:**

**1. Introduction**

- The purpose of this report is to provide information regarding the public meetings of Council to be held in the Regional Council Chambers on April 11, 2018 with regard to the proposed development charges by-laws. There are two proposed by-laws to be considered, the Regional Development Charge By-law (which imposes residential and non-residential development charges) and the Carruthers Creek Sanitary Sewerage Area Specific Development Charge By-law. Regional Council is scheduled to make final decisions on the proposed By-laws at the June 13, 2018 regular Regional Council meeting, subsequent to prior public input. The Development Charges Act, 1997 (DCA, 1997) permits public representations relating to the proposed by-laws to be made to Council by any person who attends the April 11, 2018 public meeting.



- The notices of the public meetings have been advertised in the Toronto Star on March 17 and 19 (Attachment #1 and #2) and three times in the local Metroland newspapers throughout the Region over the time period March 15 to March 29, 2018. In addition, the notice has been posted on the Regional website. The proposed by-laws and background studies were available to the public at no cost since March 27, 2018 from the Regional Clerk and were also posted on the Regional website. The public notices, public release of the proposed by-laws and background studies and the public meetings were authorized by Regional Council on February 14, 2018 (Report #2018-COW-24).
- The purpose of the April 11, 2018 public meetings of Council is to fulfill the statutory requirement to solicit input from the public and stakeholders to provide the necessary background information on the proposed new development charge by-laws. The final by-laws are scheduled for discussion in accordance with the Council approved timetable, which permits the public and stakeholders to provide input up to 5:00 p.m. on May 21, 2018. Thus, any decision by Regional Council regarding the proposed by-laws will be made during the June 13<sup>th</sup> Regional Council meeting (following Committee of the Whole on June 6, 2018) to ensure implementation of the new by-laws on July 1, 2018. The existing by-laws expire on July 1, 2018.

## **2. Background**

- The current Regional Development Charge By-law (By-law #16-2013) was approved by Regional Council in June 2013 and will expire on July 1, 2018. Similarly, the two area specific development charges by-laws for water supply (By-law #18-2013) and sanitary sewerage services (By-law #17-2013) in the Carruthers Creek area of the Town of Ajax will expire on July 1, 2018.
- The Carruthers Creek Water Supply Area Specific Development Charge By-law (By-law #18-2013) does not need to be replaced as all commitments under the front ending agreement have been completed. The Carruthers Creek Sanitary Sewerage Area Specific Development Charge By-law (By-law #17-2013) is being renewed to August 31, 2019, to coincide with the expiry date of the front ending agreement.
- The proposed capital forecasts, and resultant Regional Development Charges, are based on the population and employment forecasts from the Regional Official Plan. The Regional Official Plan is based on population and employment forecasts set out in Schedule 3 of the Growth Plan for the Greater Golden Horseshoe.
- The proposed background study does not include Regional Transit or GO Transit Development Charges. These are imposed under separate by-laws (By-law #81-2017 and #86-2001 respectively). These by-laws are being

amended through a separate process in order to ensure alignment with the proposed policies in the 2018 Regional Development Charge By-law.

### **3. Highlights of the Proposed Regional Development Charge By-laws**

- The renewal of the Regional Development Charges By-law presents an opportunity to address higher infrastructure costs and to consider the financing options for the Region to ensure that “growth continues to pay for growth”. Staff undertook the analysis necessary to consider full cost recovery development charge rates and related policy matters. It is important to note that even with the implementation of full non-residential development charge rates, not all growth related capital costs would be recovered due to exemptions provided in the Development Charges Act.
- An interdisciplinary team of staff from Finance, Works, Planning and Economic Development, Social Services, Police Services, Paramedic Services and the CAO’s Office has collaborated over the past year in order to prepare the Background Study.
- This section highlights the proposed Regional Development Charge By-law. The by-law is proposed to be effective July 1, 2018.

#### **3.1 The 2018 Residential Development Charge Calculation**

- Table 1 provides the calculated Regional Residential Development Charges for all unit types which are recommended to be implemented as of July 1, 2018:

**Table 1  
Proposed Residential Development Charges  
For July 1, 2018  
(per unit)**

	Single and Semi Detached \$	Medium Density Multiples \$	2 Bedroom Apartments and Larger \$	1 Bedroom Apartments and Smaller \$
Water Supply <sup>(1)(2)</sup>	9,420	7,569	5,472	3,566
Sanitary Sewerage <sup>(1)(2)</sup>	9,171	7,369	5,327	3,472
Regional Roads	9,250	7,432	5,373	3,502
Regional Police Services	715	575	416	271
Long Term Care	19	15	11	7
Paramedic Services	170	137	99	64
Health and Social Services	123	99	72	47
Housing Services	387	311	225	147
Development Related Studies	<u>19</u>	<u>15</u>	<u>11</u>	<u>7</u>
<b>Total – Proposed By-Law <sup>(3)</sup></b>	<b><u>29,274</u></b>	<b><u>23,522</u></b>	<b><u>17,006</u></b>	<b><u>11,083</u></b>

Notes:

- (1) These charges are payable only in areas where the services are, or will be, available in an area designated for the particular service in the Region's Official Plan.
- (2) Not applicable to the Seaton area as defined in Appendix A of the Background Study and Schedule F of the proposed by-law.
- (3) Additional Regional development charges exist for GO Transit and Regional Transit under By-law 86-2001 and By-law 81-2017 respectively.

- The proposed Residential Regional Development Charges are necessary to support the long-term capital forecasts required for growth and represent an overall 9.7 per cent increase over the current rates or \$2,759 for a single / semi-detached unit as shown in Attachment 3.
- The calculated residential development charge increase is mainly due to higher charges for roads and water supply and the introduction of a new service charge for Housing Services. A new Housing Services Development Charge is included in the proposed Regional Residential Development Charge to provide funding for growth related capital projects for social and affordable housing.

### 3.2 The 2018 Non-Residential Development Charge Calculation

- Table 2 shows the existing and calculated non-residential development charges (per square foot of gross floor area).

**Table 2**  
**Comparison of Current and Proposed Non-residential Development Charges**  
**\$ per square foot of Gross Floor Area**

Service Category	Current Rate			Calculated Rate		
	Commercial	Industrial	Institutional	Commercial	Industrial	Institutional
Water Supply <sup>(1)(2)</sup>	2.03	2.41	0.77	3.51	2.80	0.86
Sanitary Sewer <sup>(1)(2)</sup>	5.67	5.04	1.58	5.88	3.38	1.05
Regional Roads	6.04	3.62	6.37	8.54	3.24	7.18
<b>Total<sup>(3)</sup></b>	<b><u>13.74</u></b>	<b><u>11.07</u></b>	<b><u>8.72</u></b>	<b><u>17.93</u></b>	<b><u>9.42</u></b>	<b><u>9.09</u></b>

Notes:

(1) These charges are payable only in areas where the services are, or will be, available in an area designated for the particular service in the Region's Official Plan

(2) Not applicable to the Seaton Area as defined in Appendix A of the Background Study and Schedule F of the proposed by-law.

(3) Additional Regional development charges exist for Regional Transit under By-law No. 81-2017.

- Attachment #4 provides Durham's total non-residential rates with Regional Transit included, which is \$0.54 per square foot.
- The proposed commercial rate (including Regional Transit) is 29.3 per cent higher for two main reasons:
  - Increased capital costs associated with Water Supply and Regional Roads; and
  - A change in the assumption of number of square feet per employee. The number of square feet per employee in the 2018 Development Charge Study is lower than that used in the 2013 Development Charge Study (approximately 13 per cent lower). The lower square footage assumption has the effect of the capital costs being spread over a lower floor space which causes the rate to increase.
- The proposed industrial rate is 14.2 per cent lower than the current rate, despite higher capital costs for Water Supply and Regional Roads. This is due to the forecasted growth in industrial development floor space (i.e. on an annual basis), which is greater in this study as compared to 2013 Development Charge Study. This is due to the change in the assumption of number of

square feet per employee which has increased for the 2018 Development Charge Study (i.e. an increase of nearly 35 per cent). Therefore, the capital costs associated with the industrial sector is spread over a greater floor space which has caused the rate to decrease.

- The proposed institutional rate is slightly higher (4.0 per cent).

#### Commercial

- It is proposed that the full calculated commercial development charge for water supply, sanitary sewerage and Regional roads (\$17.93 / sq. ft.) be implemented on July 1, 2018.

#### Industrial

- It is proposed the full calculated industrial development charge for water supply, sanitary sewerage and Regional roads (\$9.42 / sq. ft.) be implemented on July 1, 2018.

#### Institutional

- It is proposed that the full calculated institutional development charge for water supply, sanitary sewerage and Regional roads (\$9.09/ sq. ft.) be implemented on July 1, 2018.

### **4. Changes to Development Charge By-law**

#### 4.1 New Residential Development Charge for Housing Services

- A new Housing Services Development Charge is being proposed to provide funding for growth related capital costs for social and affordable housing (i.e. social housing provided by Durham Region Local Housing Corporation (DRLHC) or by a non-profit housing provider that receives ongoing subsidy from the Region of Durham and affordable housing provided by private or non-profit housing providers that receive capital funding through a federal and / or provincial government affordable housing program).

#### 4.2 DC Collection Policy – Social and Government Assisted Affordable Housing Units

- The collection of development charges for social and government assisted affordable housing units generally occurs at the time of building permit issuance. It is proposed that the collection of development charges for these units be deferred to occupancy (i.e. at first occupancy), in order to recognize the cash flow challenges of these developments. The owner will be required to enter into an agreement with the Region and the applicable area municipality respecting the deferred payment of development charges.

#### 4.3 Secondary Residential Units Broadened

- The Development Charges Act provides exemptions of up to two additional residential units within an existing residential unit; however, the new units must be attached to the existing unit. It is proposed that this exemption be broadened to include additional units that are not attached to the primary residence, but are on the same site. Therefore, garden suites and additional units constructed within a garage that are detached from the existing residential unit would be exempt from development charges.
- Development Charges would be payable if the secondary unit is severed from the main property within ten years of the building permit issuance (execution of a development charge deferral agreement will be required).

#### 4.4 Apartment Definition to Include Units Created from Commercial Use

- The current definition of apartment restricts it to units which are in an apartment building that consists of a minimum of three dwelling units with a common entrance to grade. Therefore, a unit within or above a garage or commercial use would not qualify as an apartment and would be subject to the medium density multiple development charge rate, which is more than double the rate for a one bedroom or smaller apartment.
- In order to address the affordability of infill apartment developments that would otherwise be charged the medium density multiple rate, the definition of apartment is proposed to be expanded to include single storey dwelling units within or above a garage or commercial use.

#### 4.5 Industrial Expansion Exemption Broadened

- The Development Charges Act provides an exemption for the expansion of industrial buildings for up to 50 per cent of the existing floor space. For example, if an existing industrial building was originally constructed at 100,000 square feet, it could be expanded by 50,000 square feet (i.e. 50 per cent of 100,000 square feet) without attracting a development charge.
- To qualify for this exemption, the expansion has to be attached to the existing building (e.g. by a wall) and the existing floor area is based on the original building size. Therefore, if the original building was 100,000 square feet, the exemption from development charges for future expansions would be capped at 50,000 square feet.
- In order to promote industrial expansion development by existing users, it is proposed that:
  - (a) The existing floor area of an industrial building be based on that in existence on the date of the development charge by-law (e.g. July 1, 2018) and include all square footage of all industrial use buildings on

the same site. Therefore, if an industrial building was expanded from 20,000 square feet to 30,000 square feet in 2017, under the proposed by-law, the existing floor space would be 30,000 square feet. This would allow the building to be expanded by up to 15,000 square feet (i.e. 50 per cent of 30,000 square feet) without attracting development charges over the term of the new by-law; and

(b) It would no longer be a requirement that the expansion be attached to the existing building, but that the expansion has to be on the same site.

- Development Charges would be payable if the expansion is severed from the main property within ten years of the building permit issuance (execution of a deferral agreement will be required).

#### 4.6 Redevelopment Credit for Any Existing Uses

- Currently, the redevelopment charge credit does not apply if the building being demolished or redeveloped is exempt under the current development charge by-law. For example, the demolition or redevelopment of a school, place of worship, or a government building would not qualify for the redevelopment charge credit because these buildings are exempt under the current development charge by-law.
- It is proposed that the redevelopment credit be broadened to apply to all buildings being demolished or redeveloped, including schools, places of worship and government buildings. It is proposed that the redevelopment credit for buildings that are exempt under the development charge by-law be calculated at the institutional development charge rate, in order to provide redevelopment credits for surplus schools, government buildings or places of worship.

#### 4.7 Update to the Intensification Servicing Policy

- Because the location of intensification projects and the associated required development charge works are site and area specific, they cannot be predicted with certainty in advance of development occurring. Therefore, Regional Council approved an intensification servicing policy in the 2013 Development Charge Study which provided an allowance in the sanitary sewerage development charge capital program to support future intensification projects.
- In discussions with area municipal staff and staff from the Building Industry and Land Development Association and Durham Region Homebuilders Association prior to the release of the Development Charge Background Study, an interest in seeing this policy continue was expressed.
- It is proposed that the intensification servicing policy continue with one proposed change. Under the current approved policy, the intensification development must include new housing for at least 1,000 people. Based on

discussions with area municipal staff, it is proposed that the minimum 1,000 people threshold be removed to allow for a wider range of intensification projects to be considered. Regional Council approval will continue to be required for any application submitted.

#### 4.8 New Definition / Changes to Definitions

- A number of new definitions or modifications to definitions have been proposed in the by-law as follows:
  - (a) The definition of “farm building” has been modified to explicitly exempt a residential unit on an agricultural lot which is used exclusively for the housing of temporary or seasonal persons employed for the farming of the agricultural use;
  - (b) “Hospice” is now defined and the definition of institutional use is modified to capture Hospice within the institutional development charge category;
  - (c) “Air supported structure” and “building or structure” has been defined and the definition of “gross floor area” has been modified to capture air supported structure as a use that would be required to pay development charges at the applicable rate;
  - (d) The definition of “bedroom” has been modified to include a den, study, loft or other similar area as a habitable room; and
  - (e) The exemption of parking structures from development charges continues in the proposed by-law, however it has been modified to specifically exclude buildings or structures that provide parking spaces for the display of motor vehicles for sale or lease or parking spaces associated with the servicing of motor vehicles.

#### 4.9 Policies Maintained

- The Region’s development charge policies require development charge payments to be based on land use and need for service and not according to property value or ownership. This ensures that the Region’s by-law is consistent with s.s. 5 (6) 2 of the Development Charges Act, and it is able to recover growth related capital costs from new development. The following policies are being maintained.



<b>DC Exemptions</b>	<b>Policy</b>
Agricultural Use & Farm Buildings	Exempt – additional clarification to clearly exempt housing of temporary workers
Places of Worship	Exempt
Public Hospitals	Exempt
Parking Structures	Exempt – slight modification to exclude buildings or structures that provide parking spaces for motor vehicle sale or lease from exemption
Gas Canopies and roof-like structures	Exempt
Garden Suites & Mobile Homes	Development charge refunded if removed within 10 years
<b>Non-residential DC</b>	
Three non-residential charges – Commercial, Industrial and Institutional	No change
<b>Residential DC</b>	
Four separate categories – single / semi-detached, medium density multiple, two bedroom apartment and larger and one bedroom apartment and smaller	No change
<b>Indexing Policy</b>	
Current policy is to index Regional development charges on July 1 of each year in accordance with the change in the prescribed index for the most recently available annual period, ending March 31.	Continue with indexing policy with first indexing to occur on July 1, 2019.
<b>Collection Policy</b>	
Existing collection policy for water supply, sanitary sewerage and roads – collect 50% at execution of residential subdivision agreement and remaining 50% at first year anniversary or as building permits are issued if sooner.  Charges for other types of residential development and all non-residential development are payable at building permit issuance.	No change

## 5. Servicing of Employment Lands

- The Region of Durham designs, constructs and funds the major sanitary sewerage and water supply infrastructure (i.e. the backbone of the systems) required to service employment land. These projects include the funding and construction of water supply and water pollution control plants, pumping stations, storage facilities (ie reservoirs), trunk sanitary sewers and feeder mains that are included in the Region's Development Charge Background Study.
- Developers or end users construct and fund the smaller "local" works (i.e. the extensions of the sanitary sewers and water mains from the trunk sanitary sewers and feeder mains) required to service their individual land parcels.
- The Region focuses on constructing these major requirements of the water supply and sanitary sewer systems with the developer/end user responsible for the local services. The reasons for this position are as follows:
  - Ensure that development proceeds sequentially;
  - Maintain equity with prior developers/end users who have paid 100 per cent of the cost of local services;
  - Inability to service employment lands where local roads do not exist or are approved through the planning process (site configuration and uses unknown);
  - Avoid pre-servicing of land (which could result in stranded or oversized Regional infrastructure); and
  - Minimize impact on user rates.
- Staff review the long term capital requirements as part of the Development Charge Study and identify capital projects that would further support the servicing of employment lands by implementing Regional trunk water and sanitary sewer services to and/or within employment lands.
- Many of the remaining unserviced employment lands do not have a single owner or an organized development group to enable cost-sharing of local services but, rather have fractured ownerships with divergent development interests. The existing ownership of land can cause challenges for the development of employment lands.
- Regional staff have met with area municipal staff, including economic development staff and discussed the issue of employment land servicing and in particular the challenges of end-users extending local services to their individual land parcels.

- Regional staff have identified two options available for facilitating the construction of local services within future local roads in cases where there is a viable proposal by a developer or developer group. In both options, the area municipality would be involved to ensure the provision/coordination of the local roads, storm sewers and other required services. The Region could facilitate the implementation of local water and sewer services to service industrial lands through the use of area specific development charges or area specific capital charges under the authority of the Municipal Act (Section 391). The use of these mechanisms would comply with the 2016 amendments to the DCA, i.e. that a municipality shall not impose, directly or indirectly, a charge related to a development or a requirement to construct a service related to development, except as permitted by the DCA or another Act.
- These mechanisms would enable cost recovery from benefitting landowners to reimburse the landowners who front ended the necessary local water and sewer works (i.e. the Region could collect area specific development charges from non-contributing benefitting landowners and transfer these funds to the landowners who upfronted the works).

## 6. Comparison of Residential and Non-residential Development Charges

- Table 3 compares Durham's proposed residential development charges with current rates with other Upper Tier Regional Municipalities:

**Table 3**  
**Residential Development Charges across Upper Tier Regional Municipalities**  
**Per single detached unit (as of March 16, 2018)**

<b>Upper Tier Municipality</b>	<b>\$ Per Single Detached Unit <sup>(1)</sup></b>
Peel Region	52,407
York Region	48,330
Halton Region (Greenfield Recovery Area)	40,277
<b>Durham Region (proposed)</b>	<b>31,119</b>
Halton Region (Urban Built Boundary)	26,750
<b>Upper Tier Average</b>	<b>39,777</b>
Note: (1) Includes all applicable Regional Transit and GO Transit DC's.	

- Durham Region's proposed residential development charge is the second lowest development charge of the Upper Tier Regional Municipalities in the GTA.
- Table 4 compares the non-residential development charges for Durham Region and other Upper Tier Regional Municipalities within and outside the GTA.

**Table 4**  
**Non-residential Development Charges across Upper Tier Regional Municipalities**  
**As of March 16, 2018**  
**(\$ per square foot of gross floor area)**

	<b>Commercial</b>	<b>Industrial</b>	<b>Institutional</b>
York Region	39.89 (retail)	17.90 (non-retail)	17.90 (non-retail)
Halton Region Greenfield	33.07 (retail)	11.86	11.86
Halton Region Built Boundary	29.58 (retail)	8.38	8.38
Peel Region	19.79 (non-industrial)	13.32	19.79 (non-industrial)
<b>Durham Region (proposed)</b>	<b>18.47</b>	<b>9.96</b>	<b>9.63</b>
Niagara Region	10.95	4.56	7.83
Waterloo Region	11.68 <sup>(1)</sup> (non-industrial)	5.84 <sup>(2)</sup>	5.84 <sup>(2)</sup>
Notes: (1) These rates are for City development. The rates for development in the Township are \$9.80. (2) These rates are for City development. The rates for development in the township are \$4.90.			

**7. Proposed Sanitary Sewerage Carruthers Creek Area Specific Development Charge**

- The proposed by-law and background study regarding the Sanitary Sewerage Carruthers Creek Area Specific Development Charges would increase the rate to \$15,903 per net developable hectare, from the current rate of \$15,560 to reflect the final costs of the capital works which are now fully constructed. The

proposed by-law will expire on August 31, 2019 to coincide with the expiry date of the front ending agreements.

- The Water Supply Carruthers Creek Area Specific Development Charges does not need to be replaced as all the commitments under the front ending agreements have been completed.

## **8. Staff Consultation Process to Date**

- Staff have met with the development industry (local chapter and GTA branch of the Building and Land Development Association as well as the Durham Region Homebuilders Association). A subsequent meeting has been scheduled for April 6, 2018. Copies of the development charge background study have been sent to these organizations as well.
- Further, staff have also met with the local municipalities on several occasions to discuss the preliminary capital programs proposed for water, sanitary sewer and roads as well as the general policies for the Regional Development Charges Study and the population and employment forecasts used in the Development Charge Background Study. Copies of the Development Charge Background Study have been sent to the area municipalities.
- In addition, letters and copies of the Development Charge Background Study have been sent to the Boards of Trade, Chambers of Commerce and other business associations in Durham Region to share the timetable for the review and to invite input. Staff have received one response to date, from the Clarington Board of Trade and Office of Economic Development.

## **9. Next Steps**

### **9.1 Public Submissions**

- Public meetings will be held on April 11, 2018 during the regular meeting of Regional Council to provide the public an opportunity to comment on the proposed Regional Development Charge by-laws.
- Any verbal or written input offered by the public during the public meetings on April 11, 2018 will also be considered. The DCA, 1997 permits public representations relating to the proposed by-laws from any person who attends the April 11, 2018 meeting.
- The public notices, which advised of the public meetings of Regional Council to be held on April 11, 2018, have also advised that written submissions by the public received by the Regional Clerk by 5 p.m. on May 21, 2018 will be considered in preparing the final recommendations and by-laws.

## 9.2 Future Regional Council Decisions

- On June 13, 2018, Regional Council will consider the following:
  - i) the approval of the capital forecasts contained in the Regional Development Charge Background Study as required by the DCA, 1997;
  - ii) the approval of the Development Charge Background Study as constituting Council's Development Charge Background Study for the purposes of section 10 of the DCA, 1997; and,
  - iii) the approval of the final recommendations and Regional Development Charge by-law.
- Also on June 13, 2018, Regional Council will consider the following:
  - i) the approval of the Sanitary Sewerage capital forecasts contained in the Carruthers Creek Development Charge Background Studies as required by the DCA, 1997;
  - ii) the approval of the Sanitary Sewerage Development Charge Carruthers Creek Background Study as constituting Council's Development Charge Carruthers Creek Background Study for the purposes of section 10 of the DCA, 1997; and,
  - iii) the approval of the final recommendations and development charge by-law.
- If the proposed by-laws are changed following the April 11, 2018 public meeting, Regional Council must also formally consider whether a second public meeting is required. Council's decision in this regard should be reflected in an appropriately worded resolution. Further, Council's decision will be final and not subject to review by a court or the Ontario Municipal Board.
- The recommendations presented by staff to Committee of the Whole (on June 6, 2018) and Regional Council on June 13, 2018 will have given due consideration to the public input received.
- A separate public process is underway to amend Regional Transit Development Charge By-law #81-2017 and GO Transit Development Charge By-law #86-2001 in order to ensure alignment of policies in all Regional development charge by-laws.

## 10. Conclusion

- In accordance with the public consultation process previously approved by Regional Council, it is recommended that this report be received for information with final recommendations regarding the proposed by-laws to be presented to the Committee of the Whole on June 6, 2018 and to Council on June 13, 2018.

- Further, it is recommended that all submissions received by Regional Council and the written submissions received by the Regional Clerk by 5 p.m. on May 21, 2018, including those opinions expressed verbally or in writing at the April 11, 2018 public meetings, be received and referred to Regional staff for consideration in the preparation of the final development charge recommendations and by-laws.
- The Planning and Economic Development, Works and Corporate Services - Legal departments have worked on the Development Charge Background Study and reviewed this report.

## 11. Attachments

Attachment #1:	Region Wide Development Charge Public Notice
Attachment #2:	Carruther's Creek Development Charge Public Notice
Attachment #3:	Comparison of Current and Calculated Residential Development Charges
Attachment #4	Comparison of Current and Calculated Non-Residential Development Charges
Attachment #5	Comparison of Residential and Non-Residential Development Charges (Greater Toronto Area Municipalities)

Respectfully submitted,

Original Signed by

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R.J. Clapp, CPA, CA  
Commissioner of Finance

Recommended for Presentation to Committee

Original Signed by

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G.H. Cubitt, MSW  
Chief Administrative Officer

**Attachment #1**  
**Region-wide Development Charge By-law Public Notice**



**REGIONAL MUNICIPALITY OF DURHAM**  
**NOTICE OF PUBLIC MEETING**  
**REGARDING REGIONAL DEVELOPMENT CHARGES**

On April 11, 2018 the Council of the Region of Durham will hold a public meeting, pursuant to Section 12 of the Development Charges Act, 1997. The public meeting will be held to present the proposed Regional Development Charges By-law and the related underlying background study and obtain public input on that proposed by-law and study.

All interested parties are invited to attend the Public Meeting of Council and any person who attends the meeting may make representations relating to the proposed by-law. The meeting is to be held:

Wednesday, April 11, 2018  
9:30 a.m.  
Regional Headquarters in the Regional Council Chambers  
605 Rossland Road East  
Whitby, Ontario

In order that sufficient information is made available to the public, copies of the proposed by-law and the background study will be available as of March 27, 2018 in the office of the Regional Clerk / Director of Legislative Services at 605 Rossland Road East, Level 1, P.O. Box 623, Whitby, ON, L1N 6A3, 905-668-4113 (ext 2054). The documents will also be posted on the Regional website at [durham.ca](http://durham.ca) on March 27, 2018.

Interested persons may express their comments at the Public Meeting and/or in writing addressed to the Regional Clerk / Director of Legislative Services at the above address no later than 5:00 p.m. on May 21, 2018. All submissions received in writing, as well as those opinions expressed at the Public Meeting, will be considered prior to Council's decision, which is anticipated during the regular Regional Council meeting of June 13, 2018.

Further information may be obtained by contacting Mary Simpson, Director of Financial Planning and Purchasing, Regional Finance Department at 905-668-4113 (ext. 2301).

Ralph Walton  
Regional Clerk / Director of Legislative Services



**Attachment #2**  
**Carruthers Creek Area Specific Development Charge By-law Public Notice**



**REGIONAL MUNICIPALITY OF DURHAM  
NOTICE OF PUBLIC MEETING  
REGARDING AREA SPECIFIC DEVELOPMENT CHARGES  
FOR THE SANITARY SEWERAGE SERVICES  
IN THE CARRUTHERS CREEK AREA  
OF THE TOWN OF AJAX**

On April 11, 2018 the Council of the Region of Durham will hold a public meeting, pursuant to Section 12 of the Development Charges Act, 1997. The public meeting will be held to present the proposed area specific Development Charges By-law and the related underlying background study and to obtain public input on that proposed by-law and study regarding the sanitary sewerage services in the Carruthers Creek area of the Town of Ajax.

All interested parties are invited to attend the Public Meeting of Council and any person who attends the meeting may make representations relating to the proposed by-law. The meeting is to be held:

Wednesday, April 11, 2018  
9:30 a.m.

Regional Headquarters in the Regional Council Chambers  
605 Rossland Road East  
Whitby, Ontario

In order that sufficient information is made available to the public, copies of the proposed by-law and the background study will be available as of March 27, 2018 in the office of the Regional Clerk / Director of Legislative Services at 605 Rossland Road East, Level 1, P.O. Box 623, Whitby, ON, L1N 6A3, 905-668-4113 (ext 2054). The documents will also be posted on the Regional website at [durham.ca](http://durham.ca) on March 27, 2018.

Interested persons may express their comments at the Public Meeting and/or in writing addressed to the Regional Clerk / Director of Legislative Services at the above address no later than 5:00 p.m. on May 21, 2018. All submissions received in writing, as well as those opinions expressed at the Public Meeting, will be considered prior to Council's decision, which is anticipated during the regular Regional Council meeting of June 13, 2018.

Further information may be obtained by contacting Mary Simpson, Director of Financial Planning and Purchasing, Regional Finance Department at 905-668-4113 (ext. 2301).

Ralph Walton  
Regional Clerk / Director of Legislative Services

**Attachment #3**

**Comparison of Current and Calculated Residential Development Charge  
(per Single / Semi-detached unit)**

<b>Service Category</b>	<b>Current Rate as of January 1, 2018</b>	<b>New Proposed Rate for July 1, 2018</b>	<b>\$ Increase/ (Decrease)</b>
Water Supply <sup>(1)(2)</sup>	\$7,873	\$9,420	\$1,547
Sanitary Sewerage <sup>(1)(2)</sup>	9,087	9,171	84
Regional Roads	8,590	9,250	660
Regional Police Services	656	715	59
Long Term Care	32	19	(13)
Paramedic Services	150	170	20
Health and Social Services	102	123	21
Housing Services	-	387	387
Development Related Studies	25	19	(6)
<b>Subtotal</b>	<b>\$ 26,515</b>	<b>\$29,274</b>	<b>\$2,759</b>
GO Transit <sup>(3)</sup>	702	702	-
Regional Transit <sup>(3)</sup>	1,143	1,143	-
<b>Total</b>	<b><u>\$ 28,360</u></b>	<b><u>\$31,119</u></b>	<b><u>\$2,759</u></b>

Notes:

- (1) These charges are payable only in areas where the services are, or will be, available in an area designated for the particular service in the Region's Official Plan.
- (2) Not applicable to the Seaton Area as defined in Appendix A of the Background Study and Schedule F of the proposed by-law.
- (3) These charges are imposed under separate Development Charge by-laws but are shown in this table for the purposes of presenting a total quantum of Development Charges.

**Attachment #4  
 Region of Durham  
 Changes in Non-Residential Development Charge Rates  
 (\$ per square foot of Gross Floor Area)**

	Rate as of January 1, 2018			Proposed Rate July 1, 2018			\$ Increase/Decrease (per sq. ft.)		
	<u>Commercial</u>	<u>Industrial</u>	<u>Institutional</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Institutional</u>	<u>Comm.</u>	<u>Ind.</u>	<u>Instit.</u>
Water Supply (2)(3)	2.03	2.41	0.77	3.51	2.80	0.86	1.48	0.39	0.09
Sanitary Sewerage (2)(3)	5.67	5.04	1.58	5.88	3.38	1.05	0.21	(1.66)	(0.53)
Regional Roads	6.04	3.62	6.37	8.54	3.24	7.18	2.50	(0.38)	0.81
Subtotal	13.74	11.07	8.72	17.93	9.42	9.09	4.19	(1.65)	0.37
Regional Transit <sup>(1)</sup>	0.54	0.54	0.54	0.54	0.54	0.54	-	-	-
	<b><u>14.28</u></b>	<b><u>11.61</u></b>	<b><u>9.26</u></b>	<b><u>18.47</u></b>	<b><u>9.96</u></b>	<b><u>9.63</u></b>	<b><u>4.19</u></b>	<b><u>(1.65)</u></b>	<b><u>0.37</u></b>

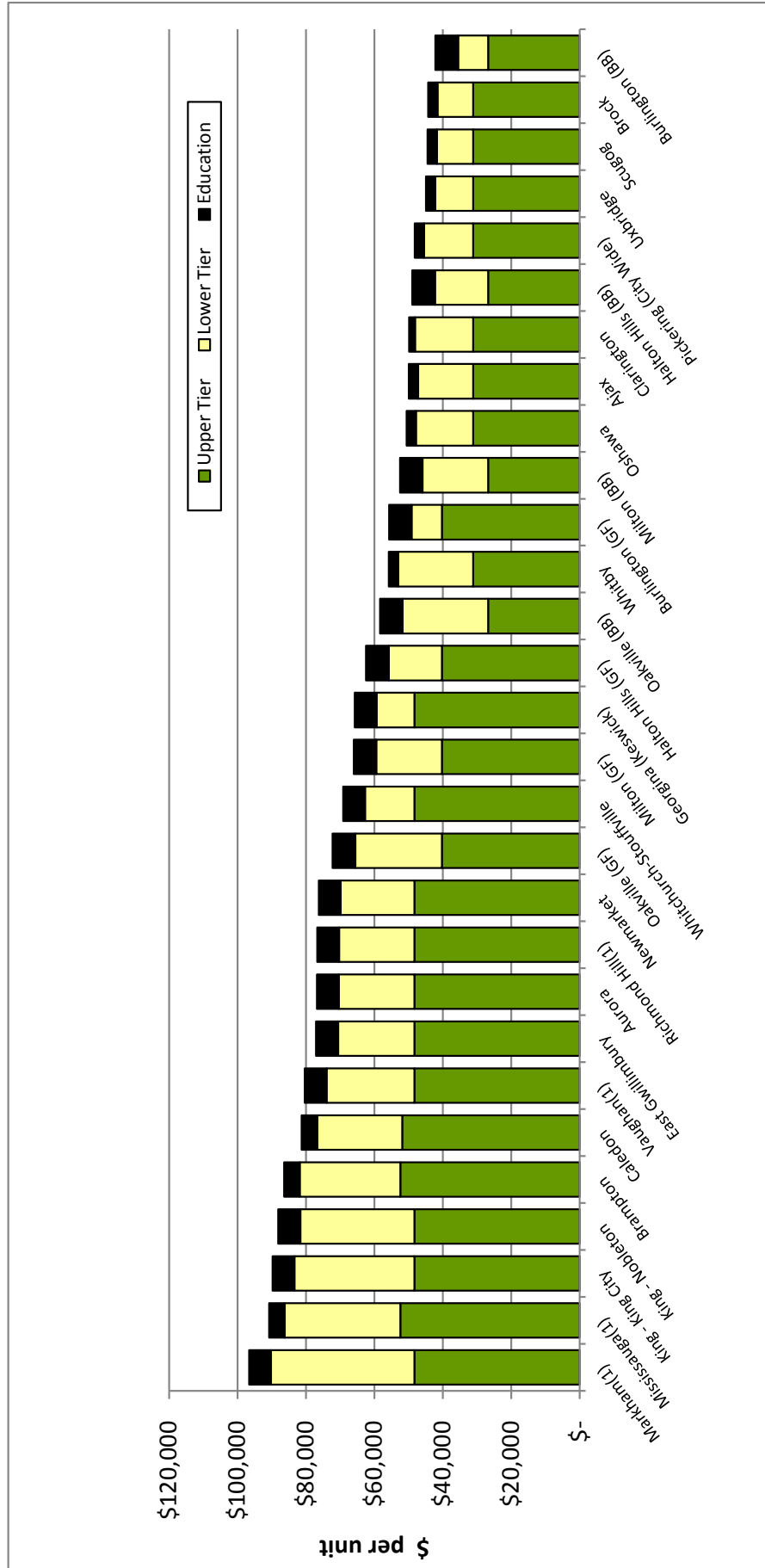
Notes:

(1) These charges are imposed under a separate Development Charge By-law 81-2017.

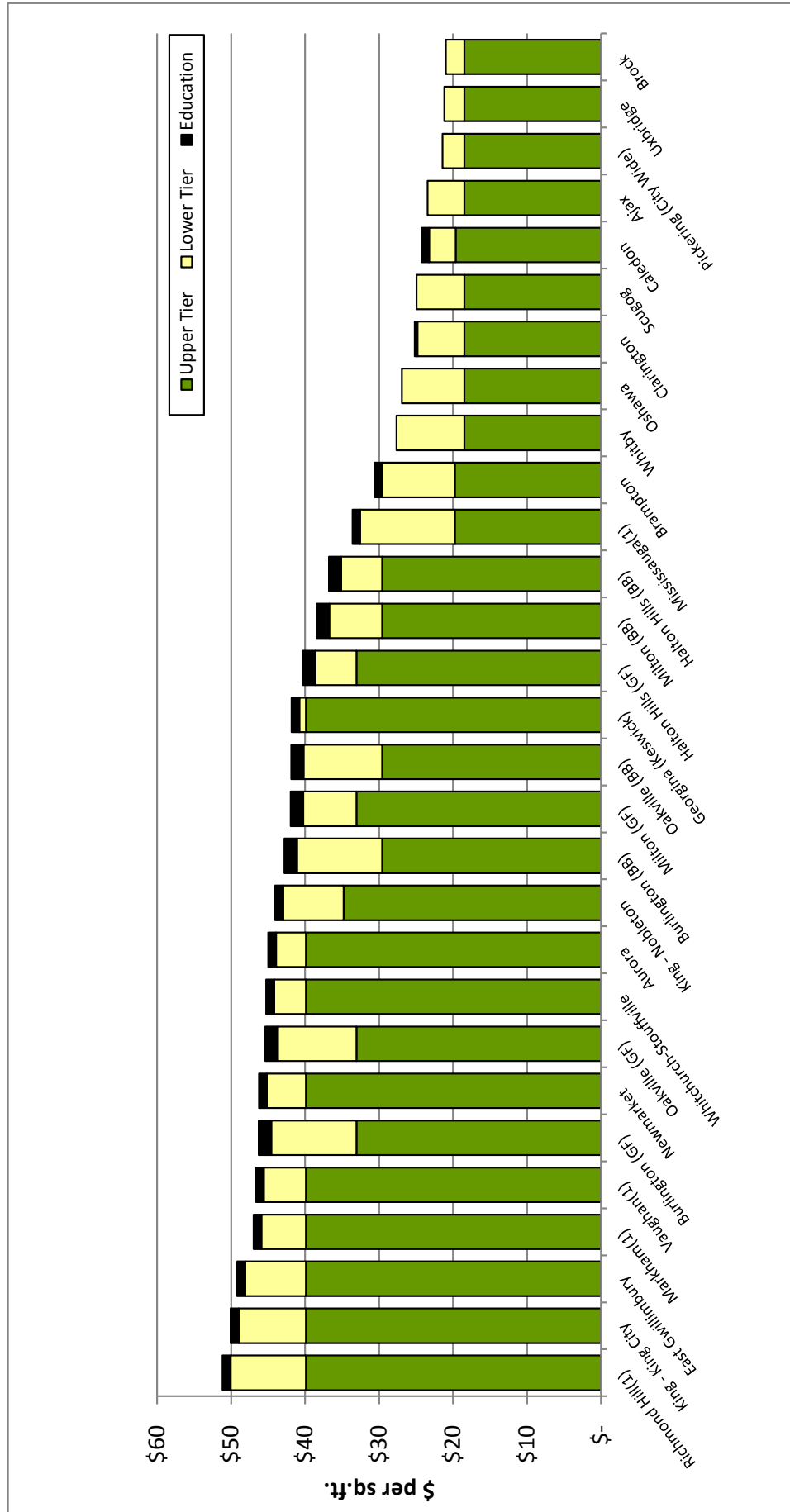
(2) These charges are payable only in areas where the services are, or will be, available in an area designated for the particular service in the Region's Official Plan.

(3) Not applicable to the Seaton Area as defined in Appendix A of the Background Study and Schedule F of the proposed by-law.

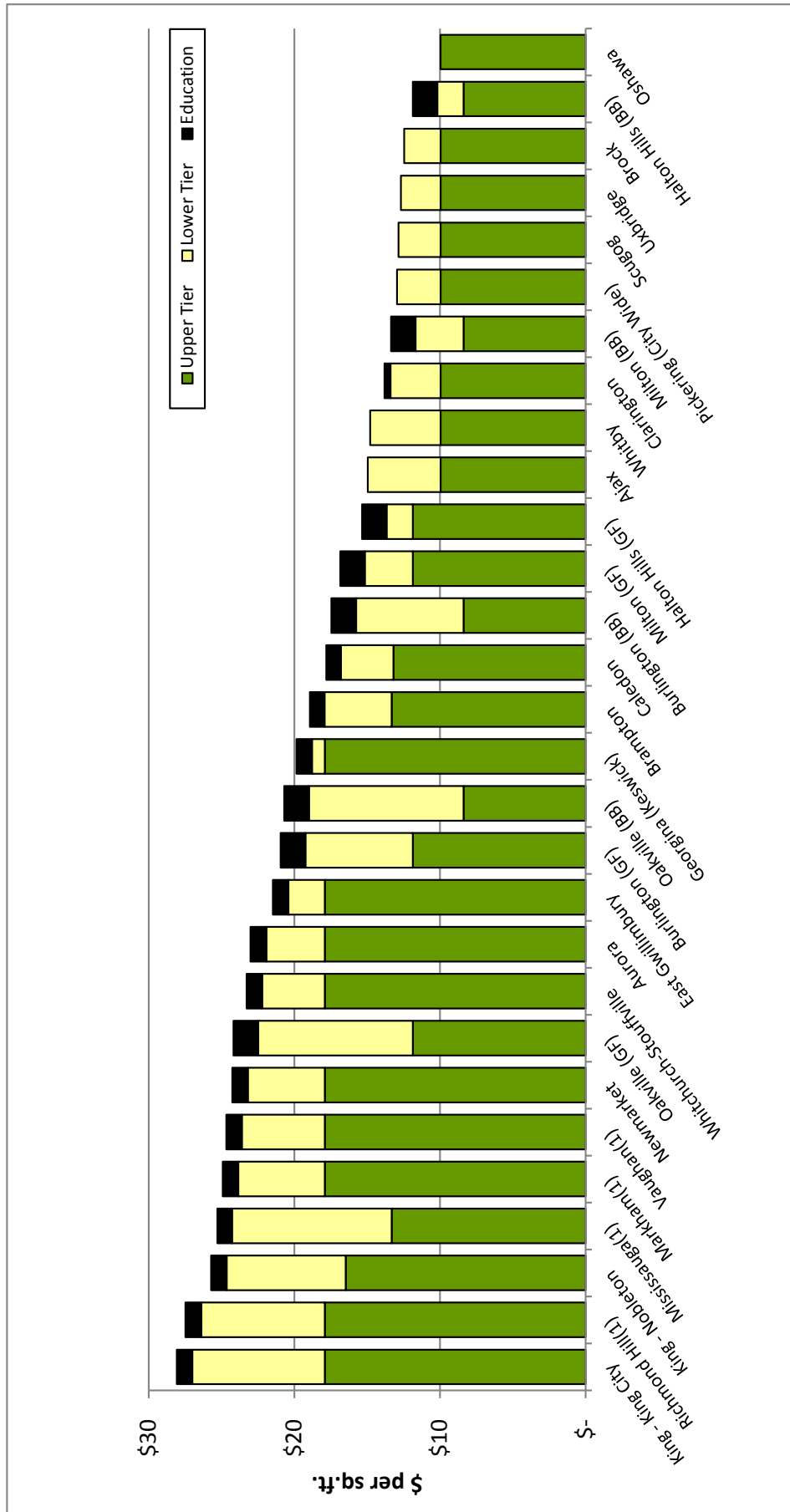
**Attachment #5 – Figure 1**  
**Residential Development Charge Rates**  
**Per Single Detached Dwelling for Greater Toronto Area Municipalities**  
**With Durham’s Proposed Rates**



**Attachment #5 – Figure 2**  
**Non-Residential Development Charge Rates**  
**Per GFA of Retail Floor Area for Greater Toronto Area Municipalities**  
**With Durham’s Proposed Rates**



**Attachment #5 – Figure 3  
Non-Residential Development Charge Rates  
Per GFA of Industrial Floor Area for Greater Toronto Area Municipalities  
With Durham’s Proposed Rates**



**Appendix #6**  
**Written Public Submissions and Staff Responses**



**BUILDING A GREATER GTA**  
Building Industry and Land  
Development Association



April 11, 2018

Ms. Mary Simpson  
Director of Financial Planning and Purchasing  
Regional Municipality of Durham  
605 Rossland Road East  
Whitby, ON  
L1N 6A3

Dear Ms. Simpson.

**Re: BILD and DRHBA comments for Durham Region's proposed 2018 Region-wide Development Charges By-law and Background Study**

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The Building Industry and Land Development Association (BILD) and the Durham Region Home Builders Association (DRHBA) are in receipt of the Durham Region's proposed 2018 Region-wide Development Charges By-law and Background Study, which we understand will be brought forward to Regional Council for approval on June 13, 2018, and coming into effect on July 1, 2018, if approved.

As such, in advance of Public Meeting on April 11, 2018, we would like to take this opportunity to thank you for the overview of the background study and proposed rates and policies prior to seeking Council approval. BILD and DRHBA greatly appreciate the open dialogue with you and staff, and we applaud you for your exemplary consultation practices.

At this time, BILD and DRHBA's review of the Region's Region-wide Development Charges Background Study and By-law is on going and further commentary will be provided as soon as possible and prior to the Committee of the Whole meeting on June 6, 2018.

BILD and DRHBA recognize that there is a Housing Services charge in the Region's Development Charges Background Study that we understand does not meet the tests of the Development Charges Act, and although this is the case, we will not be contesting to it at this time. This does not preclude us from addressing it in a future by-law.

Should you require additional information, please do not hesitate to contact the undersigned.

Sincerely,

Nicole MacInnis  
Planning Coordinator  
Policy & Government Relations, BILD

Manuel Desousa  
President  
DRHBA

*CC: Gary Asselin, Economic Analyst, Regional Municipality of Durham  
Frank Filippo, BILD Durham Chapter Chair  
Victor Fiume, Government Relations Specialist, DRHBA  
Paula Tenuta, Vice President, Policy & Government Relations, BILD*





**BUILDING A GREATER GTA**  
Building Industry and Land  
Development Association

April 19, 2018

Ms. Mary Simpson  
Director of Financial Planning and Purchasing  
Regional Municipality of Durham  
605 Rossland Road East  
Whitby, ON  
L1N 6A3

Dear Ms. Simpson,

**Re: BILD comments for Durham Region's proposed 2018 Region-wide Development Charges By-law and Background Study**

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*With more than 1,450 member-companies, the Building Industry and Land Development Association is the voice of the land development, home building and professional renovation industry in the Greater Toronto Area. Our industry is essential to the Region's long-term economic strength and prosperity. In 2016 alone, the residential construction industry in Durham Region generated over 7,841 on-site and off-site jobs in new home building, renovation and repair – one of the Region's largest employers. These jobs paid \$460 million in wages and contributed \$1.4 billion in investment value to the local economy.*

The Building Industry and Land Development Association (BILD) have retained the services of Altus Group to review Durham Region's proposed 2018 Region-wide Development Charge's Background Study and By-law. We understand that the proposed By-law and Background Study will be brought forward to Regional Council for approval on June 13, 2018, and coming into effect on July 1, 2018, if approved.

Further to our letter that was submitted to the Region on April 11, 2018, please find attached a Memorandum that was prepared by BILD's consultant Altus Group following their review of the Background Study and By-law.

The BILD Durham Chapter appreciates the opportunity to submit these comments and we look forward to your timely commenting. If you have any questions or concerns, please do not hesitate to contact the undersigned.

Sincerely,

Nicole MacInnis  
Planning Coordinator  
Policy & Government Relations, BILD

CC: Gary Asselin, Economic Analyst, Regional Municipality of Durham  
Frank Filippo, BILD Durham Chapter Chair  
Paula Tenuta, Vice President, Policy & Government Relations, BILD



April 19, 2018

Memorandum to: Mary Simpson  
Region of Durham

From: Daryl Keleher, Senior Director  
Altus Group Economic Consulting

**Subject: Durham Region 2018 DC Study Review**  
**Our File: P-5720**

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Altus Group Economic Consulting was retained by the Building Industry and Land Development Association to review the Region of Durham's 2018 Development Charges Background Study, dated March 27, 2018.

The following presents our questions with the 2018 DC Study.

## Regional Roads

- 1) Page E-1 of the 2018 DC Study includes a quantity and quality level of service for roads in "ensur[ing] that the projected capital expenditures do not provide a standard of service that exceeds the average level that has been provided over the preceding ten (10) years.". However, the measure of quality of service is based on volume to capacity (v/c) ratio at AM peak hours, which is not consistent with the provisions of the DC Act regulations O.Reg 82/98, which states that:

*4. (1.1) In determining the quality of service under subsection (1), the replacement cost of municipal capital works, exclusive of any allowance for depreciation, shall be the amount used.*

We would like to see the level of service analysis revised so as to estimate the quality of service as based on replacement costs.

- 2) Notwithstanding our previous question about the appropriateness of the quality of service measure used in the 2018 DC Study, we would like to understand why only four screenlines



Durham DC  
April 19, 2018  
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were used for a Region as geographically vast as Durham. Were other screenlines considered but not used?

- 3) As the Regional TMP extends out to 2031, but the 2018 DC Study's horizon ends at 2027/2028, we would like to understand which projects identified in the TMP have not been carried into the 2018 DC Study.
- 4) The project list is generally similar to what was used in the 2013 DC Study, however the capital costs for some roads have increased significantly, including the following. We would like to understand the reasons for the cost increases applied:
  - a. 58.1 Manning Rd/Adelaide Ave – create new connection – cost increased from \$4.6 million to \$13.5 million;
  - b. 102.2 Kingston Rd / Reg. Hwy 2 – widen from 5 to 7 lanes – cost increased from \$18.8 million to \$69.3 million;
  - c. 1.3 Brock Rd – widen from 5 to 7 lanes – cost increased from \$26.4 million to \$41.2 million

## Water Supply

- 5) The project list is generally similar to what was used in the 2013 DC Study, with most costs having been increased by 0-10% to reflect general construction cost inflation. However, the capital costs for some water works, particularly major works, have increased significantly, including the following, which we would like to understand the reason for the cost increases applied:
  - a. The costs for the Whitby WSP expansion (Project #200) has increased from \$108.5 million in the 2013 DC Study to \$140.0 million in the 2018 DC Study;
  - b. The costs for Expansion of Thickson Road Zone 3 PS to 22.7 MLD (Project #210) – Brooklin has increased from \$1.15 million in the 2013 DC Study to \$12.2 million in the 2018 DC Study;
  - c. The costs for the Bowmanville WSP expansion (Project #300) has increased from \$17.2 million in the 2013 DC Study to \$40.0 million in the 2018 DC Study;
  - d. The costs for Project #303, Expansion of Concession St. Zone 2 PS have increased from \$1.15 million to \$5.6 million in the 2018 DC Study;
  - e. The costs for Project #304, New Zone 2 PS at Zone 1 Reservoir have increased from \$5.0 million to \$8.55 million in the 2018 DC Study;

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 April 19, 2018  
 Page 3

- f. The costs for the Expansion of Newcastle WSP (Project #311) have increased from \$20.8 million to \$40.0 million;
  - g. The costs for the New Zone 2 Reservoir – Newcastle (Project #314) have increased from \$1.0 million to \$6.1 million;
  - h. The costs for Zone 2 Feedermain on Arthur St. (Project #317) have increased from \$1.28 million to \$3.95 million;
- 6) What is the nature of the \$17.9 million in costs for “Municipal Facilities Capital Allowance”?
- 7) The proceeds of debt (and the repayment costs) in the cash flow tables for the Whitby WSP are allocated \$42 million to residential, and \$8 million to commercial (there is no allocation to industrial or institutional). However, in Table F.1, the costs for the Whitby WSP (Project #200) are allocated 60% residential, 34.2% non-residential and 5.8% post period benefit. The allocation of debt proceeds and costs in the cash flow tables should be reflective of the allocation shown in Table F.1.
- 8) Why are there no borrowing costs or proceeds associated with the Bowmanville WSP included in the non-residential cash flow? The residential cash flow tables include \$24 million in borrowing for the Bowmanville WSP, while there is no borrowing for the project identified in the non-residential cash flow tables. In Table F.1, the costs for the Bowmanville WSP Expansion (Project #300) are allocated 58.9% to residential, 33.6% to non-residential, and 7.5% to post-period benefit. The allocation of debt proceeds and costs in the cash flow tables

### Sanitary Sewerage

- 9) The project list is generally similar to what was used in the 2013 DC Study, with most costs having been increased by 0-10% to reflect general construction cost inflation. However, the capital costs for some water works, particularly major works, have increased significantly, including the following. We would like the reasons why these project costs have increased so significantly:
- a. The costs for Project #206 “Expansion of Harmony SSPS and Forcemain Twinning” have increased from \$26.8 million to \$40.9 million;
  - b. The costs for Project #309 “Expansion of Newcastle WPC from 7 to 16 MLD and new outfall” have increased from \$6
- 10) What is the nature of the \$6.8 million for “Modifications at Corbett Creek WPCP” (Project #201)?
- 11) What is the basis for including \$48 million for a Beaverton WPCP expansion (Project #602). The 2013 DC Study included provisions for feasibility studies of the Sunderland and Cannington



Durham DC  
April 19, 2018  
Page 4

WPCPs (now included in the 2018 DC Study), but did not include similar study of a WPCP in Beaverton.

12) What is the nature of the \$17.9 million in costs for “Municipal Facilities Capital Allowance”?

### **Paramedic Services**

13) The replacement value of most existing facilities in the level of service inventory has increased from \$425 per sf in the 2013 DC Study to \$560 per sf in the 2018 DC Study. We would like to understand the basis for such a significant increase.

### **Health and Social Services**

14) The replacement value of existing facilities in the level of service inventory has increased from \$186 per sf in the 2013 DC Study to \$276 per sf in the 2018 DC Study. We would like to understand the basis for such a significant increase.

### **Housing Services**

15) The average level of service inventory includes all housing units provided by non-profit and co-operative entities, federal non-profits, and affordable housing programs, plus some units provided by the Durham Regional Local Housing Corporation and Durham Region Non-Profit Housing Corporation. To what extent does the Region own, lease or operate any of these housing units? Any housing units that the Region does not own, operate or lease should be removed from the inventory.



May 8, 2018

Nicole MacInnis  
Planning Coordinator, Policy and Government Relations  
BILD  
20 Upjohn Road, Suite 100,  
North York, Ontario  
M3B 2V9

The Regional  
Municipality  
of Durham

Finance Department

605 ROSSLAND RD. E.  
PO BOX 623  
WHITBY ON L1N 6A3  
CANADA  
905-668-7711  
1-800-372-1102  
Fax: 905-666-6207

[www.durham.ca](http://www.durham.ca)

Dear Ms. MacInnis:

RE: Response to Comments Related to the 2018 Regional Development  
Charge Background Study

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Thank you for your letter dated April 19, 2018 which included a memorandum from the AltusGroup with questions on the 2018 Regional Development Charge (DC) Background Study. Please find responses to the questions below.

### Regional Roads

1. The letter from AltusGroup questions the use of volume to capacity (v/c) ratio at AM peak hours as a means to measure quality of service and have requested the level of service analysis be revised to estimate the quality of service based on replacement costs.

Section 4 of O.Reg. 82/98 requires that both the quantity and quality of service be taken into account when assessing the historic service levels. For Regional Roads Services, the Region considered the lane-kilometers per capita as the quantitative measure and the average road volume/capacity (v/c) as the qualitative measure (Section 2, page E-1 within the Development Charge Background Study).

For all screenlines measured in the Development Charge Background Study, the v/c ratio is increasing which indicates that the roads will be more congested at the end of the forecast period, the operating speeds will generally be lower and trips times will be longer. As such, this measure suggests there is no qualitative level of service improvement beyond the Region's historic 10-year average.

Benchmark costs used in developing the Regional Roads Services program arise from the Region's Transportation Master Plan (TMP). The benchmark costs used in the TMP are consistent with replacement costs assumptions for current road infrastructure. As such, utilizing replacement value as the level of service measure would indicate no service level improvement over the forecast period. Moreover, it is felt that the v/c qualitative measure is a better indication of the performance of the Regional road network.



The v/c approach is consistent with the Region's historic average level of service calculations for Regional Roads Services in prior Development Charge Background Studies. The v/c calculation is an accepted North American standard for measuring congestion for transportation service providers. A similar methodology is also utilized by other large municipalities in Ontario, including Halton Region, York Region, Ottawa and Burlington and has been accepted as being a reasonable test of level of service.

2. The letter from AltusGroup seeks clarification as to why only four screenlines were used and if other screenlines were considered but not used.

The Region has consistently utilized four screenlines to define and analyze intra-regional travel patterns. These include the:

- North - South screenline along Taunton Road between Durham/York Boundary and Townline Road at the Oshawa/Clarington boundary;
- North - South screenline along Highway 401 between the Toronto/Durham boundary and Townline Road at the Oshawa/Clarington boundary;
- East - West screenline along Lake Ridge Road (Ajax/Pickering/Whitby boundary) between Victoria Street and Myrtle Road; and
- East - West screenline along Townline Road/Mid-Scugog between Highway 401 and Highway 7A.

These screenlines are unchanged since prior to the 2003 DC Study, and has provided a consistent basis for comparison over the years. As such, no other screenlines were considered. The screenlines present an overall trend in the quality levels of service across these imaginary lines.

3. The letter requested a list of road projects in the Regional TMP (that extended out to 2031) but was not included in the Regional Development Charge Study.

The following projects are identified in the Region's TMP by 2031 but have not been included in the proposed 2018 DC Study (2018-2027):

- Taunton Road from Brock Street to Simcoe Street; widen from 5 to 6/7 lanes; 2027-2031 TMP Forecast; and
- Wilson Road from Bloor Street to Olive Avenue; widen from 2/3 lanes to 4 lanes; 2027-2031 TMP Forecast.

The following projects are identified in the Region's TMP by 2031 and are included in the proposed 2018 DC Study. However, construction is

forecasted between 2028 and 2031, therefore the following construction costs are not included in the proposed 2018 DC Study:

- Brock Road from Taunton Road to Alexander Knox-Fifth Concession Road (DC Item #1.45);
- Brock Road from Alexander Knox-Fifth Concession Road to Highway 7 (DC Item #1.6);
- Taunton Road from Brock Road from Brock Street (DC Item #4.3);
- Mill Street Realignment from north of CPR to Concession Road 3 (Item #17.1);
- Bayly Street from Brock Road to Westney Road (Item #22.1);
- Bayly Street from Harwood Avenue to Salem Road (Item #22.25);
- Bloor Street from Ritson Road to Farewell Street (Item #22.7);
- Altona Road from north of Strouds Lane to Finch Avenue (Item #27.2); and
- Whites Road from Bayly Street to Kingston Road (Item #38.1).

The following projects are also identified in the Region's TMP by 2031 but are not included in the proposed 2018 DC Study as these projects have been approved in prior Road Capital Budgets:

- Consumers Drive from east of Thickson Road to Thornton Road (construct new 3 lane connection: 2017-2021 TMP Forecast);
- Thornton Road from Champlain Avenue to north of Consumers Drive Extension (widen from 2 to 3 lanes: 2017-2021 TMP Forecast); and
- Brock Street (Regional Hwy 12) from Rossland Road to Taunton Road (widen from 3 to 5 lanes: 2017-2021 TMP Forecast).

4. The letter requests explanations for the cost increases to three projects identified below:
  - a. Item 58.1 Manning/Adelaide Avenue, increase from \$4.6 million to \$13.5 million - Since the 2013 DC Study, the Environmental Study Report was filed in March 2015 which provided more detail into the required construction and further defined the project, structure and mitigation requirements resulting in increased cost estimates. For example, earlier cost estimates assumed a culvert crossing the creek, however the 2015 Environmental Study Report concluded a single span structure is required.
  - b. Item 102.2 Kingston Road/Reg. Hwy 2, cost increase from \$18.8 million to \$69.3 million - The 2013 DC Study for item 102.2 was Kingston Road/Reg. Hwy 2 from Pickering/Toronto Boundary to Whites Road estimated at \$18.8 million and 2013 DC item 102.3 was Kingston Road/Reg. Hwy 2 from Whites Road to Notion Road estimated at \$37.4 million. For the proposed 2018 DC, the two segments are combined and item 102.2 is Kingston Road/Reg.



Hwy 2 from Pickering/Toronto Boundary to Notion Road also now includes replacing the CN structure.

- c. Item 1.3 Brock Road, cost increase from \$26.4 million to \$41.2 million – Since the 2013 DC Study, the Region has more detail on the project requirements and additional / increased cost estimates for elements such as the structure widening and property acquisition.

### **Water Supply**

5. The letter requests explanations for the cost increases to a number of projects in the Water Supply Capital Program.

In recent projects, the Region has seen substantial cost increases in delivering water facility projects. The Region has increased the estimated cost of select facility projects based on this updated information.

- a. The costs for the Whitby WSP expansion (Project #200) has increased from \$108.5 million in the 2013 DC Study to \$140.0 million in the 2018 DC Study.

The cost increase is based on an updated preliminary budget estimate prepared by the project team for this project. The WSP expansion is constrained to the existing plant site and additional site specific conditions must be considered in order take into account for the waterfront location. The project is at the conceptual detailed design stage.

- b. The costs for Expansion of Thickson Road Zone 3 Pumping Station to 22.7 MLD (Project #210) – Brooklin, has increased from \$1.15 million in the 2013 DC Study to \$12.2 million in the 2018 DC Study.

The increased cost is based on recently tendered project costs from Regional projects (Zone 3 & Zone 4 Pumping Station at Brock Road Zone 1 reservoir). The project cost has increased as the scope of work has expanded since the 2013 DC Study and includes primary power supply, back-up power supply, control panels, communications systems and current regulatory codes.

- c. The costs for the Bowmanville WSP expansion (Project #300) has increased from \$17.2 million in the 2013 DC Study to \$40.0 million in the 2018 DC Study.

The cost increase is based on the latest cost estimates received during the detailed design stage for a similar project (i.e. Newcastle WSP, which has increased from \$20.8 million in the 2013 DC Study to \$40.0 million in the 2018 DC Study).

- d. The costs for Project #303, Expansion of Concession St. Zone 2 PS have increased from \$1.15 million to \$5.6 million in the 2018 DC Study.

The cost shown in the 2013 DC Study was for a class environmental assessment and detailed design only. The construction cost was post 2027 in the 2013 DC Study. The construction cost has been advanced to 2026 in the 2018 DC Study and is now included in the new estimate.

- e. The costs for Project #304, New Zone 2 Pumping Station at Zone 1 Reservoir have increased from \$5.0 million to \$8.55 million in the 2018 DC Study.

The increased cost is based on actual recently tendered project costs from Regional projects (Zone 3 and Zone 4 pumping station at the Brock Road Zone 1 reservoir).

- f. The costs for the Expansion of Newcastle WSP (Project #311) have increased from \$20.8 million to \$40.0 million.

The preliminary detailed design has advanced for this project and the detailed design is currently underway. Based on the additional and updated site specific information the preliminary design cost has been updated. The increased cost is based on project cost estimate provided by the project team designing the project.

- g. The costs for the New Zone 2 Reservoir – Newcastle (Project #314) have increased from \$1.0 million to \$6.1 million.

The cost shown in the 2013 DC Study was for a class environmental assessment and detailed design only. The construction cost was post 2027 in the 2013 DC Study. The construction cost has been advanced to 2026 in the 2018 DC Study and is now included in the new estimate.

- h. The costs for Zone 2 Feedermain on Arthur St. (Project #317) have increased from \$1.28 million to \$3.95 million.

The project scope was reviewed and additional length of feedermain has been added to this project to reflect updated project information.

6. The letter requests an explanation of the \$17.9 million for "Municipal Facilities Capital Allowances".

The \$17.9 million in Municipal Facilities Capital Allowances is for the future expansion of the Regional Depots related to Water Supply services.

7. The letter seeks clarification for the debt proceeds for the Whitby Water Supply Plant. The debt proceeds for this capital project as shown in Tables F.3 and F.4 are \$42.0 million in residential development charges and \$8.0 million in commercial development charges (no debt proceeds for industrial and institutional development charges). The letter seeks clarification as to why the debt proceeds do not follow the DC splits of 60% residential, 34.2% non-residential and 5.8% post period capacity.

When issuing debentures for major water supply capital projects, the Region's policy is to apply upfront financing when available. Residential and commercial development charges are usually available to upfront finance a share of major capital projects (i.e. plant expansions) with the remainder of the costs being debenture financed. For the Whitby WSP, it was assumed that a portion of the residential and commercial costs would be upfront financed. Although the residential share is 60% as noted in the letter, less than 60% is assumed to be debenture financed as it is expected that a portion will be upfront financed.

For the industrial and institutional share of the Whitby Water Supply Plant in 2020, the estimated negative position of the reserve fund in 2020 as shown in the cash flows in Tables F.5 and F.6 reflects the anticipated debt costs associated with this plant expansion.

8. The letter seeks clarification for the debt proceeds for the Bowmanville Water Supply Plant, particularly why there is not debt proceeds for the commercial, industrial and institutional shares (only debenture proceeds for the residential share).

The calculation assumed that there would be sufficient commercial development charges available to upfront finance the commercial share of the costs.

For the industrial and institutional cost shares of the Bowmanville Water Supply Plant in 2026, the estimated negative position of the

reserve fund in 2026 as shown in the cash flows in Tables F.5 and F.6 reflects the anticipated debt costs associated with this plant expansion.

### Sanitary Sewerage

9. The letter requests explanations for the cost increases to two projects identified below:

- a. The costs for Project #206 “Expansion of Harmony SSPS and Forcemain Twinning” have increased from \$26.8 million to \$40.9 million.

The project scope was reviewed and additional length of forcemain has been added to this project to reflect updated project information.

- b. The costs for Project #309 “Expansion of Newcastle WPCP from 7 to 16 MLD and new outfall” have increased from \$6.

It appears the sentence was cut-off.

The 2013 DC Study identified items 310, 311 and 312 related to capacity expansions at Newcastle WPCP for a total of \$83 million.

The 2018 DC Study identified items 308 and 309 related to capacity expansions at Newcastle WPCP for a total of \$77.6 million, based on the project review.

10. The letter seeks clarification on the \$6.8 million for the “Modifications at Corbett Creek WPCP”.

This project is to upgrade the digesters at the Corbett Creek WPCP to increase the solids handling capacity to match the plant hydraulic capacity.

11. The letter seeks explanation for including \$48 million for a Beaverton WPCP expansion (Project #602) as the 2013 DC Study included provisions for feasibility studies of the Sunderland and Cannington WPCPs (which are included in the 2018 DC Study), but did not include similar study of a WPCP in Beaverton.

The development activity within the urban boundary for Beaverton has increased substantially and is exceeding the Region Official Plan targets. An updated population forecast will be completed as part of the upcoming Region Official Plan update. An item has been added to the 2018 DC forecast for this facility upgrade.



A 90% Post Period Benefit has been applied to this project, therefore the net cost of this project has minimal impact on the development charge calculation.

12. The letter requests an explanation of the \$17.9 million for “Municipal Facilities Capital Allowances”.

The \$17.9 million in Municipal Facilities Capital Allowances is for the future expansion of the Regional Depots related to Sanitary Sewerage services.

### **Paramedic Services**

13. The letter seeks explanation for the increase in replacement value of the paramedic facilities from \$425 per square foot in the 2013 DC Study to \$560 per square foot in the 2018 DC Study.

The replacement value of \$560 per square foot in the 2018 DC Study was derived from cost information relating to the recently constructed Paramedic Stations in North Oshawa and Sunderland. Land as well as furniture and fixture costs associated with these recent facilities were excluded from the cost per square foot calculations.

### **Health and Social Services**

14. The letter seeks explanation for the increase in replacement value of the health and social services facilities from \$186 per square foot in the 2013 DC Study to \$276 per square foot in the 2018 DC Study.

The replacement cost of \$276 per square foot for health and social services facilities is the current benchmark cost figure used by the Region for the purpose of planning office space expansion projects. The benchmark cost considers Regional building standards and excludes costs related to land, land development and furniture and fixtures.

### **Housing Services**

15. A question was raised with regard to the rationale for the inclusion of all social housing units provided by non-profit and co-operative entities, federal non-profits and affordable housing programs in the average level of service calculation for the Housing Services development charge.

The Region’s Housing Services include: social housing which is rental housing provided by Durham Regional Local Housing Corporation (DRLHC) or by a non-profit housing provider that receives ongoing

subsidy from the Region of Durham; affordable housing which are rental units provided by private or non-profit housing providers that receive funding through a federal or provincial government affordable housing program; and applicants for eligible units must meet eligibility requirements for the Durham Access to Social Housing (DASH) wait list. The Region currently provides funding for these units in its provision of service.

This approach in service definition and historic level of service is similar to the methodology used in other large municipalities, including Halton Region, York Region, Toronto and Ottawa.

As the region is only including 50% of the 416 units as DC recoverable (i.e. 208 units), the program included in the DC is still within the historic level of service limitations if the calculation was limited to DRLHC units.

If you have any questions or comments, please call me at 905-668-4113 ext 2300.



Mary E. Simpson, CPA, CMA, MA  
Acting Commissioner of Finance

cc: R. Walton, Regional Clerk / Director of Legislative Services  
S. Siopis, Commissioner of Works  
B. Bridgeman, Commissioner of Planning and Economic Development  
J. Hunt, Regional Solicitor  
S. Tsenis, Manager, Corporate Asset Management  
A. Wismer, Economist  
M. MacDonald, Economist  
G. Asselin, Economist  
A. Grunda, Watson & Associates Economists Ltd.

**Correspondence from Gary Valcour, Chair of the Government Relations  
Committee, Greater Oshawa Chamber of Commerce**

**NOTES ON THE BACKGROUND MATERIAL FOR THE PROPOSED  
REGIONAL DEVELOPMENT CHARGES BYLAW**

Did the development charge credits work (Carruthers Creek)? And if so, why not use it for other areas and situations?

3.4 Exec summary: Why are area specific development charges NOT recommended?

4.2 Exec summary: How are the “new” Housing Services development charges going to be different than other DCs?

See Table ES2 for Commercial and Industrial DCs

Table ES3 – Residential DC changes equal 9.7% increase

Table ES4 – Changes to Commercial equal 29%, to Industrial equals 14% decrease and to Institutional equals 4 % increase.

Are these changes (increase or decrease) in line with our competing jurisdictions both in terms of the changes and the final amounts?

Table ES5 – Growth forecasts over the next 10 years: Where will the growth in employment occur? What sectors and specifically, what businesses?

How does the projected growth compare to competitor jurisdictions?

Note: population growth is estimated at 183,000 with households’ growth estimated at 86,000 which means an average of 2 people per house for this growth number. But when you add in the current population and number of households the estimate is that we will have 2.6 persons per household in 2028, down from the current average of 2.8 persons. Is that correct and if so, what might that mean?

6.7 Million Square meters of Non-residential floor space is the estimate: Question, what is it now? What does this represent in terms of 5 growth? How does this compare with Competitors?

Review page 16 of the Executive summary and read section 6 of the proposed by-law

6.12 Collection policy: Look at this as a way to encourage new industrial and commercial development

There are carve outs for things like schools etc. Why not some carve outs to encourage new commercial and industrial development?

How is this by-law and any charges herein coordinated with the various municipalities in the Region?

Finally: Based on the information provided to the GR Committee at the April 12<sup>th</sup> meeting, Durham Region has the lowest Development Charges of any area regional municipality. Assuming this to be correct, why is Durham Region not getting more industry and commercial development? What are the factors that are causing us, as a region, to lose out on new business and industry? Is it a dearth of developed and service land? Is it our unwillingness to be creative in dealing with developers in terms of costs and regulatory burdens? Is it some shortfall in the way individual municipalities are developing their own economic plans and opportunities? What are the issues and what are the proposed solutions?





May 8, 2018

2018-COW-108  
Appendix #6 Page 19 of 102

Gary Valcour  
Chair of Government Relations Committee  
Greater Oshawa Chamber of Commerce  
44 Richmond St. W., Suite 100  
Oshawa, ON L1G 1C7

Dear Mr. Valcour:

RE: Response to Comments Related to the 2018 Regional Development Charge Background Study

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Thank you for your comments and questions on the 2018 Regional Development Charge (DC) Background Study. Please find responses to the questions below.

**Question #1**

Did the development charge credits work (Carruthers Creek)? And if so, why not use it for other areas and situations?

**Response**

The Region successfully used development charge credits in the Carruthers Creek Development Area. A group of developers upfronted the costs to service the Carruthers Creek service area in the Town of Ajax to allow development to proceed. Since 2000, development charge credits have been provided to the landowners who provided the cost of the capital. The use of development charge credits facilitated this development.

The Region has used development charge credits where applicable. For example:

- Landowners in Seaton are upfronting the cost of water, sewer and roads capital infrastructure necessary to service their lands and will receive development charge credits as they develop their lands;
- West Whitby landowners have upfronted the sanitary sewer capital (i.e. trunk sanitary sewer, pumping station and forcemain) required to develop the West Whitby lands, and the landowners who upfronted the costs will receive development charge credits; and
- Developers in the Duffin Heights area (City of Pickering) upfronted the costs of a sanitary sewerage pumping station and received development charge credits.

**Question #2**

3.4 Exec summary: Why are area specific development charges NOT recommended?

**Response**

Most municipalities in Ontario have established uniform, municipal-wide development charges and this has been the approach for Durham since

The Regional  
Municipality  
of Durham

Finance Department

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1991, except for its approach in the Seaton (City of Pickering) and Carruthers Creek area in the Town of Ajax.

Area specific development charges are generally used to support front-end financing arrangements, for water supply and sanitary sewerage services. Area specific development charges are also most appropriate where there are relatively few front-ending parties and where these same parties are also the primary beneficiaries of the front-ended services. The Region has utilized area specific development charges for water supply and sanitary sewerage services in the Seaton community (City of Pickering) and Carruthers Creek service area (Town of Ajax). Area specific development charge by-laws were used in conjunction with front-ending agreements in order to advance the water and sewer services necessary to accommodate the Seaton and Carruthers Creek development and facilitate the provision of development charge credits.

The majority of Regional services are used by all residents and are not restricted to one geographic area, as such the use of Region-wide development charges reflects these system-wide benefits of service and is the most equitable approach to recover growth-related capital costs. Therefore, the application of area specific development charges is not recommended for Regional development charges.

### **Question #3**

4.2 Exec summary: How are the "new" Housing Services development charges going to be different than other DCs?

### **Response**

Similar to other general service development charges (eg. police services, paramedic services, long term care services, health and social services), the proposed Housing Services development charge will be applied to residential development only, will be collected at building permit issuance and the development charge funds collected will be set aside in a separate reserve fund, to be used only for Housing Services growth related capital costs.

The main difference is in the application of the development charges. The development charges collected for police, paramedic services, long term care and health and social services are applied to growth related capital constructed and owned by the Region.

For the Housing Services development charge, the development charge funds may be directed to finance capital costs for new social and affordable housing development owned by the Region or by a third-party developer in receipt of federal or provincial affordable housing funding.

Therefore, the development charges may be directed to new social or affordable housing units that are not owned by the Region.

**Question #4**

See Table ES2 for Commercial and Industrial DCs

Table ES3 – Residential DC changes equal 9.7% increase

Table ES4 – Changes to Commercial equal 29%, to Industrial equals 14% decrease and to Institutional equals 4 % increase.

Are these changes (increase or decrease) in line with our competing jurisdictions both in terms of the changes and the final amounts?

Response

Development Charges are a cost recovery mechanism (i.e. to recover the costs of capital incurred by the Region to construct infrastructure required to service growth) and reflects the capital costs and development forecast in each respective Region.

With respect to increases and decreases in rates, York Region and Halton Region approved new development charge by-laws in 2017. Peel Region has not recently approved a development charge by-law.

For Halton Region, the residential development charges decreased slightly (approximately 3-5% decrease for a single and semi-detached units), the commercial development charge increased by approximately 28% and the non-commercial development charge decreased by 15%.

In York Region, the residential development charges increased by approximately 13% for a single and semi-detached units), the commercial development charge remained virtually unchanged and while the non-commercial development charge decreased by approximately 12%.

The following table provides the residential and non-residential development rates between Durham (proposed rates for July 1, 2018) and the current rates for the Regions of Peel, York and Halton:

	Residential	Non-Residential	
	Single / Semi Detached (per Unit)	Commercial / Retail (per square foot)	Industrial (per square foot)
Durham (Proposed)	\$31,119	\$18.47	\$9.96
York Region	\$48,330	\$39.89	\$17.90
Peel Region	\$52,407	\$19.79	\$13.32
Halton Region			
- Total Urban (Built Boundary)	\$26,750	\$29.58	\$8.38
- Total Urban (Greenfield)	\$40,277	\$33.07	\$11.86



It is difficult to compare development charge rates across other Regional municipalities for a number of reasons as follows:

- York Region anticipates significant capital costs for roads due to rail grade separations;
- York and Halton Region incur significant road capital costs related to the crossings of Highways 400, 404, 407 and 427;
- York Region incurs high water and sewer capital costs due to a large geography and lack of direct access to Lake Ontario;
- Peel Region is anticipating higher costs due to tunnelling requirements for water and sewer services as opposed to the less expensive alternative of open trench construction;
- Peel has substantial future debt requirements; and
- Costs associated with servicing further north in Peel Region requiring large pipes over long distances.

#### **Question #5**

- a. Table ES5 – Growth forecasts over the next 10 years: Where will the growth in employment occur? What sectors and specifically, what businesses?

#### **Response**

The growth forecasts in the DC Study are based on the population and employment forecasts from the Regional Official Plan. The Regional Official Plan is based on population and employment forecasts set out in the Growth Plan for the Greater Golden Horseshoe.

Durham Region employment growth over the 2018 to 2031 period is most heavily concentrated in Pickering (34%), followed by Oshawa (22%) and Whitby (20%). Seaton is anticipated to comprise approximately 27% of total Durham Region employment growth between 2018 and 2031.

The industrial sector makes up approximately 65% of total forecast employment growth within Durham Region between 2018 and 2031. This is followed by the commercial sector at 24%. A detailed employment forecast by sub-sector was not prepared as part of the 2018 Development Charge Background Study. However, the following observations are provided with respect to employment growth in Durham Region:

- The Greater Toronto and Hamilton Area (GTHA) and Durham Region economies are transitioning from goods to services production;
- The trend towards more knowledge-intensive and creative forms of economic activity is evident across many sectors within both the broader national and provincial economies and within Durham Region's economy; and

- Steady employment growth is also anticipated in the retail and accommodation and food services sector in response to steady foreca
- b. How does the projected growth compare to competitor jurisdictions?

Response

The Development Charge Study does not provide a comparison of growth projections with adjacent municipalities. However, the following provides a summary of forecast employment growth by type from 2011 to 2041 for all GTHA upper-tier/single-tier municipalities in accordance with the Technical Report to the Greater Golden Horseshoe (GGH) Growth Forecast.<sup>1</sup> (<https://www.hemson.com/wp-content/uploads/2016/03/HEMSON-Greater-Golden-Horseshoe-Growth-Forecasts-to-2041-Technical-Report-Addendum-and-Rev.-Appendix-B-Jun2013.pdf>).

The forecasts within this report provide basis for the next Regional Official Plan to completed by the Regions of Durham, York, Halton and Peel and the City of Toronto and Hamilton. Some of the key observations within this report include:

- With respect to forecast total employment growth between 2011 and 2041 across the GTHA, Durham Region has the second highest annual employment growth rate at 1.9%;
- With respect to absolute employment growth, Durham Region is forecast to add approximately 186,200 jobs to its employment base between 2011 and 2041 (as shown below in Figure 1), or approximately 6,200 jobs annually; and
- Forecast annual employment growth rates for all major employment types are higher in Durham Region relative to the GTHA average.

---

<sup>1</sup> Hemson Consulting Ltd., November 2012.

**Figure 1**  
**Greater Toronto and Hamilton Area by**  
**Upper-Tier/Single-Tier Municipality**  
**Employment Growth Outlook by Major Employment Type**  
**2011 to 2041**

Geographic Area	Major Office	Population Related	Employment Land/Other Rural Based	Total Employment Growth
Region of York	95,300	106,800	156,000	<b>358,100</b>
Region of Peel	89,900	92,600	101,200	<b>283,700</b>
Region of Halton	43,000	71,700	97,100	<b>211,800</b>
City of Toronto	129,500	114,200	-43,300	<b>200,400</b>
Region of Durham	26,100	82,800	77,300	<b>186,200</b>
City of Hamilton	23,800	44,500	49,400	<b>117,700</b>
<b>Total</b>	<b>407,600</b>	<b>512,600</b>	<b>437,800</b>	<b>1,358,000</b>

Source: Greater Golden Horseshoe Growth Forecasts to 2041, Hemson Consulting 2012 Addendum 2013.

- c. Note: population growth is estimated at 183,000 with households' growth estimated at 86,000 which means an average of 2 people per house for this growth number. But when you add in the current population and number of households the estimate is that we will have 2.6 persons per household in 2028, down from the current average of 2.8 persons. Is that correct and if so, what might that mean?

Response

It is unclear where you are referencing the current population and number of households.

However, it is important to note that the population in existing units declines as the unit ages, due to demographic shifts. The persons per unit (PPU) in the DC Study is based on the type (and size) of new units assumed to be developed over the forecast period and was not calculated as an average total of existing and new dwellings (as derived from Custom Statistics Canada Census Data). The new unit PPU average assumed over the DC forecast period by density type is as follows:

- Low Density (Single and Semi Detached) – 3.46 PPU
- Medium Density (Attached/Multiple) – 2.78 PPU
- Apartment (Bachelor/One Bedroom) – 1.31 PPU
- Apartment (Two bedroom and greater) – 2.01 PPU

On average, there may be less people living in each unit, however, the unit sizes are changing, to a more compact form of development, which will also impact the PPU.

### **Question #6**

6.7 Million Square meters of Non-residential floor space is the estimate: Question, what is it now? What does this represent in terms of 5 growth? How does this compare with Competitors?

### **Response**

Provided below is a summary of existing conditions and recent development trends related to the industrial and major office real estate market in Durham Region within the context of the GTHA.

### **Industrial Sector**

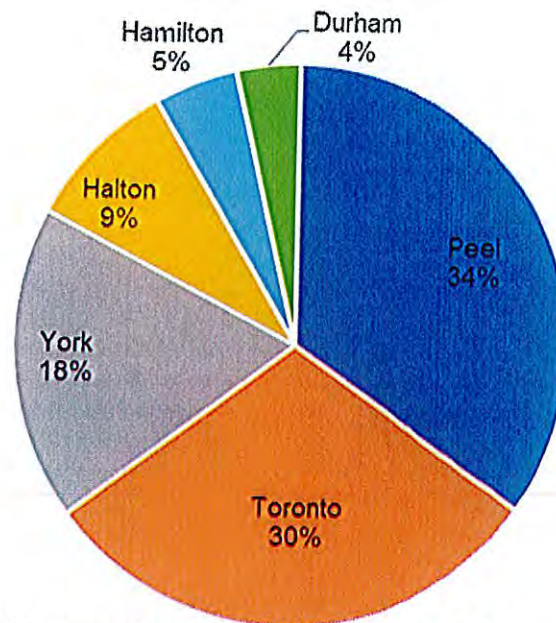
- Durham Region comprises approximately 4% of the GTHA inventory of industrial gross floor area (GFA) as shown in Figure 2 ((2.8 million square meters (30 million square feet)<sup>2</sup> out of a total of 75 million square meters (812 million square feet));
- Between 2011 and 2017, Durham Region represented 1% of industrial building permit activity, as measured by GFA for new development and expansions/improvements. Just over half of all major office development within the GTHA over the 2011 to 2017 period has been accommodated within the City of Toronto; and
- Between 2011 and 2017, industrial employment in Durham Region declined by 1.4%, which is lower than all other GTHA upper-tier/single-tier municipalities. During the 2006 to 2011 period, industrial employment in Durham Region declined by 16.9%.

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<sup>2</sup> Industrial inventory for Durham Region represents Pickering, Ajax, Whitby and Oshawa.



**Figure 2**  
**Greater Toronto and Hamilton Area by Upper-Tier/Single-Tier Municipality**  
**Share of Industrial Gross Floor Area (GFA), 2017 Q4.**



Source: Data from Cushman & Wakefield Ltd. and Colliers International compiled by Watson & Associates Economists Ltd.

### Major Office Sector<sup>3</sup>

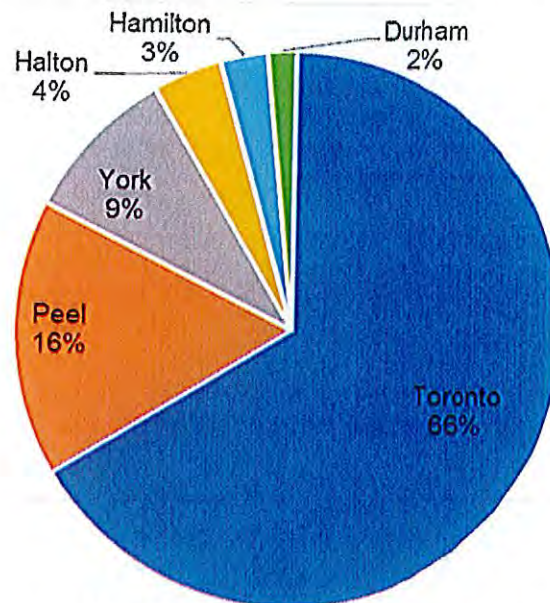
- Durham Region comprises approximately 2% of the GTHA inventory of industrial GFA as shown in Figure 3 (370,000 square meters (4 million square feet)<sup>4</sup> out of a total of 17 million square meters (183 million square feet)).
- Between 2011 and 2017, Durham Region represented 1% of major office building permit activity, as measured by GFA for new development and expansions/improvements.

<sup>3</sup> Major Office employment largely represents standalone office buildings greater than 20,000 square feet.

<sup>4</sup> Major office sector represents Pickering, Ajax, Whitby and Oshawa.



**Figure 3**  
**Greater Toronto and Hamilton Area by Upper-Tier/Single-Tier Municipality**  
**Share of Major Office Gross Floor Area (GFA), 2017 Q4**



Source: Derived from Cushman & Wakefield Ltd. and Colliers International Data by Watson & Associates Economists Ltd.

**Question #7**

Review page 16 of the Executive summary and read section 6 of the proposed by-law

6.12 Collection policy: Look at this as a way to encourage new industrial and commercial development

There are carve outs for things like schools etc. Why not some carve outs to encourage new commercial and industrial development?

**Response**

The Region provides limited exemptions from development charges for the following reasons:

- The funding shortfall due to exempting certain types of development from development charges must be recovered from property taxes and water and sewer user rates. Therefore, exemptions from development charges will result in higher property taxes and water and sewer user rates for all Durham Region residents and businesses;
- Commercial development will generally occur with population growth, without the need to provide an exemption from development charges. Industrial development is dependent on many factors as discussed in the response to question #9 and development charges do not appear to be an impediment. The response in #9 also discusses the proposed changes to the DC By-law to encourage industrial development through expansions; and

- The Development Charges Act mandates exemption from development charges for certain development types, including municipal facilities and schools.

### **Question #8**

How is this by-law and any charges herein coordinated with the various municipalities in the Region?

### **Response**

The Region reviews the development charge by-laws of the eight area municipalities as part of the Region's renewal of the Region-wide development charge by-law. Additionally, as in past practice, the Region has had numerous meetings with area municipal staff from all eight area municipalities to discuss and get feedback on the proposed changes to Durham Region's development charge by-law.

### **Question #9**

Finally: Based on the information provided to the GR Committee at the April 12<sup>th</sup> meeting, Durham Region has the lowest Development Charges of any area regional municipality. Assuming this to be correct, why is Durham Region not getting more industry and commercial development? What are the factors that are causing us, as a region, to lose out on new business and industry? Is it a dearth of developed and service land? Is it our unwillingness to be creative in dealing with developers in terms of costs and regulatory burdens? Is it some shortfall in the way individual municipalities are developing their own economic plans and opportunities? What are the issues and what are the proposed solutions?

### **Response**

The Region has researched the factors impacting development in previous development charge studies. Although it appears that commercial development growth is significantly impacted by population growth, the research indicated that there are many factors impacting industrial development, including:

- Access to Regional infrastructure (e.g. 400 series highways, international airports, U.S. border crossings and universities);
- Access to labour and employment markets;
- Quality of life factors;
- Supply and market choice of employment lands (serviced and adequate sized land parcels);
- Upfront and ongoing costs related to development (land, property taxes, water and sewer user rates, planning / development fees including development charges etc.)

It is important to note that the Region's proposed DC by-law include changes to enhance industrial development as follows:

- The Development Charges Act provides an exemption for the expansion of industrial buildings for up to 50 per cent of the existing floor space. For example, if an existing industrial building was originally constructed at 100,000 square feet, it could be expanded by 50,000 square feet (i.e. 50 per cent of 100,000 square feet) without paying a development charge.
- To qualify for this statutory exemption, the expansion has to be attached to the existing building (e.g. by a wall) and the existing floor area is based on the original building size. Therefore, if the original building was 100,000 square feet, the exemption from development charges for future expansions would be capped at 50,000 square feet.
- In order to promote industrial expansion development by existing owners, the proposed DC By-law proposes the following changes:
  - The existing floor area of an industrial building be based on that in existence on the date of the development charge by-law (e.g. July 1, 2018) and include all square footage of all industrial use buildings on the same site. Therefore, if an industrial building was expanded from 20,000 square feet to 30,000 square feet in 2017, under the proposed by-law, the existing floor space would be 30,000 square feet (not the original 20,000 square feet). This would allow the building to be expanded by up to 15,000 square feet (i.e. 50 per cent of 30,000 square feet) without paying development charges over the term of the new by-law; and
  - It would no longer be a requirement that the expansion be attached to the existing building, but that the expansion has to be on the same site.

In terms of servicing employment lands, the Region has included new projects in the DC By-law to improve the spine of Regional water and sanitary sewer infrastructure required to support employment lands throughout the Region.

Regional Economic Development continues to work collaboratively with the local economic development departments and the broader community to promote industrial development.

If you have any questions, please call me at 905-668-4113 ext 2300.



Mary E. Simpson, CPA, CMA, MA  
Acting Commissioner of Finance

cc: R. Walton, Regional Clerk / Director of Legislative Services  
S. Siopis, Commissioner of Works  
B. Bridgeman, Commissioner of Planning and Economic Development  
J. Hunt, Regional Solicitor  
S. Tsenis, Manager, Corporate Asset Management  
A. Wismer, Economist  
M. MacDonald, Economist  
G. Asselin, Economist  
A. Grunda, Watson & Associates Economists Ltd.





SENT BY E-MAIL (Ralph.Walton@durham.ca)

April 12, 2018

Region of Durham  
605 Rossland Rd E  
Whitby, ON L1N 6A3

Attention: Mr. Ralph Walton  
Regional Clerk / Director of Legislative Services

**RE: Proposed Regional Development Charges By-Law and Regional Development Charge  
Background Study of March 27, 2018  
Southwest Courtice Conformity Update Landowners Group (SWCCULG)  
Southwest Courtice Conformity Update Area (SWCCUA)**

---

Dear Sir,

We are writing to you on behalf of the SWCCULG who have land holdings in the SWCCUA. This letter is further to a March 9, 2018 submission to the Regional Works Department and our Team's review of the 2018 DRAFT Regional Development Charge Background Study that was released on March 27, 2018. To that end we are also enclosing a report prepared by WSP Canada Inc. dated April 10, 2018. This submission requests the earlier delivery for a Zone 1 feedermain (DC Water Supply Item No. 222), the Baseline Road West Sanitary Pumping Station and forcemain (DC Sanitary Sewer Item No. 208), and the relocation of the Baseline Road West Sanitary Pumping Station.

We provide this as a matter of record and confirm that we will be seeking to meet with the appropriate staff to pursue these matters further.

Should you have any questions or concerns, please don't hesitate to contact the undersigned.

Yours very truly

Myron P. Pestaluky, P. Eng.  
Delta Urban Inc.

On behalf of South-West Courtice Conformity Update Landowners Group



CC: Mr. John Presta, P. Eng, Region of Durham  
Mr. Paul Gillespie, P. Eng, Region of Durham  
Mr. Aaron Christie, P.Eng, Region of Durham  
South-West Courtice Conformity Update Landowners Group  
WSP, Mr. Craig Rose

**Enclosed**

- WSP Proposed Regional Development Charge By-law and Regional Development Charge Background Study Review dated April 10, 2018

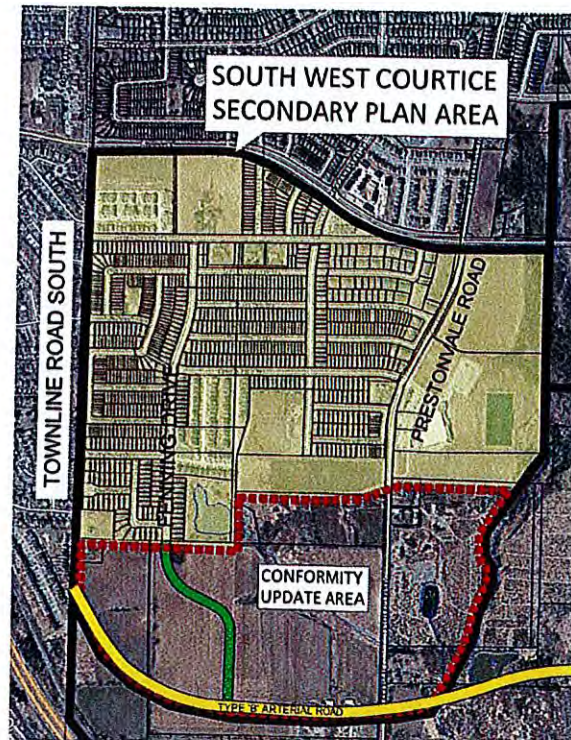
April 10, 2018

Mr. Ralph Walton  
Regional Clerk / Director of Legislative Services  
Region of Durham Headquarters  
605 Rossland Road East  
Whitby, Ontario  
L1N 6A3

Dear Mr. Walton

**Subject: Proposed Regional Development Charges By-Law and  
Regional Development Charge Background Study**

Pursuant to the March 27, 2018 release of the proposed Regional Development Charge Background Study, and on behalf of the Southwest Courtice Landowners Group, we have completed a review of the DC items related to the Southwest Courtice Secondary Plan Area. The Southwest Courtice Secondary Plan Area is roughly bounded by Bloor Street on the north, Robinson Creek on the east, Townline Road on the west and a Future east/west Type B Arterial Road on the south. This future road is located roughly 300m north of HWY 401. A new collector road is also proposed to connect the Type B Arterial Road to Fennings Drive. The overall Secondary Plan Area is shown in the Figure below:





As seen in the above Figure, the northern half of the Secondary Plan Area is already developed with residential uses. The southern half is referred to as the "Conformity Update Area" (CUA) and was the focus of our review.

We have had meetings with Regional Works staff over the last few weeks and we have confirmed that the necessary infrastructure to service the CUA is included in the DC Background Study. However, we have two comments that we would like to put forward concerning the timing of certain infrastructure items.

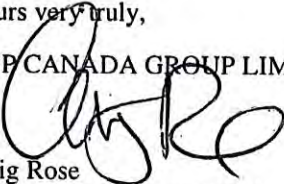
The Municipality is releasing the RFP for the SW Courtice Secondary Plan shortly and a Consultant is expected to be selected by end of June 2018. This process has been endorsed by Clarington Council to proceed. The lands within the CUA will be moving toward development in the very near future. The Land Owners are looking forward to submitting Draft Plans for their properties in 2019. Therefore our comments are as follows:

1. DC Water Supply Item No. 222 is for a Zone 1 feedermain to be constructed in an easement (or more likely within the new Arterial Road) from Prestonvale Road to Townline Road. This item is indicated to be designed in 2020 and constructed in 2021. We would like to request that this item be moved up 1 year to achieve a construction timeline of 2020.
2. DC Sanitary Sewerage Item No. 208 is for a new Pumping Station and forcemain along Baseline Road to connect to the Courtice Trunk Sanitary Sewer (CTTS) currently being designed and constructed from just north of Energy Road to Baseline Road West, west on Baseline Road West to Trulls Road and north on Trulls Road to Bloor Street. The CTTS is scheduled to be constructed by 2019, whereas Item 208 is not scheduled until 2025. We would like to request that the pumping station and forcemain be moved up 5 years to achieve a construction timeline of 2020. This is the only sanitary alternative for the CUA and it is imperative that it be constructed in order that the CUA may be developed. This pumping station will also be providing sanitary service to approximately 80 to 100 Ha of adjacent Employment Lands.

We thank you for considering our requests and look forward to your favourable response. If you have any questions please call.

Yours very truly,

WSP CANADA GROUP LIMITED



Craig Rose  
Senior Advisor, Land Development  
Durham Region





May 16, 2018

Myron P. Pestaluky, P. Eng.  
Delta Urban Inc.  
8800 Dufferin St. Suite 104  
Vaughan, Ontario  
L4K 0C5

Dear Mr. Pestaluky:

RE: Response to Comments Related to the 2018 Regional Development Charge Background Study

The Regional  
Municipality  
of Durham

Finance Department

605 ROSSLAND RD. E.  
PO BOX 623  
WHITBY ON L1N 6A3  
CANADA  
905-668-7711  
1-800-372-1102  
Fax: 905-666-6207

[www.durham.ca](http://www.durham.ca)

Thank you for your letter dated April 12, 2018 regarding the 2018 Region-wide Development Charge Study. Please find responses to your questions below.

1. You have requested that the construction of the Zone 1 Feedermain from Prestonvale Road to Townline Road (Water Supply DC Item #222) be advanced from 2021 to 2020.

The timing of this capital project reflects the timing of anticipated development in this area and the servicing strategy for this area (i.e. timing to complete related infrastructure projects).

Furthermore, the timing of the capital program in the 2018 Development Charge Study is a guideline. The Regional capital programs are reviewed annually and the timing of individual capital projects are subject to change based on the demand for the works and the availability of funds.

The need for the capital item in question will be reviewed on an annual basis within the context of the status of the Secondary Plan for the South West Courtice Secondary Plan Area. If staff identify the need for these works to be constructed in 2020 and the capital item can be accommodated within other capital project priorities, staff will include it in the 2020 Capital Budget, which is subject to Regional Council approval.

Under typical circumstances, the Region would work to have this feedermain constructed as part of the applicable road and development projects once the scope of work and implementation schedule is better defined.

2. You have requested that the construction of the Baseline Road Sanitary Sewerage Pumping Station and forcemain (Sanitary Sewerage DC Item #208) be advanced from 2025 to 2020 and that the pumping station be located at a different location than identified in the Development Charge Study.

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As mentioned in the previous answer, the timing of the project will reflect the need for works and availability of funding and be subject to Regional Council approval as part of the annual budget process.

Based on additional review of this specific project, we agree that there is merit to moving this project forward when compared to other projects due to the following reasons:

- The Secondary Plan Area is small and this process may be completed quickly; and
- Upon completion of the Courtice Trunk Sanitary Sewer in this area, this project is sequential and a logical parcel of land to be developed.

Under the engineering submission related to these lands, it is being proposed that the sanitary sewage pumping station be relocated from the location that was approved as part of the Class EA for the Courtice Trunk Sanitary Sewer. The process required for this location change (i.e. Class EA Addendum, new Class EA, other) needs to be reviewed in relation to the environmental impacts and has not been determined. Therefore the requested construction timing of 2020 as requested is not realistic. The Region is willing to move the proposed construction timing to 2023 for this item.

If you have any questions or comments, please call me at 905-668-4113 ext 2300.



Mary E. Simpson, CPA, CMA, MA  
Acting Commissioner of Finance

cc: R. Walton, Regional Clerk / Director of Legislative Services  
S. Siopis, Commissioner of Works  
B. Bridgeman, Commissioner of Planning and Economic Development  
J. Hunt, Regional Solicitor  
J. Presta, Director of Environmental Services  
P. Gillespie, Manager of Development Approvals  
S. Tsenis, Manager, Corporate Asset Management  
A. Wismer, Economist  
M. MacDonald, Economist  
G. Asselin, Economist

SENT BY E-MAIL (Ralph.Walton@durham.ca)

April 16, 2018

Region of Durham  
605 Rossland Rd E  
Whitby, ON L1N 6A3Attention: Mr. Ralph Walton  
Regional Clerk / Director of Legislative Services**RE: Proposed Regional Development Charges By-Law and Regional Development Charge  
Background Study.  
Southeast Courtice Landowners Group (SECLG)  
Southeast Courtice Secondary Plan Area (SECSPA)**

---

Dear Sir,

We are writing to you on behalf of the SECLG who have land holdings in the SECSPA. This letter is further to our March 9, 2018 submission to the Regional Works Department (copy enclosed for your reference as appendix A) and our review of the 2018 DRAFT Regional Development Charge Background Study. To that end please see below our requests and comments pursuant to the March 27, 2018 Draft of the Regional Development Charge Background Study:

- 1) Courtice Road Watermain – we kindly request that the Watermain on Courtice Road (north and south of Bloor) and Bloor Street (325m east of Trulls to Hancock), be included in the Region's capital works program.
- 2) DC Sanitary Sewer Item No. 234 is for a new sanitary sewer main along Courtice Road, from Bloor to the Canadian Pacific Rail tracks, and then along the CPR tracks to Trulls. This inclusion is further to our March 9, 2018 request. However, we note that a small section on Bloor from Courtice to east of Tooley Creek was not included in the Region 2018 DC Background Study, and as such, we kindly request that it be included as part of the Region's Capital Works Program. Please refer to appendix b for the respective location of the above noted section.
- 3) DC Sanitary Sewerage Item No. 234 is indicated to be constructed in 2023. We kindly request that this item be moved up to 2020 to align with the timeline of all the other infrastructure projects for Southeast Courtice. The RFP for the Secondary Plan has been released and is expected to be awarded in May, 2018. The landowners are intending to submit Draft Plans for their properties in 2019.



We thank you in advance for your time and consideration. Should you have any questions or concerns, please don't hesitate to contact the undersigned.

Yours very truly

A handwritten signature in blue ink, appearing to read 'Mustafa Ghassan', written over a horizontal line.

Mustafa Ghassan  
Delta Urban Inc.  
On behalf of Southeast Courtice Landowners Group

CC: Mr. John Presta, P. Eng, Region of Durham  
Mr. Paul Gillespie, P. Eng, Region of Durham  
Mr. Aaron Christie, P.Eng, Region of Durham  
Southeast Courtice Landowners Group Inc.

**Enclosed**

Appendix A – Delta Urban Inc. Letter of March 9, 2018  
Appendix B – Request Sewer Location Reference Map

**Appendix - A-**  
Delta Urban Inc. Letter of March 9, 2018



SENT BY E-MAIL (Paul.Gillespie@durham.ca)

March 13, 2018

Region of Durham  
Works Department  
605 Rossland Rd E, 5<sup>th</sup> Floor  
Whitby, ON L1N 6A3Attention: Mr. Paul Gillespie, P.Eng  
Manager, Development Approvals Division**RE: SOUTHEAST COURTICE INVESTIGATION AND DEVELOPMENT CHARGE REVIEW**

---

Dear Paul,

We are pleased to submit the above noted report dated March 8, 2018 as prepared by WSP for the Southeast Courtice Landowners Group (the "Group"). This report demonstrates and discusses the serviceability of the Southeast Courtice Secondary Plan Area and proposes several servicing alternatives to service the Subject Area. The report further provides a summary of the various Development Charge items that are required to service the SE Courtice SP Area. This report is further to our meeting of Feb 6, 2018 between Regional Staff, a representative of WSP, and our office, as well as several members of the Group.

It is our intent, as noted earlier, to demonstrate through this report that there is sufficient technical analysis to confirm the serviceability of the Southeast Courtice SP Lands and suggest additional items for construction and inclusion in the Regional Development Charges Capital Budget.

We have met with staff of the Municipality of Clarington and can confirm that the RFP for the Southeast Courtice Area Secondary Plan has been released as of March 5, 2018, with an expectation to award by May 7<sup>th</sup>, 2018. The Group is also negotiating a Funding Agreement with the Municipality of Clarington to fund the Secondary plan. We can further confirm that the Group has entered into a Funding Agreement with the Municipality to fund its' share of the Robinson Creek and Tooley Creek Subwatershed Study, which has commenced in February 2018.

In light of the above, the landowners are fully in support of working with the agencies and advancing the delivery of the infrastructure.



We request your review of the provided material. We believe that the addition of further sanitary and watermain works will better represent what we view as the Region's responsibility for the complete servicing of the Southeast Courtice SP Area, and respectfully, may have inadvertently omitted from the current Regional Water Supply and Sanitary Sewerage infrastructure program. As such, we kindly request that it now be included in the Regions Capital Works Program.

We would welcome the opportunity to meet with Regional Staff in the near future to further discuss our request and "next steps" in moving this project forward. In the meantime, should you require any clarification or additional information, please do not hesitate to contact the undersigned.

Thank you in advance for your time and consideration. Please note that a copy of the enclosed documents is being forwarded to your attention.

Yours Very Truly,

Myron P. Pestaluky, P. Eng.

Delta Urban Inc.

On behalf of Southeast Courtice Landowners Group

CC: Southeast Courtice Landowners Group  
Mr. Aaron Christie, P.Eng, Region of Durham  
Tribute Communities  
Mr. Craig Rose, WSP

**Enclosed**

Appendix A – Study Area Map  
Appendix B – Southeast Courtice Servicing Investigation

**APPENDIX - A -**  
Land Ownership Map of the Southeast Courtice





Parcel Ref #	Ownership Legal
1	LIMEROCK DEVELOPM
2	THE CORPORATION OF
3	THE CORPORATION OF
4	RIDGEWORTH DEVELO
5	ELSTON, BRIAN JOHN;
6	DOMUS LAND CORPO
7	PRESTONVALE DEVEL
8	ROKA, DONNA
9	ROKA, DONNA; ROKA,
10	MICHALSKI, STANISLA
11	ROKA, WILLIAM FRANK
12	ROKA, WILLIAM;
13	SCHENIMAN, TERRY VI
14	BRUNO, PASQUALE; BF
15	860492 ONTARIO INC;
16	1397462 ONTARIO LIM
17	JAMES, WILLIAM HAIG
18	KINNEY, CLINTON; KIN
19	LARMER, JOAN ELIZABI
20	GOJIN, ANDRE PHILIP
21	HENRY, GARY GILBERT;
22	SHEYCHUK, KENNETH I
23	CORBIERRE, SUSAN ELI
24	CAREW, WARD FRANCE
25	1666 BLOOR STREET EA
26	FOLEY, MARK;
27	1070702 ONTARIO LIM
28	BEAUCHAMP, PHILLIP F
29	2056421 ONTARIO INC
30	BOURNE, GLENN; BOUF
31	2727 COURTYCE ROAD
32	THE REGIONAL MUNICI
33	MUIR, LYNDSEY ANN;
34	MUIR, JAMES ARCHIBAL
35	2433 COURTYCE ROAD
36	THE CORPORATION OF
37	MOGHARNASI, AHMAD
38	CANFIELD, ALLAN A.; CP
39	PAMMENT, KENNETH F
40	HAWKE, ROSS WALTER;
41	BAILLARGEON, LAWREN
42	SNIDER, CHRISTINA DIA
43	REID, EVELYN A.; REID, V
44	UXBRIDGEGATE HOLDIN
45	PICKELL, JEFFREY AARO
46	STAAL, BRYAN; DEVEAU
47	PETERBOROUGH VICTO
48	1331135 ONTARIO LIM
49	ZHOU, WENKAI; PENG,
50	MASTRANGELO, ELAINE
51	THE EASTERN ONTARIO
52	ORMISTON, BRIAN EDM
53	COYLE, SHARLENE MARIE;
54	KAUR, BRINDEEPAL; KA
55	HOPE FELLOWSHIP CHR
56	1070702 ONTARIO LIM
57	HOPE FELLOWSHIP CHR
58	HOPE FELLOWSHIP CHR
59	Cedarvale 8888 Holdin
60	WATSON, GREGORY PH
61	JOWITT, DAVID DONALD
62	HANSEATIC HOLDINGS I

Total Land Area  
Supporting Owners  
Supporting Owners

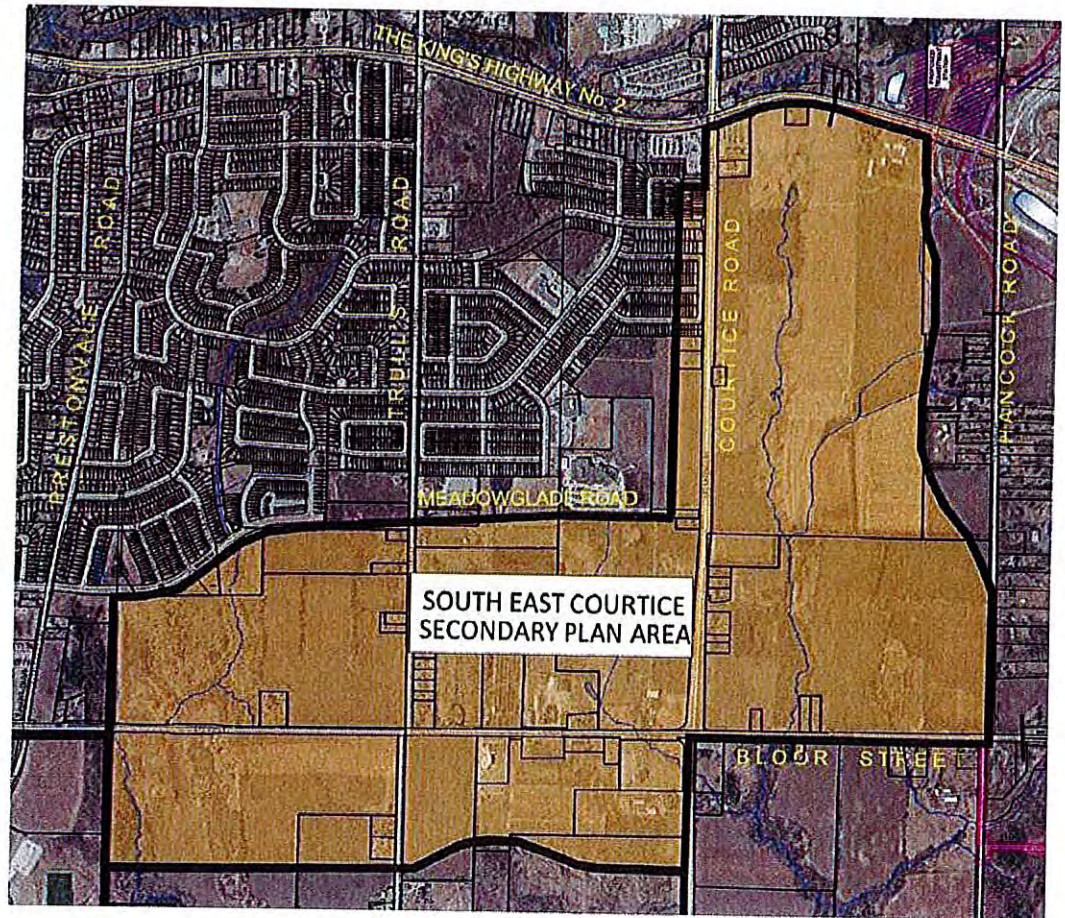


**APPENDIX - B -**  
Southeast Courtice Servicing Investigation

**MEMO**

**TO:** Mr. Paul Gillespie, Region of Durham  
**FROM:** Craig Rose  
**SUBJECT:** Southeast Courtice Servicing Investigation and Development Charge Review  
**DATE:** March 8, 2018

WSP was retained by Delta Urban Inc. on behalf of the Southeast Courtice Landowners Group to undertake a preliminary servicing investigation for the Southeast Courtice Secondary Plan Area (referred to hereafter as the SECSPA) and complete a review of the Region of Durham Development Charge items related to this area. The SECSPA is roughly bounded by Meadowglade Road and HWY 2 on the north, Hancock Road on the east, Robinson Creek on the west and Bloor Street and a line drawn approximately 400m south of Bloor Street on the south. The overall Site area is shown in the Figure below:





In order to complete our review we obtained topographic mapping from First Base Solutions derived from aerial photography. In addition we supplemented this mapping with mapping obtained from the Region of Durham website (yourDurham Maps) for the downstream and adjacent areas. The accuracy of this additional mapping is unknown but it appears to be adequate for the purpose at hand.

As seen in the above Figure, the lands to the northwest of the SECSPA are already developed with residential uses.

We have reviewed portions of the following documents as part of our investigation:

1. Regional Development Charge Background Study dated March 19, 2013 (prepared by the Regional Municipality of Durham and Watson & Associates Economists Ltd.).
2. Regional Municipality of Durham, 2018 Business Plans and Budgets, Consolidated Water Supply System and Sanitary Sewerage System dated December 6, 2017.

In addition, we have visited the Site and utilized 'Google Maps' and 'yourDurham Maps' in our review.

### **WATER**

The SECSPA is located within the Region's Water Pressure Zone 2. There is a small area of the Site located along the western boundary that falls within Zone 1, however, these lands are within the Robinson Creek valley and are likely undevelopable due to environmental constraints.

#### **Existing System**

There are a number of existing watermains in the vicinity of the SECSPA including:

- 300mm watermain on Meadowglade Road between Prestonvale Road and 230m west of Trulls Road,
- 300mm watermain on Trulls Road north of Bloor Street,
- 300mm watermain on Bloor Street from Trulls Road to 325m east of Trulls Road,
- 300mm watermain on Farmington Drive terminated near the north boundary of the SECSPA,
- 300mm watermain on Courtice Road from HWY 2 south to Sandringham Drive,
- 300mm watermain on Sandringham Drive between Courtice Road and Trulls Road.

The watermains on Meadowglade Road and Farmington Drive are terminated with plugs near the boundary of the SECSPA and are therefore readily available for extension into the SECSPA.

#### **Proposed Watermains (DC Items)**

The Development Charge Study and the 2018 Business Plans and Budgets indicate the following planned water services in the vicinity of the SECSPA which will provide additional water coverage and security looping for the SECSPA:

- 400mm Zone 1 watermain from 100m north of Energy Drive to intersection of Baseline Road and Courtice Road (expected to be constructed in 2018),
- 400mm Zone 1 watermain on Baseline Road from Courtice Road to Trulls Road (expected to be tendered in the Fall of 2018 and constructed in 2019),
- 400mm Zone 1/Zone 2 watermain on Trulls Road from Baseline Road to Bloor Street (expected to be tendered in the Fall of 2018 and constructed in 2019),

- 400mm Zone 2 watermain on Bloor Street from Trulls Road west to Townline Road (expected to be designed in 2018 and constructed in 2019),
- Grandview Zone 2 Pumping Station Expansion (located at Bloor Street and Farewell Creek) (expected to complete EA in 2022, be designed in 2024 and constructed in 2026).

### **Additional Servicing Requirements**

In addition to the proposed watermain listed above it is expected there will be a requirement to complete some additional looping along the existing main roads in order to service the SECSPA. This could include:

- Extending the 300mm watermain on Courtice Road from Sandringham Drive to Bloor Street (estimated cost = \$1,300,000 including a 20% contingency, see attached cost estimate),
- Extending the 300mm watermain on Bloor Street from 325m east of Trulls Road to Courtice Street and from Courtice Street to Hancock Road (estimated cost = \$1,500,000 including a 20% contingency, see attached cost estimate),
- Extending the 300mm watermain on Courtice Road from Bloor Street to 370m south of Bloor Street (estimated cost = \$400,000 including a 20% contingency, see attached cost estimate).

As these additional watermain are not currently included in the DC Study we are requesting that they be added as individual line items so they can be properly funded.

Based on the above, the SECSPA can be readily serviced by extending the adjacent existing watermain, connecting to the proposed DC watermain, and installing the additional watermain noted above. The water system will be fully looped once all the above infrastructure is constructed.

### **SANITARY**

There are some existing sanitary sewers located within the existing development areas north of the SECSPA, however, since the topography of the SECSPA falls to the south and the existing sewers drain north it is unlikely that any of these sewers were designed to accommodate future flows from the SECSPA.

However, there are two small areas of the SECSPA which may be able to drain into the existing sewers. The first area is at the northwest corner of the SECSPA. There is a small parcel of land (approximately 2.5Ha) on the south side of Meadowglade Road that is separated from the rest of the SECSPA by Robinson Creek. The sewer on Meadowglade Road is a 300mm diameter pipe across the frontage of this parcel so it appears to have been upsized to allow for this area. The inverts of the sewer will need to be reviewed to confirm that this area can drain to the existing sewer. The second area is located at the north end of the SECSPA adjacent to Courtice Road. There is a 300mm diameter sewer starting south of HWY 2 and running south to Sandringham Drive and then west along Sandringham Drive. This sewer currently services the businesses located at the southeast and southwest corner of Courtice Road and HWY 2. There may be some additional capacity in this sewer to accommodate some of the lands at the north end of the SECSPA adjacent to Courtice Road and HWY 2. The downstream capacity of the sewer would need to be reviewed to confirm if there is any available capacity.

Other than the two small areas mentioned above, it is expected that the SECSPA will drain in a southerly direction toward the proposed Courtice Trunk Sewer located on Baseline Road West and Trulls Road.



### **Proposed Downstream Sanitary System (DC Items)**

The Development Charge Study and the 2018 Business Plans and Budgets indicate the following planned sanitary services downstream of the SECSPA which will provide the ultimate sanitary outlet for the SECSPA:

- 2100mm Trunk Sewer from 100m north of Energy Drive to intersection of Baseline Road and Courtice Road (expected to be constructed in 2018),
- 2100mm Trunk Sewer on Baseline Road from Courtice Road to Trulls Road (expected to be tendered in the Fall of 2018 and constructed in 2019),
- 1800mm Trunk Sewer on Trulls Road from Baseline Road to Bloor Street (expected to be tendered in the Fall of 2018 and constructed in 2019),
- 1800mm Trunk Sewer on Trulls Road from Bloor Street to Adelaide Avenue (expected to be constructed in 2021),

### **Additional Servicing Requirements**

The Trunk Sewer to be constructed on Trulls Road will be able to service most of the lands located west of the western tributary of Tooley Creek, however, there is a small area located at the southwest quadrant of Courtice Road and Bloor Street (roughly Parcels 51, 52 and 53 on the land ownership map) which is low lying and cannot drain back to the Trunk Sewer. As well, the lands tributary to Tooley Creek (essentially the lands east of Courtice Road) will require additional sanitary servicing over and above the Region's proposed DC items.

There are two main alternatives to service the eastern portion of the SECSPA; a pumping station and forcemain along Bloor Street to connect into the Trunk Sewer on Trulls Road, or a gravity sewer on Courtice Road between Bloor Street and Baseline Road West. For the gravity sewer Alternative we have also reviewed two modified alignments for the sewer on Courtice Road and a separate alignment along Hancock Road. Based on these Alternatives we have found the following:

#### Alternative 1: Pumping Station on Bloor Street

Alternative 1 would include a pumping station located on the north side of Bloor Street immediately west of Tooley Creek (approximately 225m east of Courtice Road). A forcemain would then be constructed west along Bloor Street to the existing highpoint located about 230m east of Trulls Road. A gravity sewer would then convey the flow the remaining distance along Bloor Street to connect to the proposed Trunk Sewer on Trulls Road. The forcemain would need to cross beneath the tributary of Tooley Creek. A gravity sewer would also be required on Courtice Road south of Bloor Street and on Bloor Street east of Courtice Road to service Parcels 51, 52 and 53. This sewer would average about 5m deep. To service the lands east of Tooley Creek and north of Bloor Street a short section of gravity sewer would be required on Bloor Street to cross under Tooley Creek.

We have estimated this alternative to cost \$5,600,000 including a 20% contingency (see attached cost estimate).

#### Alternative 2: Gravity sewer on Courtice Road

Alternative 2 would comprise a sub trunk gravity sewer commencing on Bloor Street on the east side of Tooley Creek. This sewer would be constructed beneath Tooley Creek and head west to Courtice Road. The sewer would then turn south and travel along Courtice Road to Baseline Road West and connect into the proposed Trunk Sewer. The sewer would be about 11m deep at the intersection of Bloor Street and Courtice Road. The sewer will become less deep as it travels



south, however, it will have an average depth of about 7m between Bloor Street and the proposed Arterial Road, and an average depth of about 3m between the proposed Arterial Road and Baseline Road. This sewer would need to cross beneath two small creeks and the railway tracks. Courtice Road crosses above the railway tracks with a raised bridge, therefore the sewer would need to be constructed along the base of the bridge embankment.

The estimated cost of this alternative is \$4,800,000 including a 20% contingency (see attached cost estimate). This Alternative has the added benefit of providing a sanitary outlet for the eastern portion of the Courtice Employment Lands.

We have also reviewed two additional alignments which are modifications to Alternative #2

Alternative 2a: Gravity sewer on Courtice Road and future Arterial Road

This alternative is similar to Alternative 2 except at the south end where the sewer would travel west across the future Arterial Road to Trulls Road instead of continuing south on Courtice Road. This would avoid having to construct the sewer along the base of the bridge embankment and also avoid another railway track crossing. In addition, the sewer on the Arterial Road would be constructed in a green field condition which will help to reduce the overall costs.

Unfortunately, this alternative will NOT work as the Arterial Road rises as it approaches Trulls Road causing the sewer to be more than 15m deep and about 10m lower than the proposed Courtice Trunk Sewer.

Alternative 2b: Gravity sewer on Courtice Road and easement north of railway tracks

This alternative is also similar to Alternative 2 except at the south end where the sewer would travel west to Trulls Road through an easement on the north side of the railway tracks instead of continuing south on Courtice Road. This would avoid having to construct the sewer along the base of the bridge embankment and also avoid another railway track crossing. In addition, the sewer in the easement would be shallow (approximately 3m deep) and would be constructed in a green field condition which will help to reduce the overall costs.

The estimated cost of this alternative is \$4,600,000 including a 20% contingency (see attached cost estimate).

This alternative is cheaper than Alternative 2 while still providing a sanitary outlet for the eastern portion of the Courtice Employment Lands. However, this alternative will require an easement across the Courtice Employment Lands.

Alternative 3: Gravity sewer on Hancock Road Right of Way

We reviewed whether it would be possible to construct a sewer west on Bloor Street to the unopened Hancock Right of Way and then south to Baseline Road to connect to the Courtice Trunk Sewer. This alternative has the potential of being the cheapest since it is an unopened Right of Way. However, the ground elevation rises significantly south of Bloor Street causing this sewer to be 17m deep. Therefore this is NOT a viable Alternative.

Preferred Alternative

We are aware that the Region's overall preference is to avoid or minimize sanitary pumping stations whenever possible. Since there is a viable gravity sewer alternative it is recommended that Alternative 2 (sewer along Courtice Road) be included in the Region's DC Study at this time in order to ensure the full SECSPA can be serviced by a sanitary system.



**DEVELOPMENT CHARGE SUMMARY**

We have created the following Table to summarize the various DC items that are required to service the SECSPA, and we are requesting some revisions to the expected construction years and some additional items.

<b>DC ITEM</b>	<b>CURRENT YEAR OF CONSTRUCTION</b>	<b>REQUESTED YEAR OF CONSTRUCTION</b>
<b><u>WATER</u></b>		
400mm watermain from 100m north of Energy Drive to Courtice/Baseline intersection	2018	2018
400mm watermain on Baseline Road from Courtice Road to Trulls Road	2019	2019
400mm watermain on Trulls Road from Baseline Road to Bloor Street	2019	2019
400mm Zone 2 watermain on Bloor Street from Trulls Road to Townline Road	2019	2019
Grandview Zone 2 Pumping Station Expansion	2026	2020 (if needed to support SECSPA)
Watermain on Courtice Road from Sandringham Drive to Bloor Street	N/A	2020
Watermain on Bloor Street from 325m east of Trulls Road to Hancock Road	N/A	2020
Watermain on Courtice Road from Bloor Street to 370m south of Bloor Street	N/A	2020
<b><u>SANITARY</u></b>		
2100mm sanitary sewer from 100m north of Energy Drive to Courtice/Baseline intersection	2018	2018
2100mm sanitary sewer on Baseline Road from Courtice Road to Trulls Road	2019	2019
1800mm sanitary sewer on Trulls Road from Baseline Road to Bloor Street	2019	2019
Sanitary sewers on Bloor Street east of Courtice Road and on Courtice Road from Bloor Street to Baseline Road	N/A	2020

Memo Prepared By:

Craig Rose  
Senior Advisor, Land Development  
Durham Region



**PRELIMINARY COST ESTIMATE  
ADDITIONAL WATERMAINS**

ITEM NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL PRICE	REMARKS
1	Watermain on Courtice Road from Sandringham Drive to Bloor Street	1430	m	\$ 750.00  sub total 20% contingency  total estimate	\$ 1,072,500.00  \$ 1,072,500.00 \$ 214,500.00  \$ 1,287,000.00	assumes off-road construction

**PRELIMINARY COST ESTIMATE  
ADDITIONAL WATERMAINS**

ITEM NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL PRICE	REMARKS
1	Watermain on Bloor Street from 325m east of Trulls Road to Hancock Road	1330	m	\$ 750.00	\$ 997,500.00	assumes off-road construction
2	Premium for creek crossing	40	m	\$ 3,000.00	\$ 120,000.00	tunnelling beneath tributary of Tooley Creek
3	Premium for creek crossing	40	m	\$ 3,000.00	\$ 120,000.00	tunnelling beneath Tooley Creek
				sub total	\$ 1,237,500.00	
				20% contingency	\$ 247,500.00	
				total estimate	\$ 1,485,000.00	

**PRELIMINARY COST ESTIMATE  
ADDITIONAL WATERMAINS**

ITEM NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL PRICE	REMARKS
1	Watermain on Courtice Road south of Blood Street	300	m	\$ 750.00	\$ 225,000.00	assumes off-road construction
2	Premium for creek crossing	40	m	\$ 3,000.00	\$ 120,000.00	tunnelling beneath tributary of Tooley Creek
				sub total	\$ 345,000.00	
				20% contingency	\$ 69,000.00	
				<b>total estimate</b>	<b>\$ 414,000.00</b>	

**PRELIMINARY COST ESTIMATE  
SOUTHEAST COURTYCE SANITARY ALTERNATIVE #1  
(pumping station on Bloor Street)**

ITEM NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL PRICE	REMARKS
1	Sanitary forcemain on Bloor Street	770	m	\$ 750.00	\$ 577,500.00	assumes off-road construction
2	Premium for creek crossing	40	m	\$ 3,000.00	\$ 120,000.00	tunnelling beneath tributary of Tooley Creek
3	Sanitary Pumping Station	1	lump sum	\$ 3,085,000.00	\$ 3,085,000.00	Taken from DC forecast of Baseline pumping station (\$3,400,000) less cost of forcemain
4	Sanitary sewer on Bloor Street east of Trulls Road	220	m	\$ 750.00	\$ 165,000.00	assumes off road construction, average depth of sewer in 3m range
5	Sanitary sewer on Courtice Road and Bloor Street east of Courtice Road	500	m	\$ 750.00	\$ 375,000.00	assumes off road construction, average depth of sewer in 5m range
6	Premium for creek crossing	40	m	\$ 3,000.00	\$ 120,000.00	tunnelling beneath tributary of Tooley Creek
7	Sanitary sewer on Bloor Street east of Tooley Creek	140	m	\$ 750.00	\$ 105,000.00	assumes off road construction, average depth of sewer in 3m to 5m range
8	Premium for creek crossing	40	m	\$ 3,000.00	\$ 120,000.00	
				sub total	\$ 4,667,500.00	
				20% contingency	\$ 933,500.00	
				<b>total estimate</b>	<b>\$ 5,601,000.00</b>	

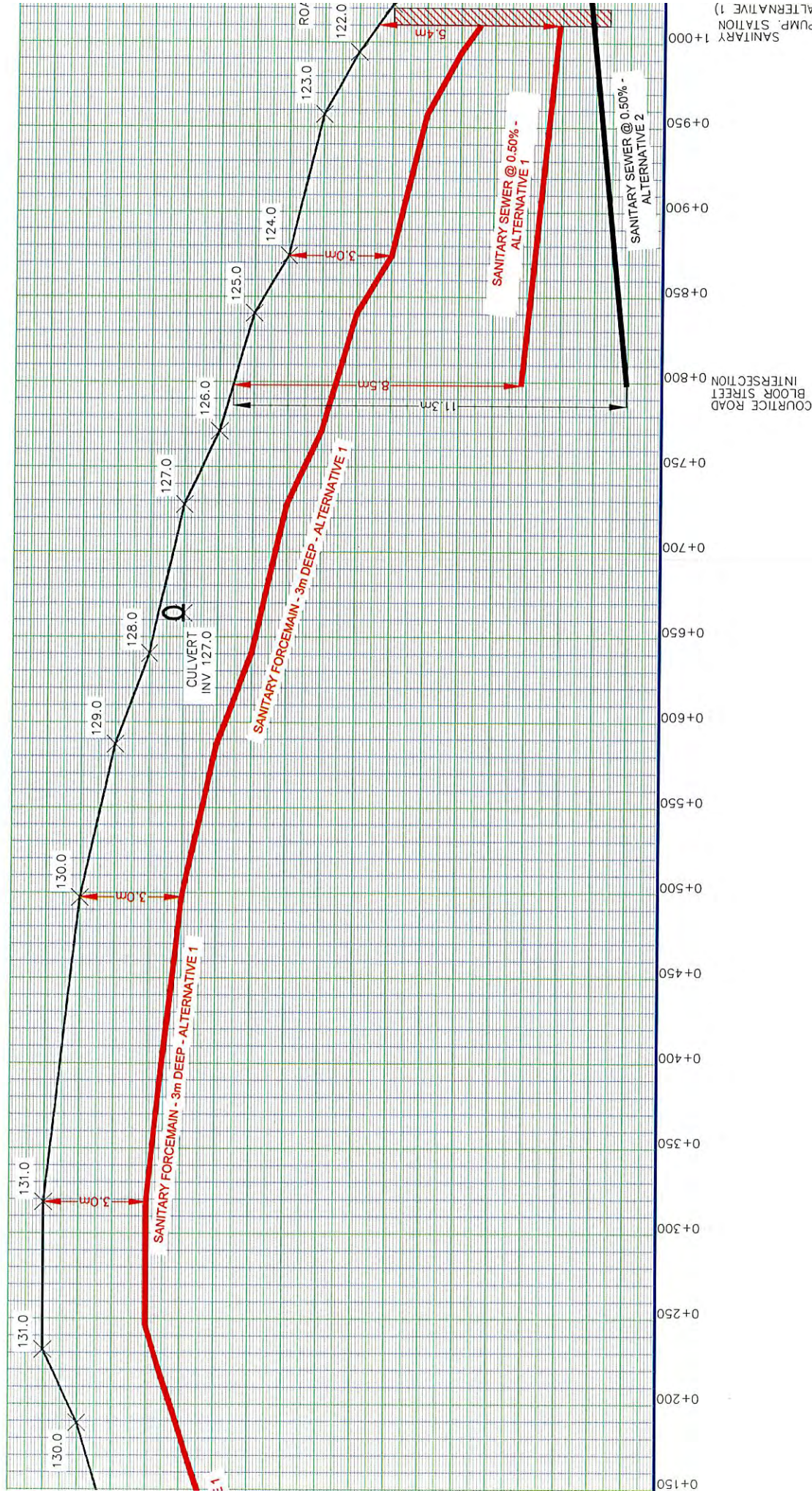
**PRELIMINARY COST ESTIMATE**  
**SOUTHEAST COURTCICE SANITARY ALTERNATIVE #2**  
 (gravity sewer on Courtice Road)

ITEM NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL PRICE	REMARKS
1	Gravity sewer on Bloor Street east of Courtice Road	360	m	\$ 2,000.00	\$ 720,000.00	assumes mid road construction (10m deep at intersection)
2	Premium for creek crossing	40	m	\$ 3,000.00	\$ 120,000.00	tunnelling beneath Tooley Creek
3	Gravity sewer on Courtice Road from Bloor Street to Baseline Road	1140	m	\$ 2,000.00	\$ 2,280,000.00	assumes mid road construction
	a) from Bloor Street to Arterial Road	700	m	\$ 750.00	\$ 525,000.00	assumes off road construction
	b) from Arterial Road to Baseline Road					
4	Premium for two creek crossings	80	m	\$ 3,000.00	\$ 240,000.00	tunnelling beneath two tributaries of Tooley Creek
5	Premium for railway crossing	40	m	\$ 3,000.00	\$ 120,000.00	tunnelling beneath CP Railway tracks
				sub total	\$ 4,005,000.00	
				20% contingency	\$ 801,000.00	
				total estimate	\$ 4,806,000.00	

**PRELIMINARY COST ESTIMATE**  
**SOUTHEAST COURTCICE SANITARY ALTERNATIVE #2b**  
 (gravity sewer on Courtice Road and easement to Trulls Road)

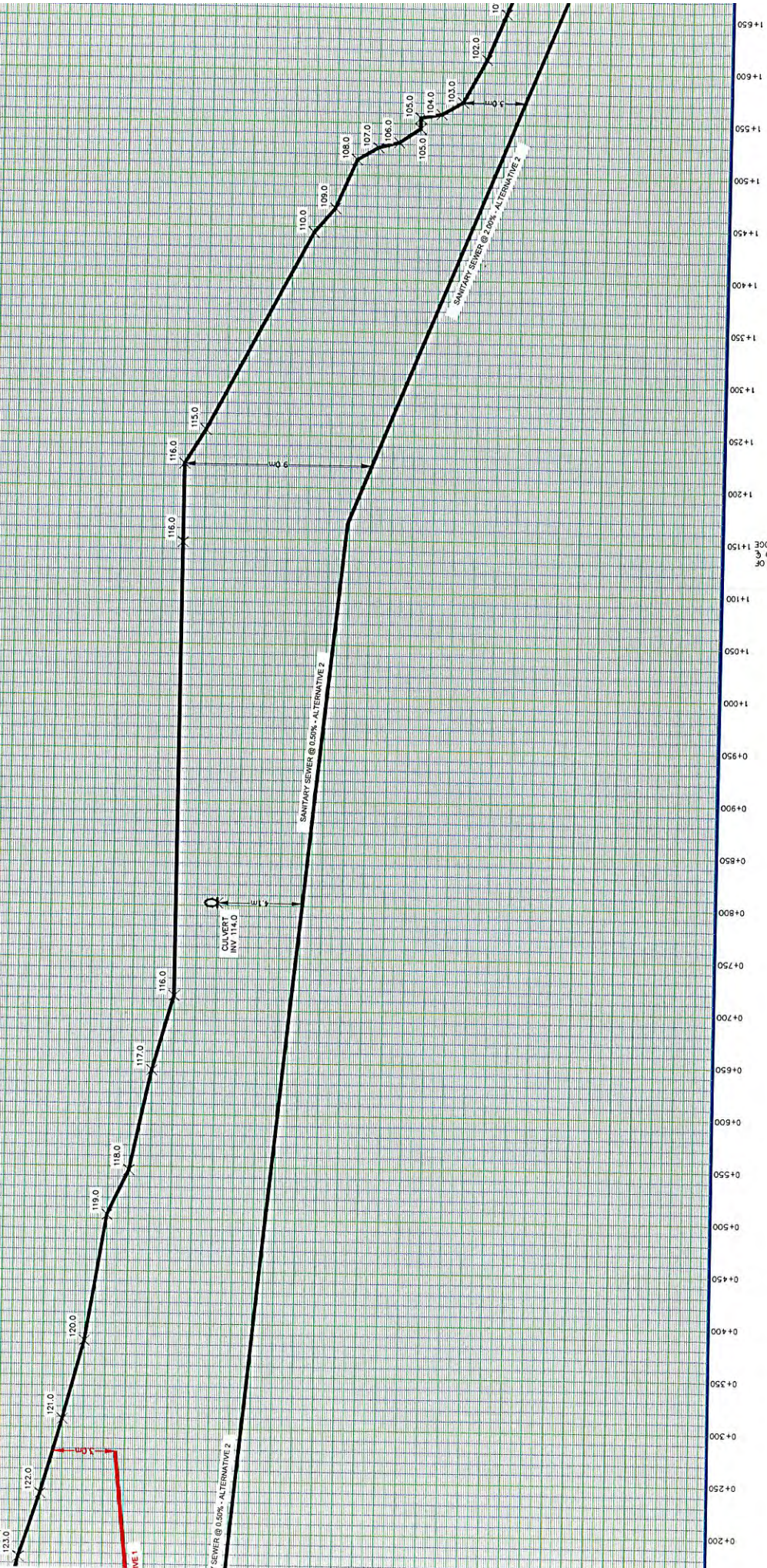
ITEM NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL PRICE	REMARKS
1	Gravity sewer on Bloor Street east of Courtice Road	360	m	\$ 2,000.00	\$ 720,000.00	assumes mid road construction (10m deep at intersection)
2	Premium for creek crossing	40	m	\$ 3,000.00	\$ 120,000.00	tunnelling beneath Tooley Creek
3	Gravity sewer on Courtice Road from Bloor Street to Railway Tracks a) from Bloor Street to Arterial Road b) from Arterial Road to Railway Tracks	1140 350	m m	\$ 2,000.00 \$ 750.00	\$ 2,280,000.00 \$ 262,500.00	assumes mid road construction assumes off road construction
4	Gravity sewer in Easement to Trulls Road	800	m	\$ 300.00	\$ 240,000.00	assumes green field construction
5	Premium for two creek crossings	80	m	\$ 3,000.00	\$ 240,000.00	tunnelling beneath two tributaries of Tooley Creek
				sub total	\$ 3,862,500.00	
				20% contingency	\$ 772,500.00	
				total estimate	\$ 4,635,000.00	





SANITARY PUMP STATION (ALTERNATIVE 1)  
COURTICE ROAD  
BLOOR STREET  
INTERSECTION





END OF COURSE FROM BRIDGE 1+150

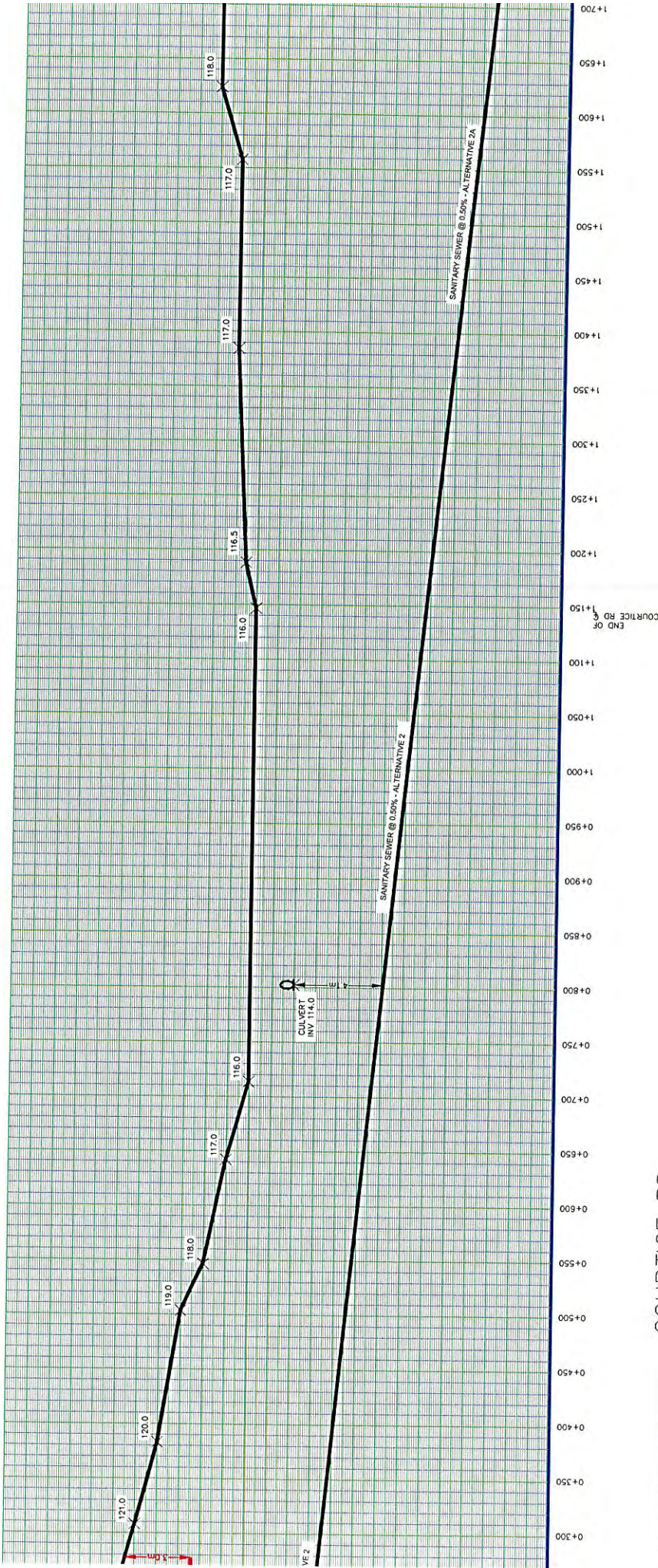
SEWER @ 0.50% - ALTERNATIVE 2

SEWER @ 0.50% - ALTERNATIVE 2

SEWER @ 2.00% - ALTERNATIVE 2

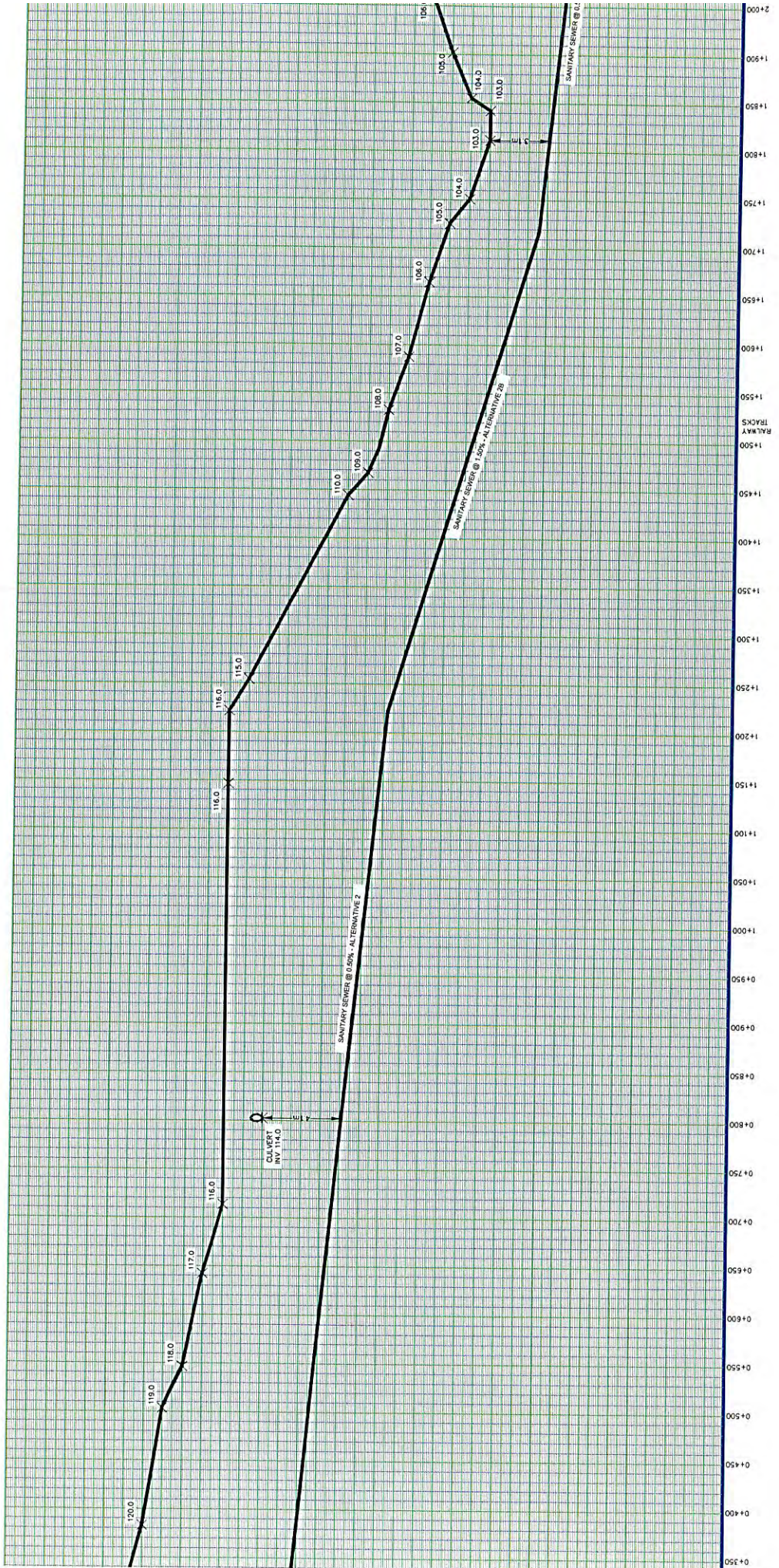
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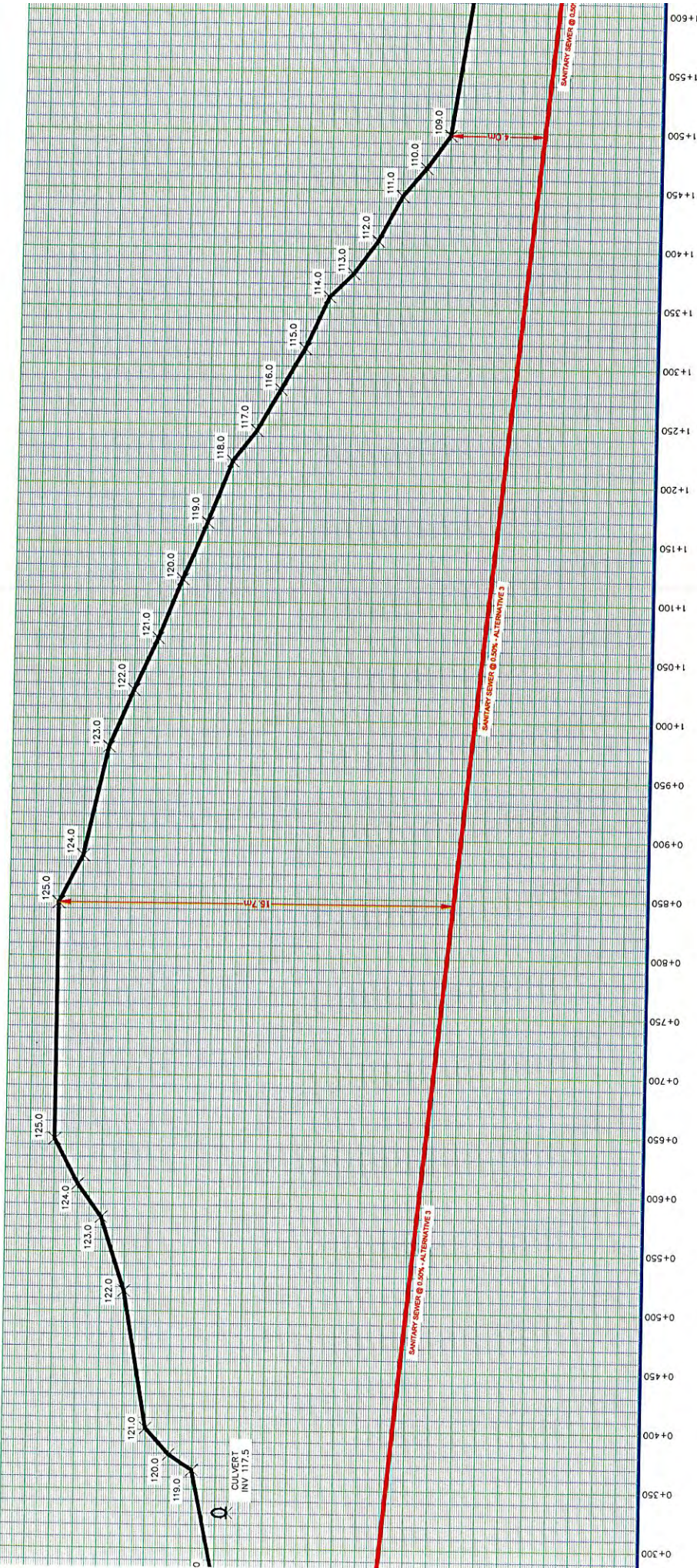
COURTYARD RD. ————— 'TYPE B' ARTERIAL RD.



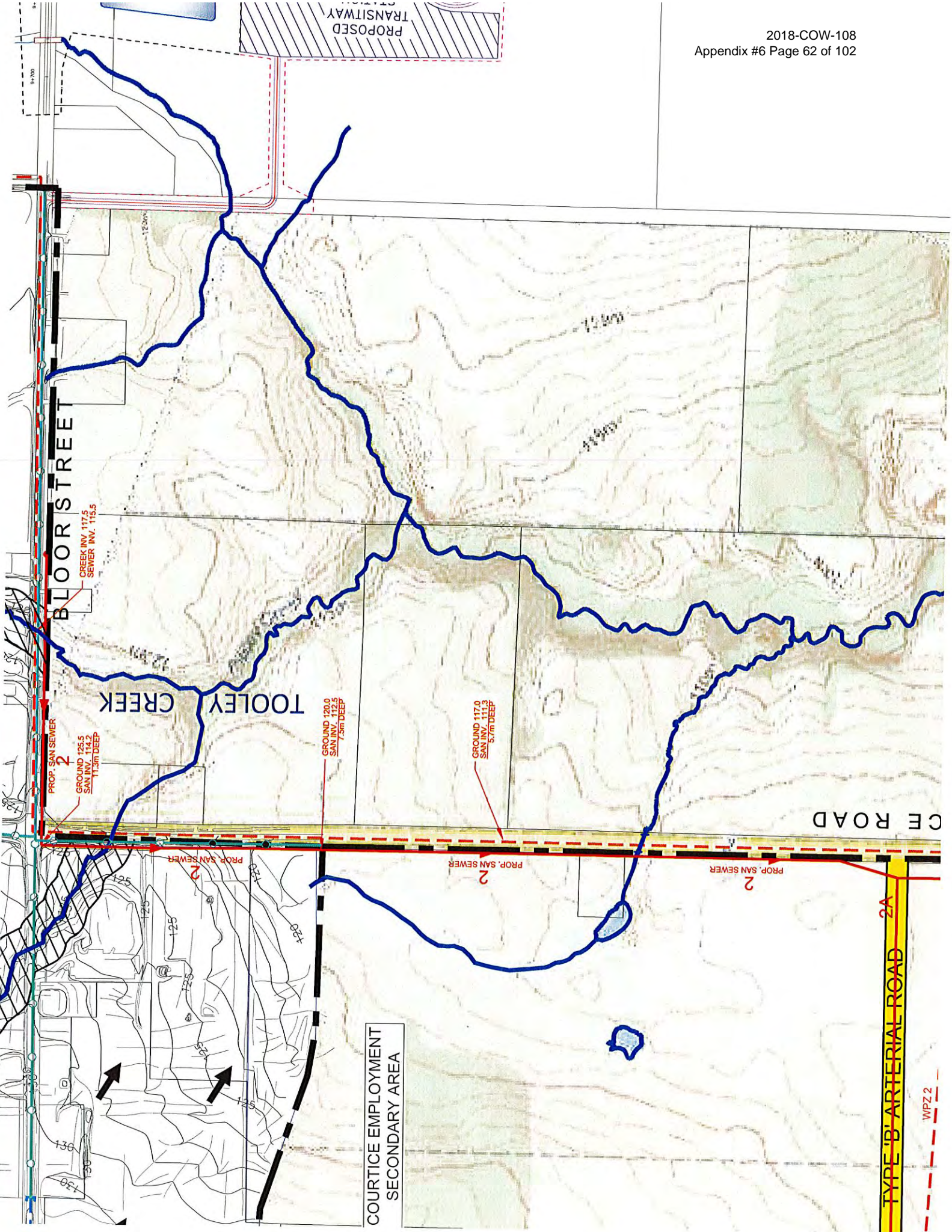


COURTICE RD. EASEMENT



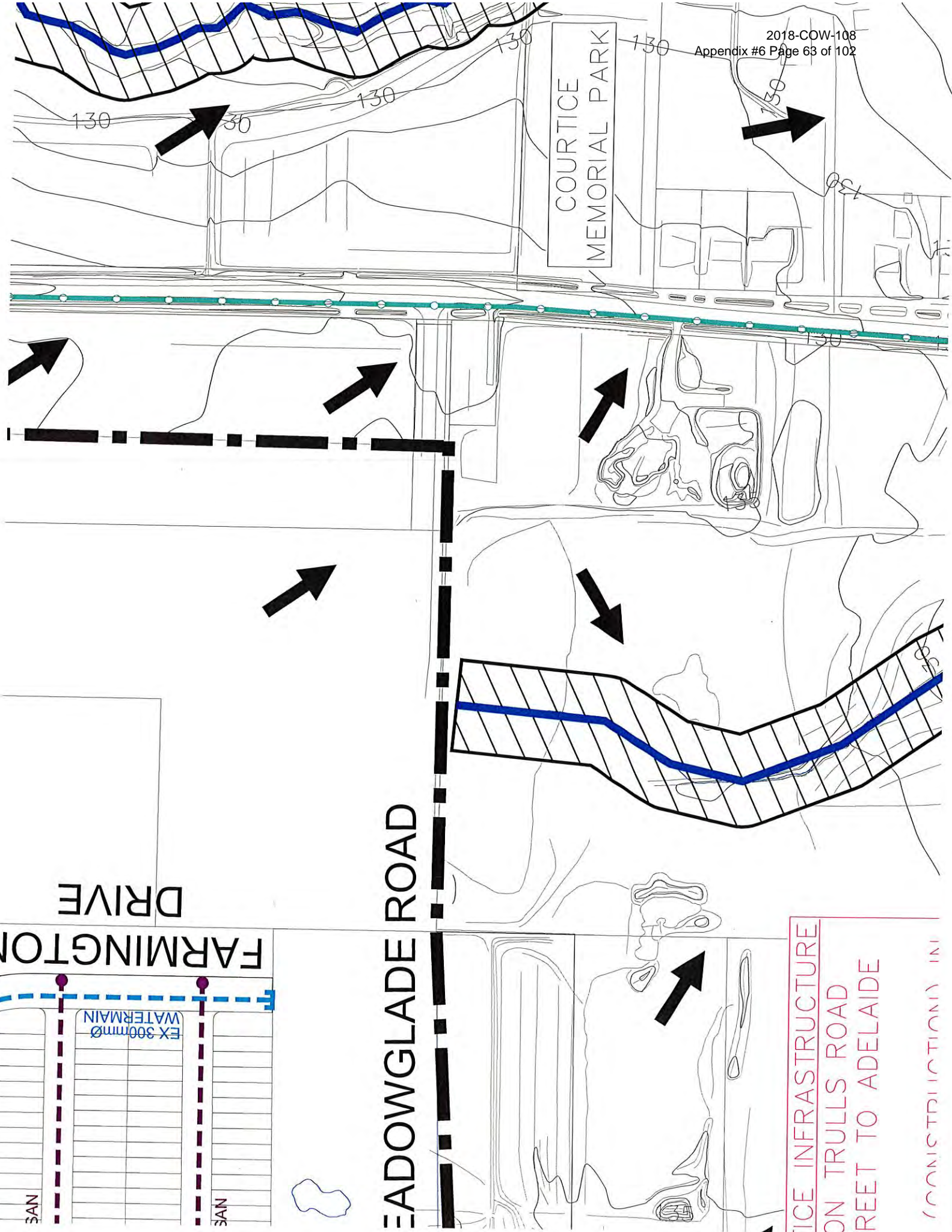








COURTICE  
MEMORIAL PARK



EADOWGLADE ROAD

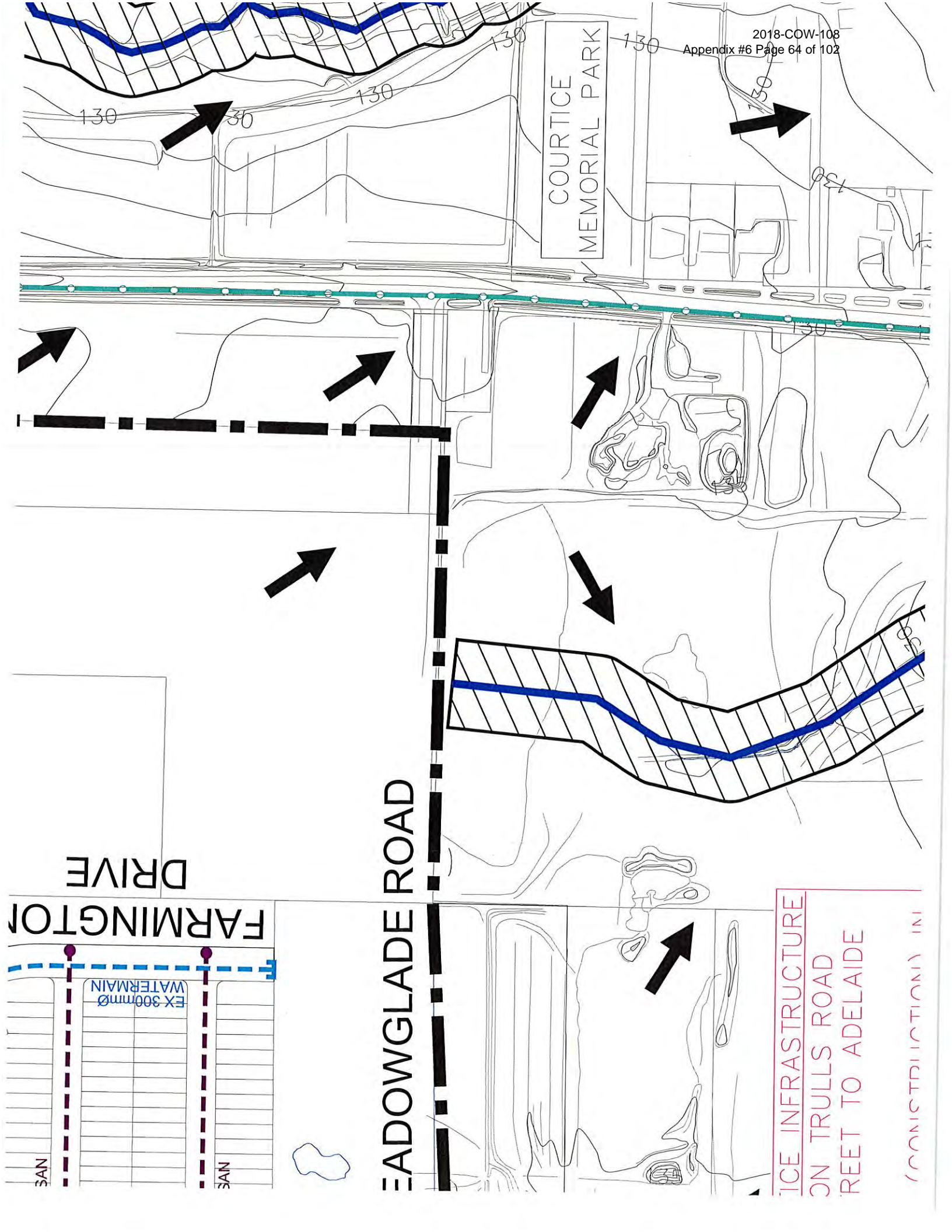
DRIVE

FARMINGTON

ICE INFRASTRUCTURE  
ON TRULLS ROAD  
REET TO ADELAIDE

(CONSTRUCTION) IN





ICE INFRASTRUCTURE  
ON TRULLS ROAD  
REET TO ADELAIDE  
(CONDICTION) IN



May 16, 2018

Mustafa Ghassan  
Delta Urban Inc.  
8800 Dufferin St. Suite 104  
Vaughan, Ontario  
L4K 0C5

Dear Mr. Ghassan:

RE: Response to Comments Related to the 2018 Regional Development Charge Background Study

---

The Regional  
Municipality  
of Durham

Finance Department

605 ROSSLAND RD. E.  
PO BOX 623  
WHITBY ON L1N 6A3  
CANADA  
905-668-7711  
1-800-372-1102  
Fax: 905-666-6207

www.durham.ca

Thank you for your letter dated April 16, 2018 regarding the 2018 Region-wide Development Charge Study. Please find responses to your questions below.

1. You have requested that a watermain on Courtice Road (north and south of Bloor Street) and on Bloor Street (325 metres east of Trulls Road to Hancock), be included in the Region's capital works program.

These items are local watermains that will be constructed by the developer. As such, this project has not been included in the Development Charge Background Study. If the Region requires the watermain to be oversized, the Region will fund the oversizing share as per the Region Share Policy (Appendix B in the March 27, 2018 Regional Development Charge Background Study).

2. You have noted that the DC Item #234 is for a new sanitary sewer along Courtice Road, from Bloor Street to the Canadian Pacific Rail tracks and then along the CPR tracks to Trulls Road. However, a small section of sewer on Bloor Street from Courtice Road to east of Tooley Creek was not included in the Region's 2018 DC Background Study. You have requested that it be included in the 2018 DC Background Study.

This item is for a local sanitary sewer that will be constructed by the developer. As such, this project has not been included in the Development Charge Background Study. The Region will fund any oversizing costs as per Region Share Policy (Appendix B in the March 27, 2018 Regional Development Charge Background Study).

3. You have requested that DC Item #234 (new sanitary sewer along Courtice Road, from Bloor Street to the Canadian Pacific Rail tracks and then along the CPR tracks to Trulls Road) be advanced from 2023 to 2020.

The estimated timelines provided in the Development Charge Background Study reflects the Region's long term plan that is being

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for our Communities"



100% Post Consumer

used to calculate the development charge rates. The timing of this capital project reflects the timing of anticipated development in this area and the servicing strategy for this area (i.e. timing to complete related infrastructure projects).

Staff review on an annual basis the availability of funds in conjunction with the projected location and pace of future growth in preparation of the water supply and sanitary sewerage capital budgets for Regional Council approval. The timing of this sanitary sewer will be reviewed on an annual basis within the context of the status of the Secondary Plan for the South East Courtice Secondary Plan Area.

This item is currently expected to be constructed across the Metrolinx lands along the north side of the railway between Courtice Road and Trulls Road. Depending on the Metrolinx land configuration, a Class EA may be required for a section of this sewer if it precedes a Metrolinx application.

Typically the Region would adjust the project timing in the forecast to align with works being completed by others, which includes:

- Connection to trunk sanitary sewer on Trulls Road;
- Design and construction of the Metrolinx parcel including any potential new local roads; and
- Any future road improvements along Courtice Road.

Based on these details, Regional works staff continue to propose the construction timing to be proposed for 2023 for this item at this time.

If you have any questions or comments, please call me at 905-668-4113 ext 2300.



Mary E. Simpson, CPA, CMA, MA  
Acting Commissioner of Finance

- cc: R. Walton, Regional Clerk / Director of Legislative Services  
S. Siopis, Commissioner of Works  
B. Bridgeman, Commissioner of Planning and Economic Development  
J. Hunt, Regional Solicitor  
J. Presta, Director of Environmental Services  
P. Gillespie, Manager of Development Approvals  
S. Tsenis, Manager, Corporate Asset Management  
A. Wismer, Economist  
M. MacDonald, Economist  
G. Asselin, Economist



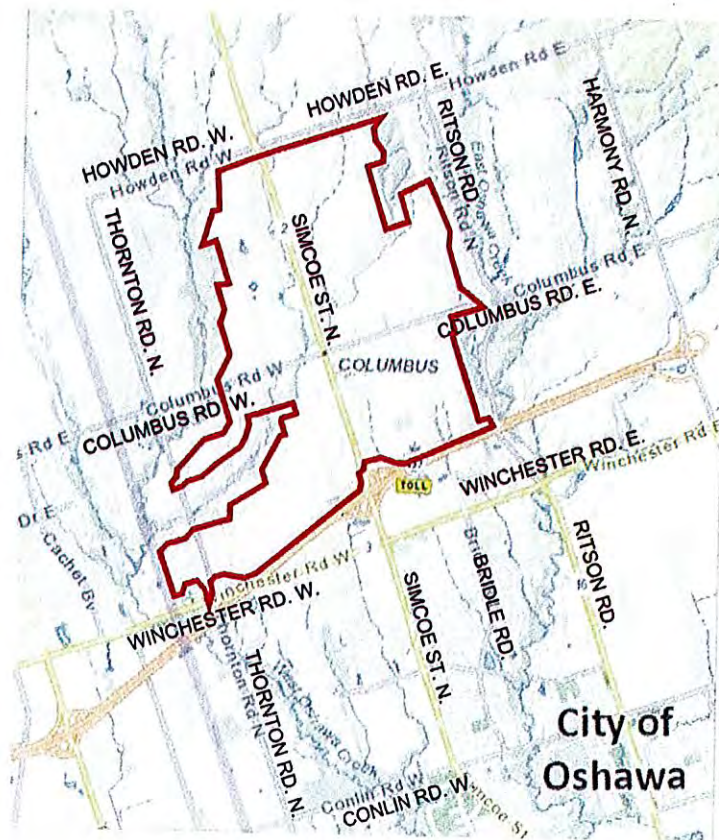
April 16, 2018

Mr. Ralph Walton  
Regional Clerk / Director of Legislative Services  
Region of Durham Headquarters  
605 Rossland Road East  
Whitby, Ontario  
L1N 6A3

Dear Mr. Walton

**Subject: Proposed Regional Development Charges By-Law and  
Regional Development Charge Background Study**

Pursuant to the March 27, 2018 release of the proposed Regional Development Charge Background Study, and on behalf of the Columbus Landowners Group, we have completed a review of the DC items related to the proposed Columbus Development Area. The Columbus Development Area is roughly bounded by Highway 407 on the south, Howden Road on the north, Ritson Road on the east and Thornton Road and a Tributary of West Oshawa Creek on the west. The overall Columbus Development Area is shown in the Figure below:





The Columbus Development Area has recently been added to the Oshawa Official Plan (in accordance with the Region of Durham Official Plan) through Oshawa OPA No. 179. It is the next major Living Area in line for the completion of a Part II Plan. At this time, the City has issued a Request for Proposals in order to retain a Consultant to complete the Part II Plan for the Columbus Area.

Our review of the Regional Development Charge Background Study confirms that the necessary major infrastructure to service the Columbus Lands is included. However, we have some comments that we would like to put forward concerning the timing of certain infrastructure items and the addition of one infrastructure item.

In general, we find that the major water infrastructure needed to create Water Pressure Zone 4 (i.e. pumps and reservoirs) is scheduled for construction in 2021, however, the feeder mains needed to bring water into and through Columbus are scheduled for construction in 2025 and 2026. Similarly, the major downstream sanitary infrastructure including upgrading the Conlin Road Pumping Station and constructing new forcemains and sanitary sewers along Conlin Road over to Harmony Road is scheduled for construction in 2022, however, the sanitary sewer extensions up into Columbus are scheduled for construction in 2024 and 2026. Additionally, there is a section of watermain within Columbus that appears to be missing.

Our specific comments are as follows:

1. DC Water Supply Item No. 238 is for a Zone 4 feeder main to be constructed on Columbus Road from Thicksen Road to Ritson Road. This item is indicated to be constructed in 2026. We would like to request that this item be moved up 4 years to achieve a construction timeline of 2022.
2. DC Water Supply Item No. 239 is for a Zone 4 feeder main to be constructed on Ritson Road from Columbus Road to Winchester Road. This item is indicated to be constructed in 2025. We would like to request that this item be moved up 3 years to achieve a construction timeline of 2022.
3. DC Water Supply Item No. 240 is for a Zone 4 feeder main to be constructed on Winchester Road from Ritson Road to Harmony Road. This item is indicated to be constructed in 2025. We would like to request that this item be moved up 3 years to achieve a construction timeline of 2022.
4. In the 2013 DC Background Study there was an item for a new trunk watermain to be constructed on Simcoe Street from 1200m north of Columbus Road to 1100m south of Columbus Road. This item was removed from the 2018 DC Background Study. We would like to request that this item be reinstated as a DC Item.
5. DC Sanitary Sewage Item No. 216 is for a trunk sanitary sewer to be constructed through UOIT lands from the Conlin Road Pumping Station to Britannia Avenue. This item is indicated to be constructed in 2024. We would like to request that this item be moved up 2 years to achieve a construction timeline of 2022.
6. DC Sanitary Sewage Item No. 217 is for a trunk sanitary sewer to be constructed from the north end of the Windfields Part II Plan, across Highway 407 to Thornton Road and north to Columbus Road. This item is indicated to be constructed in 2024. We would like to request that this item be moved up 2 years to achieve a construction timeline of 2022.

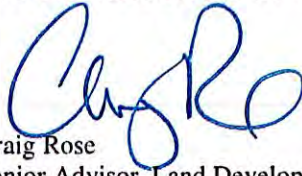
7. DC Sanitary Sewage Item No. 218 is for a trunk sanitary sewer to be constructed along the north edge of Highway 407 between Thornton Road and Simcoe Street. This item is indicated to be constructed in 2026. We would like to request that this item be moved up 4 years to achieve a construction timeline of 2022.

We thank you for considering our requests and look forward to your favourable response. We are available to meet with Regional Works Staff to discuss details.

If you have any questions please call.

Yours very truly,

WSP CANADA GROUP LIMITED



Craig Rose  
Senior Advisor, Land Development  
Durham Region

cc: Columbus Landowners Group  
Myron Pestalukey; Delta Urban Inc.

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May 22, 2018

Craig Rose  
WSP Canada Group Limited  
701 Rossland Road East, Suite 201  
Whitby, Ontario  
L1N 8Y9

Dear Mr. Rose:

RE: Response to Comments Related to the 2018 Regional Development Charge Background Study

---

The Regional  
Municipality  
of Durham

Finance Department

605 ROSSLAND RD. E.  
PO BOX 623  
WHITBY ON L1N 6A3  
CANADA  
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1-800-372-1102  
Fax: 905-666-6207

[www.durham.ca](http://www.durham.ca)

Thank you for your letter dated April 16, 2018 regarding the 2018 Region-wide Development Charge Study. Please find responses to your questions below.

1. You have requested that the following projects in the proposed 2018 Regional Development Charge Background Study be advanced:
  - a. Water DC Item 238 – Zone 4 Feedermain on Columbus Road from Thickson Road to Ritson Road be advanced from 2026 and 2022;
  - b. Water DC Item 239 – Zone 4 Feedermain on Ritson Road from Columbus Road to Winchester Road be advanced from 2025 to 2022;
  - c. Water DC Item 240 – Zone 4 Feedermain on Winchester Road from Ritson Road to Harmony Road be advanced from 2025 to 2022;
  - d. Sanitary DC Item 216 – Trunk Sanitary Sewer from the Conlin Road Sanitary Sewage Pumping Station to Britannia Avenue be advanced from 2024 to 2022;
  - e. Sanitary DC Item 217 – Trunk Sanitary Sewer from the north end of Windfields property to the north side of Highway 407 be advanced from 2024 to 2022; and
  - f. Sanitary DC Item 218 – Trunk Sanitary Sewer along the north side of Highway 407 between Thornton Road and Simcoe Street be advanced from 2026 to 2022.





Response

The timing of these capital projects reflects the timing of anticipated development in this area and the servicing strategy for this area (i.e. timing to complete related infrastructure projects required to support the proposed Columbus Development Area).

The water system in Columbus requires the construction of the Zone 4 and Zone 5 water systems in Brooklin and Kedron. Columbus would then be serviced by connecting the Brooklin and Kedron systems to each other. The service extensions to Columbus are not expected until Brooklin and Kedron are substantially built out. It is expected that the Brooklin and Kedron water systems will be under construction in 2022.

The sanitary sewers required for the Columbus Development Area cannot be utilized until the following capital projects are completed:

- The water capital projects for the Columbus Development Area (which rely on the completion to the Brooklin and Kedron Water Systems);
- The expansion of the Conlin Road Sanitary Sewage Pumping Station;
- The forcemain connection to the Courtice Trunk Sanitary Sewer; and
- The construction of all sections of the Courtice Trunk Sanitary Sewer.

Based on the anticipated timeline to complete all the related water and sanitary sewerage capital projects downstream and outside of the Columbus Development Area, it is recommended that the timeline remain unchanged for these projects in the 2018 Regional Development Charge Background Study.

The timing of the capital program in the 2018 Development Charge Study is a guideline. The Regional capital programs are reviewed annually and the timing of individual capital projects are subject to change based on the demand for the works and the availability of funds. The need for the capital items required to support the Columbus Development Area will be reviewed on an annual basis within the context of the status of the Secondary Plan (which has not yet commenced) for these lands.

2. You have requested that a new feedermain on Simcoe Street from 1200m north of Columbus Road to 1100m south of Columbus Road (which was included in the 2013 Development Charge Study) be included in the 2018 Development Charge Study.

Response

It is not clear at this time if a significant feedermain will be required on Simcoe Street. It is anticipated that a local watermain will be required and as such, this project has not been included in the Development Charge Background Study. If the Region requires the watermain to be oversized, the Region will fund the oversizing share as per the Region Share Policy (Appendix B in the March 27, 2018 Regional Development Charge Background Study). The Region is not expecting any watermain crossings Highway 407 in this area. This will be investigated further as part of the Secondary Plan process.

If you have any questions or comments, please call me at 905-668-4113 ext 2300.



Mary E. Simpson, CPA, CMA, MA  
Acting Commissioner of Finance

- cc:
- R. Walton, Regional Clerk / Director of Legislative Services
  - S. Siopis, Commissioner of Works
  - B. Bridgeman, Commissioner of Planning and Economic Development
  - J. Hunt, Regional Solicitor
  - J. Presta, Director of Environmental Services
  - P. Gillespie, Manager of Development Approvals
  - S. Tsenis, Manager, Corporate Asset Management
  - A. Wismer, Economist
  - M. MacDonald, Economist
  - ✓G. Asselin, Economist





**Daniel Steinberg**  
*daniels@davieshowe.com*  
Direct: 416.263.4505  
Main: 416.977.7088  
Fax: 416.977.8931  
File No. 703437

May 21, 2018

**Delivered by E-mail**

Mr. Ralph Walton  
Regional Clerk / Director of Legislative Services  
Region of Durham  
605 Rossland Road East  
Whitby, Ontario L1N 6A3

Dear Mr. Walton:

**Re: Bowmanville East (Soper Hills) Landowners Group Inc.  
Bowmanville North (Soper Springs) Landowners Group Inc.  
Regional Development Charges Background Study  
Region of Durham**


We write on behalf of Bowmanville East (Soper Hills) Landowners Group Inc. and Bowmanville North (Soper Springs) Landowners Group Inc. (the "**Trustees**").

The Trustees are authorized to act on behalf of various owners of land located in the proposed Soper Hills and Soper Springs Secondary Plan Areas in the community of Bowmanville, Municipality of Clarington. The said owners of land are listed in Schedule "A" to this letter (collectively, the "**Landowners**").

The Landowners have reviewed the Development Charges Background Study prepared by Watson & Associates Economists Ltd. dated March 27, 2018 with great interest. In this regard, please find attached at Schedule "B" of this letter individual letters from Weston Consulting, SCS Consulting Group Limited, and urbanMetrics Inc., submitted on behalf of the Landowners.

We ask these comments be considered prior to the passage of the By-law. We would be pleased to discuss any of these comments with Regional Staff.

Yours truly,  
**DAVIES HOWE LLP**

 Daniel H. Steinberg

Email copy: Bowmanville East Landowners Groups

**Schedule "A"  
Landowners**

Bowmanville East Secondary Plan Area (Soper Hills)

Medallion Developments (Bowmanville I) Limited  
Medallion Developments (Bowmanville II) Limited  
1062609 Ontario Inc.  
Lambs Road Holdings Inc.  
Lambs Road Development Limited

Bowmanville North Secondary Plan Area (Soper Springs)

Estates of Soper Creek Corp.  
Sharno Holdings Inc.  
Jay Strasser

**Schedule "B"  
Submissions**

1. Letter from Weston Consulting dated May 21, 2018
2. Letter from SCS Consulting Group Limited dated May 21, 2018
3. Letter from urbanMetrics Inc. dated May 21, 2018





**WESTON  
CONSULTING**

planning + urban design

Region of Durham  
605 Rossland Road East  
Whitby, Ontario  
L1N 6A3

May 21<sup>th</sup>, 2017  
File 7929

**Attn: Ralph Walton, Regional Clerk / Director of Legislative Services**

Dear Sir,

**RE: Regional Development Charges Background Study  
Bowmanville East (Soper Hills) and Bowmanville North (Soper Springs) Secondary  
Plan Areas  
Municipality of Clarington**

Weston Consulting is the planning consultant for the Bowmanville East Developers Group (BEDG), a group that consists of several landowners with holdings in the Soper Springs and Soper Hills Secondary Plan Areas (herein referred to as "lands"), representing approximately 82.8% of the land areas within these secondary plan areas.

The BEDG and their consulting engineers have engaged with Regional Staff in relation to the infrastructure planning necessary to support development in each secondary plan area, including attending meetings with Regional Staff and providing preliminary servicing options for review and consideration in early 2018.

**Bowmanville East (Soper Hills) Secondary Plan Area**

The Soper Hills Secondary Plan Area is located east of Lambs Road between the Railway and King Street East (Highway 2) in the Municipality of Clarington. The lands east boundary is the Bowmanville Urban Area boundary. The lands consist of predominantly agricultural land and open space areas and comprise approximately 193 hectares (477 acres) in area.

The lands are entirely located within the "Settlement Area Outside the Greenbelt Plan" designation of the Greenbelt Plan. The Region of Durham Official Plan designates the subject lands as "Living Areas." The Municipality of Clarington Official Plan (OPA 107) designates the subject lands as "Urban Residential".

**Bowmanville North (Soper Springs) Secondary Plan Area**

The Soper Springs Secondary Plan Area is located in north Bowmanville and is comprised of a total of 15 properties having an area of approximately 186 hectares (459 acres). The lands are located east of Liberty Street and north of Concession Road 3 and the northern limit of the lands

is the Bowmanville Urban Area boundary. The lands consist predominately of agricultural lands and open space areas.

The lands are entirely located within the "Settlement Area Outside the Greenbelt Plan" designation of the Greenbelt Plan. The Region of Durham Official Plan designates the lands as "Living Areas" and "Major Open Space Areas". The Municipality of Clarington Official Plan (OPA 107) designates the lands as 'Urban Residential', 'Environmental Protection Area' and 'Community Park'.

### **Overview of Land Use Planning Process**

The BEDG has been actively involved in the Municipality of Clarington Official Plan process, appearing before Council and filing written submissions in relation to the proposed Official Plan Amendment 107. The basis for their participation in the process largely centered around the processes for the implementation of Secondary Plan Areas. Originally, it was conceived that it be the sole discretion of the Municipality to initiate, coordinate and prepare Secondary Plans. The preparation of Secondary Plans would be phased and implemented in an orderly sequence according to directed priority.

Based on alternative direction from the BEDG, it was suggested that it is more appropriate to permit landowners to initiate the Secondary Plan process in coordination with the Municipality. This provision would allow proponents to initiate works to support the secondary plan process and ultimately the plan itself. The ability for landowners to initiate and fund this process would allow for the advancement of appropriate land use planning policy and remove any impediments to achieving the future projected growth of the Municipality. The noted policy recommendations were considered by the Municipality during Clarington's Official Plan review and were satisfactorily implemented into OPA 107 modifications.

The Council of the Municipality of Clarington passed By-law 2016-091, on November 1<sup>st</sup>, 2016 under Section 17 of the *Planning Act* R.S.O as amended, which adopted OPA 107. The Commissioner of Planning and Economic Development for the Regional Municipality of Durham, as the approval authority, made a decision on June 19<sup>th</sup>, 2017 to approve Amendment No. 107 to the Municipality of Clarington Official Plan as adopted by Council, subject to modifications and deferrals under Subsection 17(34) of the Planning Act, R.S.O., c.P.13, as amended.

There is no sequence of secondary plans identified in OPA 107 and several secondary plans have commenced in the Municipality.

### **Subwatershed Study Process**

The BEDG has been involved in the initiation of the Soper Creek Main and East Branches Subwatershed Study. The Subwatershed Study will provide detailed technical recommendations that are to be implemented through the preparation of a Secondary Plan.

On March 5<sup>th</sup>, 2018 the General Government Committee of the Municipality of Clarington considered a Purchasing Department's Recommendation Report to consider the proposal



received from Aquafor Beech Limited to prepare the Subwatershed Study. The Report outlined Aquafor Beech Limited being the most responsive bidder meeting all terms, conditions and specifications of RFP2017-9 and recommended they be awarded the contract for the provision of Soper Creek Main and East Branches Subwatershed Study, subject to receipt of funding from the Bowmanville East (Soper Hills) Landowners Group Inc. and the Bowmanville North (Soper Springs) Landowners Group Inc.

On March 19<sup>th</sup> 2018, the Council of the Municipality of Clarington endorsed the General Government Committee's recommendation to proceed to award the contract to Aquafor Beech Limited for the provision of the Subwatershed Study in accordance with the agreed upon terms of an executed funding agreement between the Municipality of Clarington and the BEDG to which the landowners have agreed to fund 100% of the Subwatershed Study costs. Field work has commenced and the current timeline anticipates the completion of the SWS in the Fall of 2019.

### **Secondary Plan Processes**

Pursuant to OPA 107, the landowners have proceeded with the initiation of the Secondary Plan Processes. On March 8<sup>th</sup> 2018, two separate draft Terms of Reference were prepared and submitted to the Municipality of Clarington Planning and Development Staff. These drafts were circulated to all applicable agencies and departments for comments and feedback. A Public Meeting was held on April 23<sup>rd</sup>, 2018 seeking public comments prior to Council's decision to commence with the Secondary Plan Process. On April 30<sup>th</sup> 2018, Council authorized the commencement of the Soper Hills and Soper Springs Secondary Plans and authorized Staff to finalize the draft Terms of Reference for each respective Secondary Plan Area and issue a Request for Proposal to retain the necessary consultants for the preparation of the Secondary Plans subject to the execution of the necessary cost recovery agreements with the landowners.

Both Secondary Plans will be developed during a four-phase process, with an estimated timeline from award of contract of approximately 1.5 to 2 years, allowing development of lands within the Secondary Plan Areas to occur in 2021 - 2022, or earlier based on infrastructure planning aligning with phasing of development in Secondary Plans.

### **The Durham Region Transportation Master Plan and DC Transportation Projects**

The BEDG has been actively involved in monitoring the Durham Region Transportation Master Plan (TMP) process. The TMP is a strategic planning document designed to define the policies, programs and infrastructure improvements required to plan for Durham's future transportation needs. The TMP was endorsed by the Committee of the Whole on December 6, 2017 and by Regional Council on December 13, 2017 and was placed on public record for a final 30-day comment period. The comment period ended on April 3, 2018. The Region is now in the process of preparing responses to comments received and plan to provide an information report to summarize these comments and responses to Regional Council in the near future.

The current DC Background Study provides for a capital planning horizon to 2028 and certain road projects are identified that would benefit the development of the two Secondary Plan areas;

however, additional projects identified in the Region's TMP will also be necessary to support development of the Secondary Plan areas. The BEDG has retained Nextrans Consulting Engineers to assess, on a preliminary basis, road infrastructure improvements anticipated in support of the development of each secondary plan area.

On behalf of the BEDG, we ask that the Region consider the recommendations of Nextrans Consulting Engineers concerning certain key projects, which they suggest be within an earlier time horizon than conceived of in the TMP and be concurrent with or established prior to development within the Secondary Plan areas. These include, improvements to King Street between Highway 115/35 and Mearns Avenue, Lambs Road between King Street and Baseline Road, and the Lambs Road interchange at Highway 401, which is currently noted as a Provincial road modification in the TMP.

It is recognized that other road improvements (e.g. Bennett Road/Providence Road between Highway 401 and Concession Road 3) are based on OPA 107 or are deferred decisions related to OPA 107, and yet others are subject to area municipal transportation planning initiatives; however, we recommend that these projects be considered, and that certain eligible projects be included in the DC list of projects in order to have such improvements planned and funded contemporaneously with development in the Secondary Plan areas.

### **Conclusion**

Based on the current planning context and the capital works forecasts outlined in the Durham Region Development Charges Background Study (2018), priority and timing changes in future infrastructure needs must be reevaluated to correspond with updated growth forecasts and to better align with the completion of the Soper Hills and Soper Springs Secondary Plan Areas within the Municipality of Clarington.

The Soper Hills and Soper Springs Secondary Plan Areas will contribute to Clarington's ability to accommodate future growth based on Provincial growth targets, Regional policies and population and employment forecasts to 2031. The Council of the Municipality of Clarington has authorized the preparation of Secondary Plans and supporting studies as a basis for the development of the Soper Hills and Soper Springs neighbourhoods.

The future development of these lands is subject to the advancement and sequencing of infrastructure and roads projects in a timeline that aligns with the completion of Secondary Plans. Therefore, the allocation and timing of regional projects required to serve the Secondary Plan Areas should proceed in a coordinated manner that have necessary infrastructure and roads built prior to or coincident with development and the completion of the Secondary Plans for the Soper Hills and Soper Springs areas.

In addition to the planning commentary provided herein, further analysis by others have informed the recommendations herein, which include SCS Consulting Group Ltd., Schaeffers Consulting Engineers, Nextrans Consulting Engineers and urbanMetrics Inc., which have been retained by the BEDG to review and respond to the Durham Region Development Charges Background Study. Their analysis, findings

and recommendations are referenced herein, and/or presented under separate cover and are enclosed in this package for your review and consideration.

If you have any questions or comments, please do not hesitate to contact the undersigned (ext. 241) or Jonathan Sasso (ext. .258).

Yours truly,  
**Weston Consulting**

~~Per:~~

~~Ryan Guetter, BES, MCIP, RPP  
Senior Vice President~~

c. ~~BEDG  
Davies Howe Partners LLP  
Schaeffers Consulting Engineers  
SCS Consulting Group Ltd.  
urbanMetrics Inc.~~





**File #:** 2066  
**Date:** May 21, 2018

**Mr. Ralph Walton**  
**Regional Clerk / Director of Legislative Services**  
Regional Municipality of Durham  
605 Rossland Road East  
Whitby, Ontario L1N 6A3

Dear Mr. Walton:

**Re: 2018 Regional Development Charge Background Study  
Water Supply and Sanitary Sewerage Infrastructure Costs Review  
Bowmanville East (Soper Hills) and North (Soper Springs) Secondary Plan Areas  
Municipality of Clarington, Ontario**

We are pleased to provide you with our comments regarding the Regional Infrastructure Costs within the March 27, 2018 Regional Development Charge Background Study prepared by Watson & Associates Economists Ltd. for the Region of Durham on behalf of our the Bowmanville East and North Developer Groups.

Our comments regarding the Regional Water Supply and Regional Sanitary Sewerage Infrastructure Costs and how the projects relate to our Client's lands (refer to **Attachment No. 1**) are as follows.

#### **Bowmanville East (Soper Hills) Secondary Plan Areas**

The proposed development is located at the northeast corner of Lambs Road and Highway 2, bound by the hydro corridor to the north, Highway 2 to the south, Lambs Road to the west, and the urban limits (Providence Road) to the east. Regional Water Supply and Regional Sanitary Sewerage Infrastructure Projects located near this development are Water Supply 307, and Sanitary Sewerage 302, 303, and 305. Refer to **Attachment No. 2** for details.

#### ***Regional Sanitary Sewerage***

Schaeffer Consulting Engineers has been retained by the Developers Group to review various sanitary servicing options. Based on Schaeffer's preliminary analysis, there have been several sanitary solutions proposed. We understand that the Secondary Plan area can be serviced via the connections into the existing Soper Creek Trunk Sanitary Sewer or via new connections south along Lambs Road or Bennett Road.

The Development Charge Background Study currently includes new trunk sanitary sewers on Baseline Road (Regional DC Project No. 302 to be built 2020-2022), and along Port Darlington Road (Regional DC Project No. 305 to be built 2020-2022). Regional DC Project No. 303 includes the Trunk Sanitary Sewer along Bennett Road and will provide the proposed connection to the system for the Bowmanville East Secondary Plan lands. However, we understand that this option is what is currently being analyzed through the works that Schaeffer's is completing in support of the Secondary Plan process, but this project is currently shown to take place in 2027, which is not in line with the Secondary Plan timing.





Re: **2018 Regional Development Charge Background Study**  
**Water Supply and Sanitary Sewerage Infrastructure Costs Review**  
**Bowmanville East (Soper Hills) and North (Soper Springs) Secondary Plan Area**  
**Municipality of Clarington, Ontario**

We are requesting that you please consider advancing the timing for Regional DC Project No. 303 to align with Regional DC Project Nos. 302 and 305, and the anticipated completion of the Secondary Plans (i.e., 2022 or earlier) as per Weston Consulting's May 21, 2018 Letter. We understand that through the work Schaeffer's is completing the alignment of this sewer may fall within a different location as more detailed analysis is completed.

### **Bowmanville North (Soper Springs) Secondary Plan Area**

The proposed development is located at the northeast corner of Liberty Street North and Third Concession Road, bound by the natural heritage system to the north, Third Concession Road to the south, Liberty Street North to the west, and the Mearns Avenue right-of-way to the east. Regional Water Supply and Regional Sanitary Sewerage Infrastructure Projects located near this development are Water Supply 301, 304, 307, and 310, and Sanitary Sewerage 300 and 304. Refer to **Attachment No. 2** for details.

### ***Regional Water Supply***

The Bowmanville North (Soper Springs) Secondary Plan Area is located in Zone No. 2 Pressure District. We understand that the Zone 2 Reservoir, located on Region Road No. 4, west of Liberty Street North, can be used to service the Secondary Plan lands.

The proposed New Zone 2 Pumping Station (Regional DC Project No. 304) has been scheduled to commence design in 2024. We understand that the Liberty Street Zone 1 Reservoir will help maintain water pressure in Zone 2 during construction. Additionally, the Zone 2 Pumping Station on Third Concession Road is planned for expansion.

Based on Schaeffer Consulting Engineers' preliminary analysis, the proposed feedermain extension along Liberty Street North would be required to be a 600mm to 900mm diameter feedermain to bring adequate flow to the existing 300mm diameter watermain located on Liberty Street to service the Secondary Plan lands.

If a connection can be made to the proposed feedermain extension on Lambs Road (sized 600mm diameter or greater), the Secondary Plan lands can be adequately serviced. This will eliminate duplication within the Right-of-Way. Note if a connection cannot be made to the proposed feedermain extension, an additional watermain will be required on Lambs Road (sized 300mm diameter or greater) fed by the proposed Zone 1 Reservoir to the north.

Regional DC Project No. 307 includes all the works on Highway 2, Lambs Road, and Third Concession Road to the Zone 1 Reservoir, and we would request that these include the appropriate sizing to accommodate the Bowmanville North Secondary Plan Area.

The completion of the Bowmanville North Secondary Plan is dependent on the Regional DC Project No. 304, which is forecasted to commence the design stage in 2024 with construction commencing in 2026. We request that the Region consider advancing the timing of these projects to align with the anticipated completion of the Secondary Plans (i.e., 2022 or earlier) as per Weston Consulting's May 21, 2018 Letter.





Re: 2018 Regional Development Charge Background Study  
Water Supply and Sanitary Sewerage Infrastructure Costs Review  
Bowmanville East (Soper Hills) and North (Soper Springs) Secondary Plan Area  
Municipality of Clarington, Ontario

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Appendix #6 Page 83 of 102  
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May 21, 2018  
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### *Regional Sanitary Sewerage*

The Bowmanville North Secondary Plan will require a connection to an existing 525mm diameter sanitary sewer on Mearns Avenue that will ultimately discharge to a 750mm diameter sanitary trunk sewer west of Soper Creek. Due to the natural elevation of the lands and preliminary grading, we understand that this is the best option. As the proposed sanitary pump station will be required, and the location will be determined through the Secondary Plan process.

Based on Schaeffer Consulting Engineers' preliminary analysis, the grading and conceptual road alignments determine sanitary connections at Middle Road, which is located too far from the Bowmanville North Secondary Plan lands, and connections south at Liberty Street North.

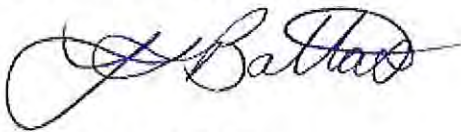
These proposed connections are dependent on the Regional DC Project No. 304, which is forecasted to commence in 2025. For that reason, we request the advanced timing of these projects to align with the anticipated completion of the Secondary Plans (i.e., 2022 or earlier) as per Weston Consulting's May 21, 2018 Letter.

We trust the above-mentioned is complete. We look forward to hearing from Region of Durham Staff shortly. For that reason, we would appreciate the Region of Durham acknowledge the above-mentioned requests in writing.

Please contact the undersigned if you have any questions or require any additional information.

Sincerely,

**SCS Consulting Group Ltd.**



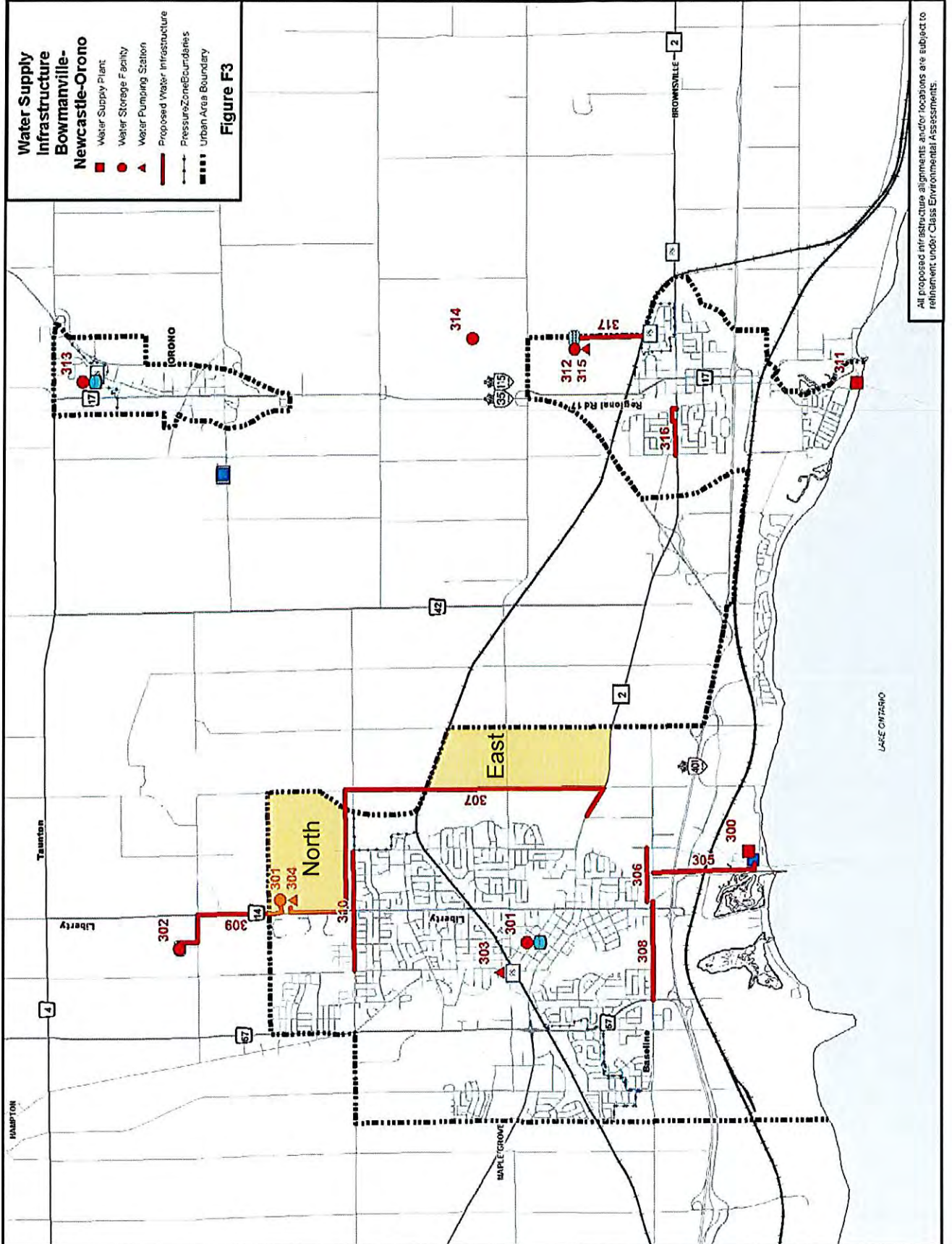
Julie Bottos, A.Sc.T.  
jbottos@scsconsultinggroup.com

Attachments: Attachment No. 1 - Water Supply Infrastructure Bowmanville (Figure F3) and Sanitary Sewerage Infrastructure Bowmanville (Figure G3) prepared by Watson & Associates Economists Ltd., dated March 27, 2018  
Attachment No. 2 - Regional Development Charge Background Study Project Summary, dated May 17, 2018

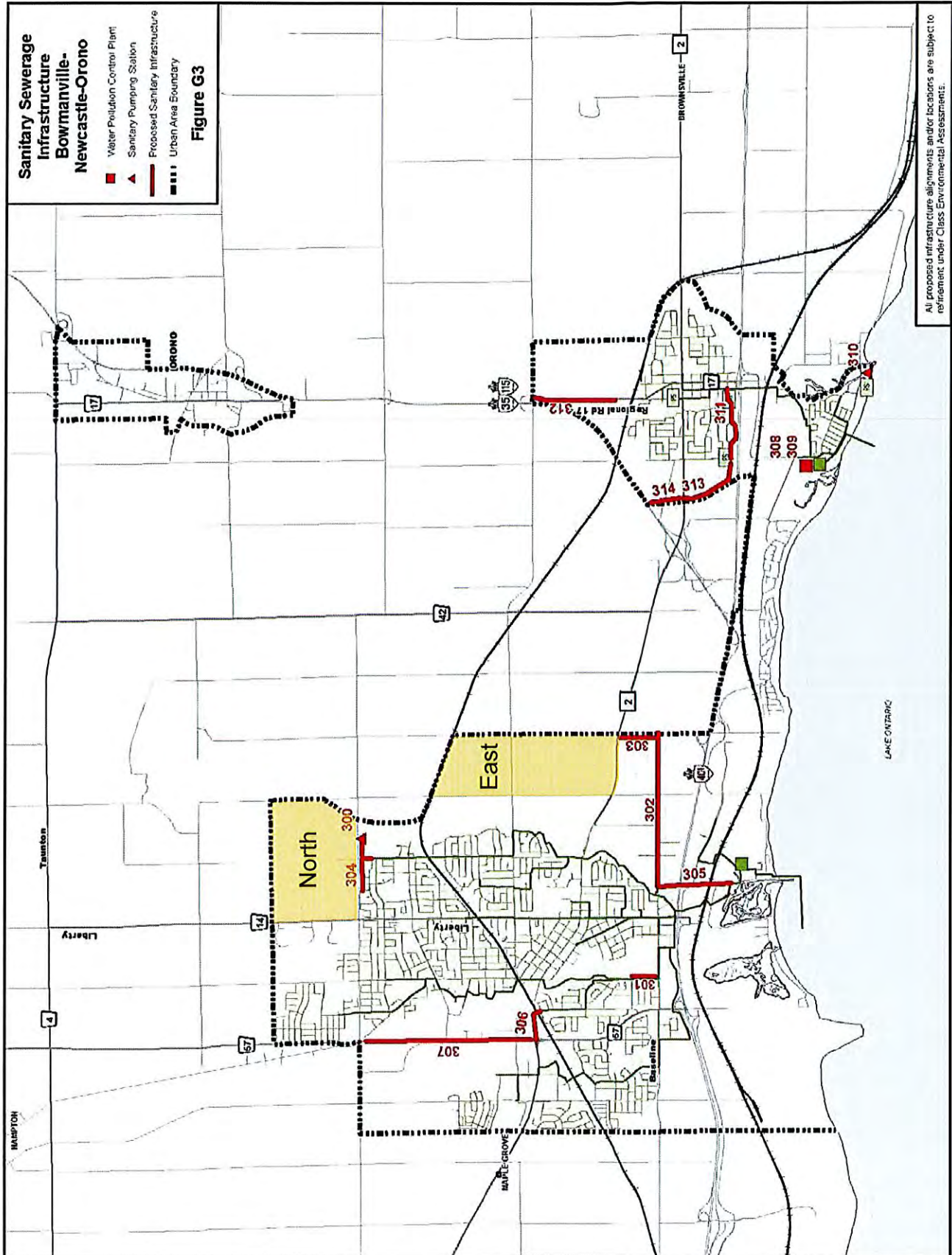
c. Mr. Ryan Guetter, Weston Planning  
Mr. Jonathan Sasso, Weston Planning  
Bowmanville East and North Developers Groups

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Growth Related Residential Share Category: Water Supply 18 D.C. Study	Gross Cost (2018 Estimated Cost)		Benefit to Existing Develop.	Post Period Benefit	Grants, Subsidy & Other	Development Related			Net Residential Growth Cost (2018 Estimation)							
	\$000's	%				%	%	Seaton	Federal Lands	Non-Resid.	Resid.	Total	2018	2019	2020	2021
						%	%	%	%	\$ 000's						
and demolish existing elevated tank	12,000	13.7%	0.0%	10.2%	0.0%	0.0%	0.0%	9.4%	66.7%	8,005		8,005				
Res Rd., Third Concession Rd. to Liberty Zone 1 Reservoir	8,550	0.0%	0.0%	6.0%	0.0%	0.0%	0.0%	11.7%	82.3%	7,040						
Middle Rd./Scugog St. to Meams Ave. (Region's Share)	26,240	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	12.4%	87.6%	22,986		22,986				
Res Rd., Third Concession Rd. to Liberty Zone 1 Reservoir	3,500	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	12.4%	87.6%	3,066						
	26,240	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	12.4%	87.6%	22,986		22,986				

Growth Related Residential Share Category: Sanitary Sewage 18 D.C. Study	Gross Cost (2018 Estimated Cost)		Benefit to Existing Develop.	Post Period Benefit	Grants, Subsidy & Other	Development Related			Net Residential Growth Cost (2018 Estimation)							
	\$000's	%				%	%	Seaton	Federal Lands	Non-Resid.	Resid.	Total	2018	2019	2020	2021
						%	%	%	%	\$ 000's						
Res Rd. 3 and Meams Ave.	3,675	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	26.2%	73.8%	2,712						
and Ave. to Conc. Rd. 3 and on	1,265	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	26.2%	73.8%	934						
nett Rd. (Region's Share)	7,000	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	26.2%	73.8%	5,166			1,033			4,133
ly No.2 (Region's Share)	1,435	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	26.2%	73.8%	1,059						
existing easement	8,800	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	26.2%	73.8%	6,494				1,255		5,240



May 21, 2018

Ralph Walton  
Regional Clerk / Director of Legislative Services  
Region of Durham  
605 Rossland Road East  
Whitby, ON  
L1N 6A3

Dear Mr. Walton:

**RE: Review of Durham Region Development Charges Background Study**

urbanMetrics inc. has been retained by the Bowmanville East Developers Group (BEDG) who collectively own lands located in the Soper Springs and Soper Hills Secondary Plans in the Bowmanville Urban Area of the Municipality of Clarington. The purpose of our retainer has been to assess the impact that delays in the construction of hard services, required to support development in the Soper Springs and Soper Hills Secondary Plans, could have on the ability of the Region of fund capital infrastructure improvements and their achievement of the 2031 population forecasts in Schedule 3 of the Growth Plan, the Durham Regional Official Plan and the Municipality of Clarington Official Plan (OPA 107).

There are a number of Sanitary Sewerage and Regional Water Supply capital projects included in the *Durham Region 2018 Development Charges Background Study* ("DCBS") that are required to facilitate development in the Soper Springs and Soper Hills Secondary Plans. There are also Regional Roads projects included in the DCBS that will support development within the Secondary Plans. These projects are identified in Figure 1. In addition to Regional Roads projects included in the DCBS, based on recommendations from Nextrans Consulting Engineers, who have been retained by the BEDG, there are projects identified in the *Durham Transportation Master Plan 2017* that should be added to the Regional Roads 10-year capital program, as they will support development in the Soper Springs and Soper Hills Secondary Plans. These projects include; improvements to King Street between Highway 115/35 and Mearns Avenue and Lambs Road between King Street and Baseline Road.



As shown in Figure 1, the growth-related component of the capital projects identified in the DCBS that will support development in the Soper Springs and Soper Hills Secondary Plans amount to a total of \$74.3 million in gross capital costs, of which 82.2% or \$61.1 million has been allocated to the residential sector. The \$74.3 million in capital projects shown in Figure 1 represents 2.2% of the total capital program included in the DCBS. It is important to note that these projects will service the Soper Springs and Soper Hills Secondary Plans in addition to other new development areas in Bowmanville.

**Figure 1: Regional Sanitary Sewerage, Water Supply and Roads Projects Required for Development in the Soper Springs and Soper Hills Secondary Plans**

Item #	Project Description	Growth-Related Capital Costs (2018 Estimate)	Total Net Residential Growth Cost (\$'000's)	Timing of Growth-Related Capital Costs (Residential & Non-Residential)										
				2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	
<b>Sanitary Sewerage</b>														
300	Northeast SSPS, forcemain allowance - Conc. Rd. 3 and Mearns Ave.	3,675	2,712	0	0	0	0	0	0	0	0	0	3,675	0
302	Baseline Rd. TSS from Simpson Ave. to Bennett Rd. (Region's Share)	7,000	5,166	0	0	1,400	0	5,600	0	0	0	0	0	0
303	Bennett Rd. TSS from Baseline Rd. to Highway No. 2 (Region's Share)	1,435	1,059	0	0	0	0	0	0	0	0	0	0	1,435
304	Soper Creek TSS on Mearns Ave. from Freeland Ave. to Conc. Rd. 3 and on Concession Rd. 3 from Mearns Ave. to 450 m west of Mearns Ave. (Region's Share)	1,265	934	0	0	0	0	0	0	0	0	1265	0	0
305	Port Darlington Rd. TSS from Baseline Rd. to existing easement	8,800	6,494	0	0	1,700	0	7,100	0	0	0	0	0	0
	<b>Sanitary Sewerage Sub-total</b>	<b>22,175</b>	<b>16,365</b>	<b>0</b>	<b>0</b>	<b>3,100</b>	<b>0</b>	<b>12,700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,265</b>	<b>3,675</b>	<b>1,435</b>
<b>Regional Water Supply</b>														
301	New Liberty St. N. Zone 1 Reservoir, 11 ML and and demolish existing elevated tank	9,138	8,005	0	9,138	0	0	0	0	0	0	0	0	0
304	New Zone 2 PS at Zone 1 Reservoir	8,037	7,040	0	0	0	0	0	0	1,034	0	7,003	0	0
307	Zone 1 feedermain on Hwy. 2 (King St.), Lams Rd., Third Concession Rd. to Liberty Zone 1 Reservoir	26,240	22,986	0	26,240	0	0	0	0	0	0	0	0	0
310	Zone 2 feedermain on Concession Rd. 3 from Middle Rd./Scugog St. to Mearns Ave. (Region's Share)	3,500	3,066	3,500	0	0	0	0	0	0	0	0	0	0
	<b>Regional Water Supply Sub-total</b>	<b>46,915</b>	<b>41,097</b>	<b>3,500</b>	<b>35,378</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,034</b>	<b>0</b>	<b>7,003</b>	<b>0</b>	<b>0</b>
<b>Regional Roads</b>														
I.16	Liberty St #14 / Freeland Ave - Bons Ave	324	227	0	0	0	0	0	0	0	0	46	94	184
I.17	Liberty St #14 / Concession Rd 3	3,569	2,498	324	279	2,966	0	0	0	0	0	0	0	0
I.48	Regional Hwy2 / Lams Rd	1,346	942	0	46	94	46	94	1,067	0	0	0	0	0
	<b>Regional Roads Sub-total</b>	<b>5,239</b>	<b>3,667</b>	<b>324</b>	<b>325</b>	<b>3,060</b>	<b>46</b>	<b>94</b>	<b>1,067</b>	<b>0</b>	<b>46</b>	<b>94</b>	<b>184</b>	<b>0</b>
	<b>Grand Total</b>	<b>74,329</b>	<b>61,129</b>	<b>3,824</b>	<b>35,703</b>	<b>6,160</b>	<b>46</b>	<b>12,794</b>	<b>1,067</b>	<b>1,034</b>	<b>1,311</b>	<b>10,772</b>	<b>1,619</b>	<b>0</b>
	<b>Distribution of Capital Costs by Year</b>			<b>5%</b>	<b>48%</b>	<b>8%</b>	<b>0%</b>	<b>17%</b>	<b>1%</b>	<b>1%</b>	<b>2%</b>	<b>14%</b>	<b>2%</b>	<b>0%</b>

Source: urbanMetrics inc. based on Region of Durham 2018 Development Charges Background Study, March 27, 2018.

While these projects do not represent a significant component of the capital program in the DCBS, their timing of construction will have significant implications on when development can occur in the Soper Springs and Soper Hills Secondary Plans. It is our understanding from SCS Consulting and Schaeffer Consulting Engineers, who have been retained by the BEDG, that the Sanitary Sewerage and Regional Water Supply capital projects identified in Figure 1, are required to facilitate development in the Soper Springs and Soper Hills Secondary Plans.

As shown in Figure 1, nearly 80% of the capital spending for these projects is anticipated to occur in the first half of the 10-year capital planning horizon (i.e. 2018 to 2022), with some of the less expensive projects occurring in the second half of the capital planning horizon. The capital projects



identified in Figure 1 will result in the Region incurring approximately \$58.5 million in growth-related capital infrastructure spending between 2018 and 2022 for the projects required to facilitate development in the Soper Springs and Soper Hills Secondary Plans. However, the Region will be unable to collect development charges from future units in the Soper Springs and Soper Hills Secondary Plans until a later date, as these units will be delayed until the remaining \$15.8 million in capital projects are completed by 2027. This delay in development could result in the Region issuing new debt or paying interest on negative reserve fund balances.

If the timing of capital infrastructure projects identified in Figure 1 was moved up to the year 2022, it is our understanding that development in the Soper Springs and Soper Hills Secondary Plans could begin in 2022 or earlier and accelerate the collection of development charges. This is in comparison to the timing of the current capital program, which could potentially result in development in the Soper Springs and Soper Hills Secondary Plans occurring after 2027 and result in the delayed collection of development charge revenue.

Based on unit counts for the Soper Springs and Soper Hills Secondary Plans, as identified in Appendix B of the Municipality of Clarington Official Plan, and the development charge rates currently identified in the DCBS, these Secondary Plans would result in \$65.7 million in development charges payable to the Region of Durham (in 2018 dollars). Figure 2 indicates how these development charges would be allocated between the various service areas. These development charges would go towards funding the residential portion of the capital projects identified in Figure 1 (\$61.1 million), in addition to other capital projects located throughout Durham Region.

**Figure 2: Potential Development Charge Revenue from BEDG, 2018 Dollars**

	Development Charge Revenue <sup>1</sup>
Water Supply	21,126,219
Sanitary Sewerage	20,567,743
Regional Roads	20,744,741
Regional Police Services	1,603,872
Long Term Care	42,493
Paramedic Services	381,478
Health and Social Services	276,036
Housing Services	867,983
Development Related Studies	42,493
<b>Total</b>	<b>65,653,058</b>

<sup>1</sup> Assumes that all high-density units have two or more bedrooms.

Source: urbanMetrics inc. based on Region of Durham 2018 Development Charges Background Study.

Overall, if development in the Soper Springs and Soper Hills Secondary Plans did not occur until after the current capital forecast horizon (i.e. the year 2027), which is likely based on the current timing of the capital infrastructure program, it would result in the Region of Durham incurring reserve fund deficits and increased interest costs. Delays in the development of the Soper Springs and Soper Hills Secondary Plans could also impact the Region and Municipality's ability to achieve the 2031 population forecasts included in Schedule 3 of the Growth Plan, the Durham Regional Official Plan and Municipality of Clarington Official Plan (OPA 107).

By ensuring that the capital projects identified in Figure 1 are completed by the year 2022, it will increase the likelihood that the Region will collect the necessary development charge revenues to fund their capital program and also achieve the 2031 population forecasts.

If you have any questions or comments, please do not hesitate to contact the undersigned.

Yours truly,

urbanMetrics inc.



Craig Ferguson  
Associate Partner



May 25, 2018

Daniel H. Steinberg  
Davies Howe LLP  
The Tenth Floor  
425 Adelaide Street West  
Toronto, Ontario  
M5V 3C1

Dear Mr. Steinberg:

RE: Response to Comments Related to the 2018 Regional Development Charge Background Study

---

The Regional  
Municipality  
of Durham

Finance Department

605 ROSSLAND RD. E.  
PO BOX 623  
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1-800-372-1102  
Fax: 905-666-6207

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Thank you for your letter dated May 21, 2018 which included letters from Weston Consulting, SCS Consulting Group Limited and urbanMetrics Inc. regarding the 2018 Region-wide Development Charge Study. Please find responses to the questions below.

### **Bowmanville East (Soper Hills) Secondary Plan**

1. It has been requested Sanitary Item 303 – Sanitary Sewer on Bennett Road from Baseline to Highway 2 be advanced from 2027 and 2022.

Based on the latest preliminary design work completed by the Region, the majority of the Bowmanville East (Soper Hills) Secondary Plan does not require this section of sanitary sewer. There are substantial downstream works to be constructed (DC Items 302 & 305) before DC item 303 could proceed.

It is recommended that the timing for this capital item remain in 2027. The need for this capital project will be reviewed in the future as the Secondary Plan, Draft Plans of Subdivision and construction of items 302 and 305 progress.

### **Bowmanville North (Soper Springs) Secondary Plan**

2. It has been requested that Water DC Item 304 – Zone 2 Pumping Station at Zone 1 Reservoir Feedermain be advanced from 2026 to 2022.

The letter from SCS Consulting Group Limited indicates that the proposed servicing work being completed by Schaeffer will include a scenario to service all or part of the Bowmanville North (Soper Springs) Secondary Plan with the Zone 1 water system. To date, the Region of Durham has not received or considered this request and it is the Region's expectation that the Bowmanville North





(Soper Springs) Secondary Plan will be serviced by the Zone 2 water system.

Therefore it is expected that the servicing of the Bowmanville North (Soper Springs) Secondary Plan will require multiple upgrades to the Zone 2 water system including the Zone 2 reservoir expansion, the Zone 2 pumping station at the Zone 1 reservoir and the feedermain connecting the Zone 2 pumping station to the Zone 2 reservoir. These items currently follow the Zone 1 system upgrades in the DC forecast.

It is recommended that the timing for this capital item remain in 2026. This will be reviewed in the future as the Secondary Plan, Draft Plans of Subdivision and construction of the items noted above progress.

3. It has been requested that Sanitary DC Item 304 – Sanitary Sewer on Mearns Ave. from Freeland to Concession 3 be advanced from 2025 to 2022.

Under typical circumstances, the Region coordinates the construction of linear projects as part of any applicable road and development projects once they are defined. These details will need to be refined as the Secondary Plan process moves forward.

It is recommended that the timing for this capital item remain in 2025. This can be reviewed in the future as the Secondary Plan, Draft Plans of Subdivision and construction of the items noted above progress.

4. Sanitary DC Item 300 – Northeast SSPS and forcemain.

The letter from SCS Consulting Group Limited states that the location of the sanitary sewage pumping station will be determined as part of the Secondary Plan process. This is not the case as a Class Environmental Assessment will be required in order to confirm the location of the sanitary sewage pumping station.

The timing of the capital program in the 2018 Development Charge Study is a guideline. The Regional capital programs are reviewed annually and the timing of individual capital projects are subject to change based on the demand for the works and the availability of funds. The need for the capital items required to support the Bowmanville East (Soper Hills) and Bowmanville North (Soper Springs) Development Areas will be reviewed on an annual basis within the context of the status of the Secondary Plans (which have not yet commenced) for these lands. Please note that the Region plans development to proceed generally in a sequential manner in



order to ensure the coordination of infrastructure in an orderly and efficient manner.

If you have any questions or comments, please call me at 905-668-4113 ext 2300.



Mary E. Simpson, CPA, CMA, MA  
Acting Commissioner of Finance

cc: R. Walton, Regional Clerk / Director of Legislative Services  
S. Siopis, Commissioner of Works  
B. Bridgeman, Commissioner of Planning and Economic Development  
K. Ryan, Senior Solicitor  
J. Presta, Director of Environmental Services  
P. Gillespie, Manager of Development Approvals  
S. Tsenis, Manager, Corporate Asset Management  
A. Wismer, Economist  
M. MacDonald, Economist  
G. Asselin, Economist

May 18, 2018

Regional Municipality of Durham  
605 Rossland Road East, Level 1  
PO Box 623  
Whitby, Ontario  
L1N 6A3

Attention: Mr. Ralph Walton,  
Regional Clerk/Director of Legislative Services

Dear Sir:

**RE: Proposed Regional Development Charges By-law and  
Related Background Study dated March 27, 2018  
Comments from the Seaton Landowners  
North Pickering Community Management Inc.  
Seaton Phase 1 Regional Infrastructure  
Front Ending Agreement dated November 26, 2015  
City of Pickering  
Region of Durham**

---

I am the President of and an Authorized Signing Officer for North Pickering Community Management Inc. ("NPCMI"), the Trustee appointed pursuant to the provisions of the Seaton Phase 1 Regional Infrastructure Front Ending Agreement dated November 26, 2015 ("the RFEA"). For the purposes of the RFEA, NPCMI acts on behalf of various landowners in the Seaton Community, ("the Seaton Landowners").

I enclose for your consideration the Seaton Landowners' comments on the above-noted proposed by-law and study, as prepared by SCS Consulting Group Ltd.

Please confirm receipt of this letter and enclosures.

Thank you.

Yours truly,

**NORTH PICKERING COMMUNITY MANAGEMENT INC.**



Andrew Orr  
President/ASO

cc. Seaton Project Manager/Group Engineer – Mr. Glenn Pitura (via email only)  
SCS Consulting – Ms. Julie Bottos (via email only)  
CSA Solicitor – Mr. Daniel Steinberg (via email only)  
CSA Accountant – Mr. Joseph Di Ilio (via email only)

Regional proposed DCC by-law and background study, Trustee cover letter - 18.May.2018.docx



**File #:** 1682  
**Date:** May 18, 2018

**Mr. Ralph Walton**  
**Regional Clerk / Director of Legislative Services**  
Regional Municipality of Durham  
605 Rossland Road East, Level 1, P.O. Box 623  
Whitby, Ontario, L1N 6A3

Dear Mr. Watson:

**Re: North Pickering Community Management Inc. (Seaton)  
Comments on Regional Roads Development Charge Calculations  
2018 Development Charge Background Study  
Region of Durham**

We are writing on behalf of North Pickering Community Management Inc. also known as the Seaton Landowners with respect to the Regional Roads Development Charge Calculation for roads projects included in the 2018 Development Charge Background Study, dated March 27, 2018, and included in the Seaton Phase 1 Regional Infrastructure Front Ending Agreement (RFEA), executed on November 26, 2015.

Our comments are as follows:

*Roads DC Project # 38.5 – Whites Road – Taunton Road to Whitevale Rd.:*

- In accordance with the RFEA, the Seaton Landowners have undertaken the up-fronting for the detailed design, contract administration and construction of this project. Our current engineers cost estimate for the work is \$18,310,000 the gross capital cost estimate provided in the DC Background Study is \$14,960,000. Please consider updating this amount to reflect our engineers estimate. A detailed summary of budget is attached for your reference.

*Roads DC Project # 38.6 – Whites Road – Whitevale Rd. to Hwy #7:*

- In accordance with the RFEA, the Seaton Landowners have undertaken the up-fronting for the detailed design, contract administration and construction of this project. Our current engineers cost estimate for the work is \$14,700,000 the gross capital cost estimate provided in the DC Background Study is \$7,850,000. Please consider updating this amount to reflect our engineers estimate. A detailed summary of budget is attached for your reference.

*Roads DC Project # 28.3 – Peter Matthews Drive (Rossland Road RR 28):*

- In accordance with the RFEA, the Seaton Landowners have undertaken the up-fronting for the detailed design, contract administration and construction of this project. Our current budget for the work is \$57,130,000 the gross capital cost estimate provided in the DC Background Study is \$46,000,000. Please consider updating this amount to reflect our budget. The Rossland Road works have been split between 4 RFEA Assignments by the Seaton Landowners, one of the 4

**Re: North Pickering Community Management Inc. (Seaton)  
 Comments on Regional Roads Development Charge Calculations  
 2018 Development Charge Background Study  
 Region of Durham**

assignments has been awarded and the cost updated to reflect the contract award, the other 3 assignments are currently being designed and engineer's estimates are in the process of being prepared. We request that the Region consider updating based on the budget above or provide us with additional time after May 22<sup>nd</sup> and before the passing of the By-law to provide more detailed cost estimates in support of these works.

Roads DC Project # 38.7 – Whites Road – Whitevale rd. to Hwy #7 – Widen from 4 to 6 Lanes:

- Please provide additional information as to why the Benefit to Existing (BTE) share in the 2018 DC Background Study reduced from 26% in 2013 to 20%.

Roads DC Project # 38.3 – Whites Road – Finch Avenue #37 to South of Third Concession – Widen from 2 to 6 Lanes with CPR Grade Separation:

- Please provide additional information on the adjustments made to the BTE, Post Period and Seaton Share from 2013 to 2018 as noted in the table below:

ITEM	2013	2018
Benefit to Existing	14%	17%
Post Period	61%	40%
Seaton Share	25%	43%

- As noted above the Seaton Share has increase from 25% to 43%

Roads DC Project # 4.2 – Taunton Road RR#4 – West of Twelvetrees Bridge to Peter Matthews Drive #28:

- Please provide additional information on the adjustments made to the BTE, Post Period and Seaton Share from 2013 to 2018 as noted in the table below:

ITEM	2013	2018
Benefit to Existing	14%	4%
Post Period	0%	45%
Seaton Share	86%	51%

- As noted above the Seaton Share has decrease from 86% to 51%.

Roads DC Project # 1.45 – Brock Road RRI- Taunton Road to Alexander Knox - Fifth Concession Road:

- The Gross Capital Cost for the above noted project has decreased from \$7.39 million in the 2013 DC Background Study to \$2.32 million, please provide additional information on the basis for the revision. In addition, please provide information on the adjustments made to the BTE, Post Period and Seaton Share from 2013 to 2018 as noted in the table below:



Re: **North Pickering Community Management Inc. (Seaton)  
Comments on Regional Roads Development Charge Calculations  
2018 Development Charge Background Study  
Region of Durham**

ITEM	2013	2018
Gross Cost	\$7,396,000	\$2,320,000
Benefit to Existing	27%	12%
Post Period	60%	0%
Seaton Share	13%	88%

- As noted above the Seaton Share has increased from 13% to 88%.

Roads DC Project # 1.6:

- The Gross Capital Cost for the above noted project has decreased from \$4.04 million in the 2013 DC Background Study to \$1.03 million, please provide additional information on the basis for the revision. In addition, please provide information on the adjustments made to the BTE, Post Period and Seaton Share from 2013 to 2018 as noted in the table below:


ITEM	2013	2018
Gross Cost	\$4,039,000	\$1,030,000
Benefit to Existing	27%	10%
Post Period	46%	0%
Seaton Share	27%	90%

- As noted above the Seaton Share has increased from 27% to 90%.

Please contact the undersigned if you have any questions or require any additional information.

Sincerely,

**SCS Consulting Group Ltd.**

  
Julie Bottos ASc.T  
jbottos@scsconsultinggroup.com

Attachments: Table 1 – Schedule D – Regional Roads RFEA (2018/2013 Compare)  
1682 – RFEA OC WORKS – WHITES ROAD  
Whites Road Legal Agreement – MTO & Durham  
1682 – RFEA OC WORKS – ROSSLAND ROAD

- c. Seaton Landowners  
Mr. Gary Asselin – Regional Municipality of Durham  
Mr. Paul Gillespie – Regional Municipality of Durham

P:\1682 North Pickering Landowners Group Correspondence\Letters\Region-jlb-DC\Review-May17.18.docx



May 25, 2018

Mr. Andrew Orr, Trustee  
North Pickering Community Management Inc  
30 Madras Place  
Brampton, Ontario  
L6S 2Z2

Dear Mr. Orr:

RE: Response to Comments Related to the 2018 Regional Development Charge Background Study

---

The Regional  
Municipality  
of Durham

Finance Department

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Thank you for your letter dated May 18, 2018 which included a letter from SCS Consulting Group Ltd regarding the 2018 Region-wide Development Charge Study. Please find responses to the questions below.

1. It has been requested that the estimated cost of the following road projects in the proposed 2018 Regional Development Charge Background Study be increased:
  - a. Roads DC Item 38.5 – Whites Road from Taunton Road to Whitevale Road be increased from \$14.96 million to \$18.31 million;
  - b. Roads DC Item 38.6 – Whites Road from Whitevale Road to Hwy #7 be increased from \$7.85 million to \$14.7 million; and
  - c. Roads DC Item 28.3 – Peter Matthews Drive (Rossland Road RR 28) be increased from \$46.0 million to \$57.13 million.

#### Response

The majority of the roads within Seaton are in the design phase and it is premature at this point to modify the estimated costs provided in the 2018 Development Charge Study. As well, the section on Rossland Road that was tendered may not be indicative of the remaining projects in Seaton.

2. Clarification and additional information was requested as follows:
  - a. Clarification is sought as to why the Benefit to Existing (BTE) Share for DC Item #38.7 (Whites Road from Whitevale Road to Hwy #7 – widening from 4 – 6 lanes) decreased to 20% in 20108 from 26% in 2013.



- b. Additional information is requested on the following adjustments to DC Item #38.3 (Whites Road from Finch Avenue to South of Third Concession)

<b>Item</b>	<b>2013</b>	<b>2018</b>
BTE	14%	17%
Post Period	61%	40%
Seaton Share	25%	43%

- c. Additional information is requested on the following adjustments to DC Item #4.2 (Taunton Road from West of Twelvetrees Bridge to Peter Matthews Drive)

<b>Item</b>	<b>2013</b>	<b>2018</b>
BTE	14%	4%
Post Period	0%	45%
Seaton Share	86%	51%

- d. Additional information is requested on the following adjustments to DC Item #1.45 (Brock Road from Taunton Road to Alexander Knox)

<b>Item</b>	<b>2013</b>	<b>2018</b>
Gross Cost	7,396,000	2,320,000
BTE	27%	12%
Post Period	60%	0%
Seaton Share	13%	88%

- e. Additional information is requested on the following adjustments to DC Item #1.6 (Brock Road from Alexander Knox Rd./ Fifth Concession Rd. to Highway 7)

<b>Item</b>	<b>2013</b>	<b>2018</b>
Gross Cost	4,039,000	1,030,000
BTE	27%	10%
Post Period	46%	0%
Seaton Share	27%	90%

Response

This is the result of project limit changes and the construction funding of some projects are now beyond the forecast period in the 2018 DC Study. Therefore, only the preparatory work is identified in the development charge by-law for items d. and e. above, which are future four to six lane road widenings.

The main reasons for the changes in the post period benefit allocations include:

- The model in the 2018 DC Study was calibrated with the 2011 Transportation Tomorrow Survey and the 2013 DC model was calibrated with the 2006 Transportation Tomorrow Survey.
- The population / employment forecasts in the 2018 DC Study varies from the 2013 DC Study.

The Benefit to Existing allocations have changed for many projects as the condition and construction timelines have also changed.

Please be advised that the final recommendations regarding the Region-wide Development Charge By-law will be considered by Committee of the Whole on June 6, 2018 and Regional Council on June 13, 2018. Your letter and our staff response will be provided to Regional Council as part of that report.

If you have any questions or comments, please call me at 905-668-4113 ext 2300.



Mary E. Simpson, CPA, CMA, MA  
Acting Commissioner of Finance

cc: R. Walton, Regional Clerk / Director of Legislative Services  
S. Siopis, Commissioner of Works  
B. Bridgeman, Commissioner of Planning and Economic Development  
K. Ryan, Senior Solicitor  
J. Presta, Director of Environmental Services  
P. Gillespie, Manager of Development Approvals  
S. Tsenis, Manager, Corporate Asset Management  
A. Wismer, Economist  
M. MacDonald, Economist  
G. Asselin, Economist





Works  
Department

## Interoffice Memorandum

**TO:** Regional Chair and All Members of Regional Council

**FROM:** Susan Siopis, Commissioner of Works

**COPY:** Garry Cubitt, CAO  
Department Heads

**DATE:** April 17, 2018

**RE:** **Staff Response to Council's Question Regarding the Regional Well Interference Policy**

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At the April 11, 2018 public meeting for the proposed Regional Development Charge By-law and the related underlying background study, Council requested clarification of the intent and potential impacts of the one proposed revision to the Regional Well Interference Policy, specifically section 1.0 (b) of Attachment No. 1 of Appendix C, which states:

### 1. Well Interference During Construction Provisions

- b) In the event that the resident is unwilling to cooperate with the Region's investigation into the well interference claim, as determined by the Commissioner of Works, the "During Construction Provisions" of the well interference policy will no longer be available to provide relief to the subject property."

The proposed change is being requested because the Region requires cooperation from the resident to review the magnitude and, in particular, the duration of the well interference.

When a property owner's private well is impacted by the construction of Regional services, the Region continues to monitor the existing well while a temporary solution is implemented (typically a temporary water supply tank and regular potable water delivery). If the Region determines that the well has sufficiently recovered, the temporary solution is no longer provided.

There have been instances where residents prefer the temporary water supply as it is often a better water supply than their existing, marginally performing well and it is provided at no cost to them. There has been an occurrence where the resident has refused to allow the Region access to their property and has removed monitoring equipment which prevented the

Region from determining if the well has recovered sufficiently. The impacts of these actions by the landowner are additional temporary water supply costs as well as significant additional Regional staff time in trying to resolve the issue.

The vast majority of residents work cooperatively with the Region through this process. This proposed revision to the Regional Well Interference Policy will have no impact on those residents.

**Original Signed By**

---

Susan Siopis, P. Eng.  
Commissioner of Works

**Appendix #7**  
**Submissions From Area Municipalities and Staff Responses**

## **Appendix #7 – Submissions from Area Municipalities and Staff Responses**

### **1. Town of Whitby Resolution #163-18**

Resolution #163-18, adopted by Town of Whitby Council on May 7, 2018, asked the Region to make a number of considerations in the proposed Development Charge By-law. Below is a list of the recommendations contained in the resolution and the Region's response to each.

- a) The Town of Whitby acknowledges the proposed change to the DC By-law to broaden the redevelopment credit to public schools, places of worship and government buildings, at the institutional development charge rate. However, Town of Whitby has requested that the Region waive development charges for the redevelopment of a public school, place of worship or government building within a designated Community Improvement Plan (CIP) area having been declared surplus and sold for development and conversion into office space.

#### **Regional Response:**

Providing a development charge discount or exemption is contrary to Regional Council's growth pays for growth financial policy. Deviating from this policy will result in development charge shortfalls which must be recovered from property taxes (for roads and general services) and user rates (for water and sanitary sewerage).

Under the proposed Regional development charge by-law, if a public school, place of worship or government building is redeveloped, a redevelopment credit would apply to the existing floor space being demolished / redeveloped at the institutional development charge rate (proposed rate is \$9.63 per square foot). If for example, the building was redeveloped into an office building, the commercial development charge rate would apply on the square footage being redeveloped (proposed at \$18.47 per square foot). Therefore, if the floor space remained unchanged, the difference between the commercial and institutional rate of \$8.84 per square foot (\$18.47 less \$9.63) would apply to the existing floor space.

The development charge of \$8.84 per square foot reflects that commercial development imposes a higher demand on Regional services compared to institutional uses.

In addition, if a proposed redevelopment project within a CIP area is not financially viable, the area municipality can apply for funding under the Regional Revitalization Program.

- b) The Town of Whitby has request that the Regional DC By-law provide similar incentives for multi-residential (high density) developments within CIP areas. For high density residential development in the Town of Whitby CIP area, 50 per cent of the applicable development charges are payable (from April 1, 2017 to March 31, 2019).

#### **Regional Response:**

Providing a development charge discount or exemption is contrary to Regional Council's growth pays for growth financial policy. Deviating from this policy will result in development charge shortfalls which must be recovered from property taxes (for roads and general services) and user rates (for water and sanitary sewerage).



The Region's policy that growth pays for growth is to ensure that development charges fund the growth-related capital costs needed to accommodate new development and to minimize the impact on user rates and property taxes. The Region does not provide a broad exemption or discount within local CIP areas as this may provide financial assistance to projects that are viable without financial assistance. Alternatively, financial assistance can be provided through the Regional Revitalization Program on a case by case basis where it is illustrated that the project is not viable without financial assistance.

Regional Council has approved financial assistance through the Regional Revitalization Program to support a number of high density residential projects including the Medallion Development in the Town of Ajax, 100 Bond in the City of Oshawa, and more recently the approval of funding for the Genosha Hotel redevelopment in the City of Oshawa (which will receive a redevelopment credit and funding under the Regional Revitalization Program). The Region's Development Charge Background Study is also recommending the continuation of the Intensification Servicing Policy which supports intensification within built-up areas. This policy provides assistance to intensification projects that require unanticipated Regional sanitary sewerage development charge capital works, due to the site specific location and infrastructure constraints of the development which would otherwise be funded by the developer.

In addition, modifications to the development charge by-law to broaden the statutory exemption to detached secondary units and to ensure apartments within commercial uses are charged the lower apartment Development Charge rates.

Since CIP boundaries are established by the area municipalities, if the Region was to provide exemptions to match CIP exemptions provided by local area municipalities, the foregone revenue to the Region be significant and would have to be funded on an annual basis through the Regional Water and Sewer User Rate and Property Tax budgets.

- c) The Town of Whitby has requested that the Region re-instate the commercial development charge discount for office development greater than 25,000 square feet as follows:
  - a. 50 per cent of the applicable rate from July 1, 2018 to June 30, 2020;
  - b. 75 per cent of the applicable rate from July 1, 2020 to June 30, 2022; and
  - c. 100 per cent of the applicable rate as of July 1, 2022 (i.e. no discount).

#### Regional Response:

Phasing out the large office discount is part of the long term strategy approved by Regional Council to phase in full non-residential development charges to ensure that growth pays for growth and minimize the impact on user rates and property taxes.

Regional Council approved a large office discount in the 2008 DC Study, where a large office development (greater than 25,000 square feet) would pay 25 per cent of the applicable commercial development charge rate. Over 2008 to 2013 one large office development was constructed.

In the 2013 DC Study, as approved by Regional Council, the large office discount was phased out over four years. During those four years, there were no large office developments. The lack of large office developments in the Region between 2008 and 2018 suggests that development charges are not an impediment to (or the cause of lack of) large office development in the Region.

The recommended commercial rate aligns with the Region's commitment to have growth pay for growth, which minimizes the pressure on property taxes and water and sewer user rates. It is supported by broader practice and research which indicates that Development Charges play a minor role in the financial and locational decision making process related to non-residential development. Where factors such as available labour force, major transportation networks, property taxes and water/sewer rates may play a more significant role in locational decisions.

- d) The Town of Whitby has also requested for the following discounts in the industrial development charge as follows (for industrial development greater than 25,000 square feet):
  - a. 50 per cent of the applicable rate from July 1, 2018 to June 30, 2020;
  - b. 75 per cent of the applicable rate from July 1, 2020 to June 30, 2022; and
  - c. 100 per cent of the applicable rate as of July 1, 2022 (i.e. no discount).

#### Regional Response:

Regional Council approved the phase in of the full rate for industrial development charges in the 2013 DC Study (from July 1, 2013 to July 1, 2016) as part of the long term strategy to ensure that growth pays for growth and minimize the impact on user rates and property taxes.

The recommended industrial rate aligns with the Region's commitment to have growth pay for growth, and utilizes the opportunity to recover growth related capital costs from new non-residential development. It is supported by broader practice and research which indicates that DCs play a minor role in the financial and locational decision making process related to non-residential development. Where factors in addition to those identified above for office developments, such as proximity to markets, serviced lands access/traffic circulation for heavy truck traffic, proximity to intermodal facilities, flexibility in zoning, parcel size and configuration; and compatible surrounding land uses/buffers from surrounding non-industrial uses may play a more significant role in locational decisions

Further, Durham holds an advantage, cost-wise with relatively lower land prices compared to other GTA regions and lower industrial development charges. As well, the Region is phasing out the vacant excess land property tax discount and applying this revenue to reduce municipal taxes on occupied industrial properties (i.e. a reduction of 10%), over a three year period.

Further, it is recommended that the Region broaden the statutory exemption for industrial expansion to no longer require the expansion to be attached to the existing facility (can be detached and on the same site).

- e) The Town of Whitby has requested that the Region exempt non-profit hospices from development charges.

Regional Response:

Hospices are expressly included in the proposed DC By-law's definitions and will attract the Institutional DC rate, which is the lowest of the non-residential DC rates. This is consistent with the treatment of other non-profit developments.

Should Regional Council elect to provide financial assistance to a particular type of housing or development, it is recommended that this occur external to the policies of the development charge by-law on a case-by-case basis.

- f) The Town of Whitby has requested that the Region exempt public post-secondary institutions from development charges.

Regional Response:

Universities and colleges (excluding private colleges) are agencies of the Crown and are not bound by the Development Charges Act. Therefore, development charges are not applied to public post-secondary institutions and the Region is not required to expressly exempt these institutions from the payment of Regional Development Charges.

## **2. Town of Whitby Recommendations Regarding Development of Employment Lands**

The Town of Whitby Council has requested the following recommendations with respect to the 2018 Regional Development Charge Background Study through the following Council Resolution #146-18 and Resolution #147-18:

- Resolution #146-18: That Council request the Region of Durham amend its regional share policy to permit developers of employment lands to collect from benefiting lands owners.
- Resolution #147-18: That Council request servicing for the employment lands in the Brooklin Secondary Plan be included and implemented within the Region of Durham's initial five (5) years of the new Development Charges By-law and corresponding ten (10) year Capital Plan to support jobs growth.

With regards to Resolution #146-18, the Region share policy for non-residential development is to fund over-sized requirements that the Region requests from non-residential development with Regional Council approval on a case-by-case basis.

In order to permit developers of employment lands to collect from benefiting landowners, the Region could undertake the necessary public process and implement an Area Specific Development Charges By-law. This has been successfully utilized by the Region in the Carruthers Creek Area in the Town of Ajax and can be used to ensure cost recovery for a developer(s) from benefiting landowners for local servicing costs in employment lands throughout the Region. An in depth discussion of this option is provided in Appendix #5.

With regards to Resolution 147-18, the Regional capital programs are reviewed annually and the timing of individual capital projects are subject to change based on the demand for the works and the availability of funds, as approved by Regional Council.

The water feeder mains along Conlin Road are currently shown within the initial five years of the proposed program in the 2018 Regional Development Charge Study. The trunk sanitary sewer on Thickson Road, south of Conlin Road, is currently shown in 2023. This is to match with the proposed timing for the corresponding Road DC project number 26.5 - Thickson Road widening from 2 lanes to 5 lanes between Taunton Road and Highway 407. It is important to note that local water and sanitary sewer servicing will still be required within the Employment Lands.

The majority of the lands east and west of Thickson Road (including the lands currently fronting Garrard Road) are planned to be serviced from the proposed east-west Town of Whitby arterial road as shown in the Town of Whitby's Brooklin Secondary Plan. Acquisition of the necessary lands and construction of this local road is required prior to providing either Regional or local services to these lands. In addition, all associated utilities would need to be planned and implemented in order to service the subject lands.

The need for the Regional capital items required to service the Brooklin Secondary Plan will be reviewed on an annual basis. If staff identify the need for these works to be advanced and the capital items can be accommodated within other capital project priorities, staff will recommend that they be included in the applicable Capital Budget, which is subject to Regional Council approval.

### **3. Township of Uxbridge Information Report on Durham's Proposed Development Charges By-law**

The Township of Uxbridge report is supportive of the highlighted recommendations in the proposed Regional DC By-law. A number of the proposed changes to the Township's DC By-law will also be considered (i.e. definition of apartment, 10-year DC credit period, treatment of air-supported structures, agricultural bunkhouses, dens and parking structures).

### **4. Township of Scugog Recommendations to the 2018 Regional Development Charge Background Study**

The Township of Scugog has asked the Region to make a number of considerations in the proposed Development Charge By-law. Below is a list of the recommendations contained in the Scugog Report.

- a. The Township of Scugog has requested the widening of Simcoe Street from King Street to south of Greenway Boulevard and intersection improvements at Simcoe Street and Oyler Drive be advanced to 2022 from 2027 or sooner to support the adjacent properties.

Regional Response:

The timing of these capital projects reflects the timing of anticipated development in this area. Furthermore, the timing of the capital program in the 2018 Development Charge Study is a guideline. The Regional capital programs are reviewed annually and the timing of individual capital projects are subject to change based on the demand for the works and the availability of funds.

The need for the capital items in question will be reviewed on an annual basis. If staff identify the need for these works to be advanced and can be accommodated within other capital project priorities, staff will recommend that it is included in the applicable capital budget, which is subject to Regional Council approval.

- b. The Township of Scugog has requested the Port Perry Employment Lands Sanitary Sewage Pumping Station and sanitary forecmain to begin the Environmental Assessment in 2020, or sooner, and construction no later than 2022 (construction shown in 2025 in the DC Study) to permit development of the Port Perry Employment Lands.

Regional Response:

The development of these employment lands depend on the existing properties constructing local sanitary sewers within future local area municipal roads to convey flows to the proposed sanitary sewage system pumping station and on the Region constructing the necessary water supply infrastructure.

The proposed timing of the pumping station in the 2018 Development Charge Study (i.e. 2025) is a guideline. As the Regional capital programs are reviewed annually, the timing of individual capital projects are subject to change based on the demand for the works and the availability of funds. If staff identify the need to advance these works and they can be accommodated within other capital project priorities, staff will recommend that it is included in the applicable capital budget, which is subject to Regional Council approval.

It should be noted that development of the eastern portion of the employment lands does not require the sanitary sewage pumping station.

- c. The Township of Scugog has requested that the Region of Durham create a new category for Hotel developments to encourage the development of hotels in the Region and that the rate be set lower than the Commercial rate based on the fact that hotels tend to have fewer employees per square foot of space.

Regional Response:

Any discount or exemption in development charges must be funded through property taxes (for roads and general services) and user rates (for water and sanitary sewerage). The Region's policy that growth pays for growth is to ensure that development charges fund the growth-related capital costs needed to accommodate new development and to minimize the impact on user rates and property taxes.



The Regional Development Charges rely on an average approach and do not segregate sub-categories of commercial development. This would require detailed long term forecasts of this type of development and their related capital needs.

Although it is noted in the report that the number of employees may be low per square foot for hotels, the demands on roads, water and sanitary sewerage services for hotels are not only from the employees, but from the use of the facility (those staying in the hotel, potentially a pool etc.).

- d. The Township of Scugog has requested that the Region establish a development charge to provide funding for growth related capital costs for broadband infrastructure to provide basic service throughout the Region, especially in rural areas.

#### Regional Response:

This has not been considered as part of the Development Charge Review. Implementing a new Development Charge for broadband infrastructure will require a service definition, the calculation of the historical level of service, measure the increase in service related to new development and an expression of Regional Council to provide for the increase in need for this service in the 10-year forecast period. Given the service issues, it is anticipated that there will be a considerable benefit to existing which would not be eligible for Development Charges.

Furthermore, broadband infrastructure has not been included in any Ontario municipal Development Charge By-laws.





# Town of Whitby Staff Report

[whitby.civicweb.net](http://whitby.civicweb.net)

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**Report Title: Regional Development Charge By-Law & Economic Development Incentive**

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**Report to: Operations Committee**

**Date of meeting: April 30, 2018**

**Report Number: CS 29-18**

**Department(s) Responsible:**

Corporate Services Department  
Community and Marketing Services  
Department  
Planning and Development Department

**Submitted by:**

Ken Nix, Commissioner of Corporate  
Services/ Treasurer

**Acknowledged by M. Gaskell, Chief  
Administrative Officer**

**For additional information, contact:**

Ken Nix, Commissioner of Corporate  
Services/ Treasurer x4314

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## 1. Recommendation:

1. That CS 29-18 be received as information from the Commissioner of Corporate Services/ Treasurer;
2. That Council endorse the recommendations as set out in Report CS 29-18 and;
3. That the Clerk be directed to send Report CS 29-18 to the Region of Durham as input to the update of the Regional Development Charge By-law.

## 2. Highlights:

- Durham Region is proceeding with the public process to have a new Regional Development Charge By-law in place by June 30, 2018.
- This public process allows interested parties to provide input into the proposed Regional Development Charge (DC) by-law and includes a statutory public meeting, and an opportunity to provide written submissions.

- Staff are recommending that the Regional DC by-law include exemptions to encourage complete communities, healthy downtowns and targeted incentives for economic attraction.

### 3. Background

Staff from Planning, Community and Marketing Services, Public Works, and Corporate Services, attended a meeting held by the Region to understand the initial recommendations included by the Region.

### 4. Discussion:

Durham Region is proposing changes in the Regional Development Charge By-law to address some of the concerns previously expressed by lower tier municipalities.

The main proposed changes include the following:

- Broadening the development charges credit for redevelopment to include exempt buildings,
- Broadening of statutory industrial expansion exemptions,
- Modifications to encourage the development of social and affordable housing including payment deferral, secondary unit exemptions, and the treatment of units built in mixed-use developments that do not currently qualify as apartments,
- New development charge service for social and government assisted affordable housing, and
- Intensification servicing policy maintained and updated.

Further a number of changes have been made within the by-law to clarify the Region's position on the treatment of non-residential structures including air supported structures, agricultural bunk houses, hospices, parking structures, and clarification of the treatment of dens and apartment units.

Staff support the majority of these changes and reviewed the proposed background summary for other complementary opportunities that strengthen initiatives in Whitby and across the Region of Durham as a whole.

- Healthy and vibrant downtown cores support strong communities and are critical for municipalities across the Region.
- Attracting opportunities for economic development both in Whitby and across the Region is a focus for all municipalities within Durham Region.
- Community building requires support from all levels of government to needed health and education services.

### Recommendations

The following recommendations for changes to the Region's proposed Development Charge (DC) By-Law are incentives the Town of Whitby has already included in its DC By-Law. The Town of Whitby is not seeking additional DC incentives above and beyond

what has already been implemented by the Town at the lower tier level. The combination of local and regional exemption on non-residential development can be used to incent new development and jobs growth.

### **Downtown Revitalization Opportunities**

The Region of Durham recognizes the importance of incentives for downtown revitalization purposes through their Downtown Revitalization Program. Although these incentives can be leveraged against local municipal DC's where applicable, they cannot be relied on as an early attractor by developers since the need for the incentives must be established through a business case. An "as of right" incentive through a regional DC exemption, similar to the existing parking structure exemption, would provide more certainty for development proposals within Community Improvement Plans (CIPs).

#### **1. Businesses/Revitalization- Institutional Buildings Redeveloped for Office Purposes**

It was questionable if institutional buildings, that were initially exempt from DC's, were eligible for credits if these buildings were sold for redevelopment purposes under the previous by-law.

The Region has revised wording to recognize the demolition and/or redevelopment of schools, places of worship and government buildings would receive a credit equal to the equivalent institutional rate for the existing buildings.

Staff believe there are further opportunities to reinforce economic development in Downtown cores across the Region of Durham through the redevelopment of these institutional buildings and recommend:

- where public schools, places of worship and government buildings within designated CIP areas have been declared surplus and sold for development and converted into office space, that no development charge would be applied

#### **2. High Density Multi-Residential**

Intensification is vital for a healthy and vibrant downtown core. Whitby's proposed CIP provides incentives for high density development within the Whitby downtown CIP areas.

A similar incentive from the Region would strengthen opportunities for high density residential development within the downtown cores and recommend:

- That the Region DC by-law provide similar multi-residential incentives within CIP areas as local municipalities to strengthen targeted intensification.



## **Broader Economic Development Opportunities for Employment Lands**

The recent expansion of the 407 and 412 has created new opportunities for the attraction of employment opportunities Region Wide. The development of West Whitby in conjunction with these highways has opened up opportunities for the development of employment lands in Whitby.

To take advantage of these new opportunities, staff recommend phased incentives for employment attraction.

### **1. Office Attraction**

The Region's previous Development Charge By-law included an exemption for large office development which was phased out during the life of the by-law. Economic Development staff from across the region met with Regional Finance staff and indicated that the office exemption should continue. The Regional staff indicated there was no pick-up on the exemption and therefore would not be included in the by-law.

Town staff are recommending that the Region continue the DC partial exemption for Office. It is recommended that the proposed by-law include a similar exemption to Whitby for large office development to encourage attraction of large office buildings.

- where the gross floor area of a new office development that exceeds 2,323SM (25,000 SF) that the DC shall be 50% of the amount that would be payable from July 1, 2018 to June 30, 2020; by 75% of that amount that would otherwise be payable from July 1, 2020 to June 30, 2022, or 100% of the amount after July 1, 2022 to the end of the by-law (assuming this will be a 5 year by-law).

### **2. Industrial Attraction**

The proposed by-law strengthens opportunities for expansion of industrial business on the same site, but does not address attraction of new large industrial opportunities. The Town supports the Region's proposed change to the definition of industrial expansion, as the old definition has resulted in Whitby industries paying the full DC rate for expansions in the past.

#### **Large Industrial Opportunities:**

The recent initiatives above create opportunities for large industrial attraction that was not previously available. As a result staff recommend a phased in approach for incenting large industrial developments.

- where the gross floor area of a new industrial use building exceeds 2,323 SM (25,000 SF), that the total development charge shall be 50% of the amount that would be payable from July 1, 2018 to June 30, 2020; by 75%

of that amount that would otherwise be payable from July 1, 2020 to June 30, 2022, or 100% of the amount after July 1, 2022 to the end of the by-law.

## **Other Community Building Incentives**

### **Special Purpose/ Special Needs- Hospice**

Local hospices have been recognized as underserviced within our health care system and the government has provided grant funding opportunities for hospices across Durham Region. However, each hospice requires significant fundraising in order to make this service a reality. Whitby recognized the need and exempted non-profit hospices from development charges. Staff recommend that:

- Non-profit hospices be exempt from regional development charges.

### **Post-Secondary Institutions**

All municipalities within Durham Region benefit from having University of Ontario Institute of Technology (UOIT) and Durham College within the Region. Post-secondary institutions have been long recognized as an attractor for economic development within a Region, brings in jobs and allows local students the option of pursuing a post-secondary education at home.

In order to support the development and expansion of public post-secondary institutions, Whitby exempts these from local DC's and recommend that:

- Public Post-Secondary institutions be exempt from regional DC's.

## **5. Financial Considerations:**

Acceptance of the above recommendations will impact regional development charge collections and may have positive financial impacts on local municipalities.

## **6. Communication and Public Engagement**

This report is Whitby's input as part of the statutory public engagement process by the Region of Durham.

## **7. Input from Departments/Sources:**

Staff from Planning, Community and Marketing Services, and Corporate Services participated in the development of this report.

## **8. Strategic Priorities:**

Council Goal No. 4 - To ensure that Whitby is clearly seen by all stakeholders to be business and investment friendly and supportive. To strive to continuously improve the effectiveness and efficiency of service delivery.

Council Goal No. 5 - To build downtowns that are pedestrian-focused destination. To leverage municipal tools and resources to generate local jobs and prosperity. To facilitate a major, multi-faceted, downtown supportive investment on the lands

on and around the firehall site. To gain local ownership of Baldwin Street through downtown Brooklin.

**9. Attachments:**

Not Applicable



# Town of Whitby Staff Report

[whitby.civicweb.net](http://whitby.civicweb.net)

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**Report Title:    Employment Lands Investment Readiness  
                                 Assessment**

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**Report to:        Operations Committee**

**Date of meeting:**    April 30, 2018

**Report Number:**    CMS 16-18

**Department(s) Responsible:**

Community and Marketing Services  
Department

**Submitted by:**

Peter LeBel, Commissioner, Community  
and Marketing Services

**Acknowledged by M. Gaskell, Chief  
Administrative Officer**

**For additional information, contact:**

Peter LeBel, Commissioner, CMS  
Department x4319

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**1.    Recommendation:**

1.    That the Community and Marketing Services Department (Economic Development Division) Report CMS 16-18, in consultation with the Planning and Development Department, regarding the Employment Lands Investment Readiness Assessment be received;
2.    That Council request servicing for the employment lands in the Brooklin Secondary Plan be included and implemented within the Region of Durham's initial five (5) years of the new Development Charges By-law and corresponding ten (10) year Capital Plan to support jobs growth;
3.    That Council request the Region of Durham amend its regional share policy to permit developers of employment lands to collect from benefiting lands owners; and,
4.    That the Clerk forward a copy of Staff Report CMS 16-18 to the Region of Durham Planning and Economic Development, Finance and Public Works Departments and to the Ministry of Transportation.

**2.    Highlights:**

- An employment lands investment readiness assessment has been prepared which illustrates the status of employment lands available for office/industrial investment attraction purposes.
- The amount of serviced and zoned parcels and acreage available for immediate development for industrial/office employment purposes is 18 and 166 acres respectively. The average parcel size is 9 acres.
- While there is additional lands that will become available for development in west Whitby within two years, the majority (63%) of employment lands designated for growth is not readily marketable due to lack of servicing.
- Not having a good supply of serviced office/industrial land inhibits Whitby's economic development efforts to attract investment, increase assessment and expand value-added jobs as companies looking to invest are seeking market ready properties that are zoned and serviced.
- Economic Development staff received a number of enquiries for sites which were not readily available due to lack of servicing, lacked the appropriate size/configuration and in some cases zoning to support the employment land use opportunity.

### **3. Background:**

Staff completed an Employment Lands Investment Readiness Assessment to provide information on the availability and status of employment lands that can be marketed for investment attraction purposes.

The information for the staff report was compiled from the Town's GIS data base, real estate listings information module, and through meetings and conference calls with the property owners and/or their real estate representatives. Staff also undertakes regular windshield tours of employment lands to determine if new real estate listings have come onto the market. Staff reviews local newspaper and online listings to keep the data base as current as possible.

Staff conducted a number of meetings with the Region's Public Works Department to review water and sewer servicing plans.

It should be noted the employment land parcels in the staff report represent the parcel size and not necessarily the full development potential. Some properties will be impacted by natural environmental features such as creeks, wood lots, and open space, reducing the available land for development. Other parcels may be impacted by road alignments and storm water retention ponds, further reducing the developable portion of individual parcels.

The land use maps attached to the staff report illustrate the employment lands located within the municipality and identify key features such as natural heritage systems that would impact the development potential of these lands.



It is fair to conclude there is less developable land than what is being illustrated in the properties assessment review which further exacerbates the need for more serviced employment land to be brought into inventory.

The Economic Development Division received a number of investment enquiries of varying parcel sizes, however two investment enquiries seeking 20+ acres on or in close proximity to the 400 series highways could not be accommodated due to servicing.

While there is 166 acres of land serviced and available for immediate development, almost 2/3's of the employment lands within Whitby will not be service ready for 5 years or more.

Some employment sites are not yet appropriately zoned, but with the Town's Official Plan and the Brooklin Secondary Plan having been adopted, the issue of zoning can more readily be addressed to bring these lands into the market.

Some of the unserviced employment lands must wait for adjoining (or in proximity) residential land developers to bring the services to allow for the employment lands to proceed. In many cases it is not cost effective for a developer to bring services to only employment lands without residential lands to pay for the service extensions.

Staff met with Durham Region Finance, Public Works and Planning staff regarding the Region's new Development Charge (DC) Bylaw that will be implemented on July 1, 2018. The Region is planning new sanitary trunk sewers and expansion of water services for north Whitby within the new by-law. If the services are in the first five years of the DC/Public Works forecast, that would place the employment lands available to be serviced in the 2023-24 timeframe.

Within the Region's new five year Economic Development Strategy (recently adopted by Regional Council) one of the core program areas of economic development activity is, 'Promoting Infrastructure Readiness for Regional Competitiveness'. The Region's report states that one of the most critical factors that site selectors consider when recommending a location for investment is the availability of shovel ready employment land.

The Region's Economic Development Strategy identifies key goals to maintain an adequate supply of serviced shovel ready employment land with 'competitive incentives' to encourage economic development. Specific actions within the Region's plan is to prepare a region-wide employment areas servicing strategy outlining timing and phasing of servicing for readily serviceable parcels across the region in collaboration with Regional Finance, Planning and Public Works staff.

However, the Region's policy is to not preservice employment land. It is suggested that direction to regional staff should be provided by Regional Council to advance the servicing (preservicing) of employment lands to address economic development and jobs growth. The Economic Development Departments across the region could work with regional staff to identify key employment areas that

need to be pre-serviced in order to attract employment investment and achieve the Region's employment growth targets.

**4. Discussion:**

Communities best positioned to attract investment are those that have investment ready lands that are serviced and zoned to attract value added jobs, particularly office, advanced manufacturing and logistics.

There are a number of issues that the Employment Lands Investment Readiness Assessment has identified as follows:

- there is limited large parcels of employment lands serviced for larger users i.e. 25+ acres in size;
- there is limited serviced employment lands along the Highway 407 corridor;
- the Province owns employment land parcels along the Highway 407/412 corridors and has not yet declared the properties surplus for sale for development purposes;
- there are serviced employment land parcels that are not available for development as the owners are not interested in selling the lands;
- employment land is being serviced in west Whitby as part of the residential land development, and as such there is interest by office/industrial users for those properties;
- employment lands in Brooklin along the Highway 407 and Thickson Road corridors are in demand, but not serviced; and,
- there are properties in the north designated in the Town's Official Plan (OP) for employment, but not yet zoned, although many of the properties will remain unavailable for immediate investment due to lack of servicing.

The Employment Lands Investment Readiness Assessment review differentiated the employment lands into the following categories:

- a. Investment Ready Immediately
- b. Investment Ready Short Term (within two years)
- c. Investment Ready Long Term (greater than two years)
- d. Vacant Not for Sale – with subcategories
  - owner is not willing to sell/land banking
  - owner is using the parcel for their current or future expansion
  - owner has a site plan application submitted

- the owner will develop the site only as a 'build to suit'

In the **Investment Ready (Immediately)** category there are 18 parcels totalling 166 acres (67.1 hectares). Of the 18 parcels, 70% of them are less than 10 acres in size. There are 4 parcels that range from 11 to 20 acres and only 1 serviced parcel that is greater than 20 acres. The lack of larger parcels of serviced land has resulted in lost investment opportunities for Whitby.

The largest parcel in this category is the property on Champlain Avenue adjacent to Durham College (21<sup>st</sup> Century). The Consumers Road extension will open up additional serviced street frontage for this parcel. This parcel also has Highway 401 exposure. Only 23 of the 31 acres is developable due to the requirement for a large storm water retention pond. The extension of GO Rail to Bowmanville and the construction of the future Thornton GO station will provide a commuter hub for the employment lands surrounding the College.

The 17 acre parcel located on Tricont Avenue adjacent to the former Sony building is under due diligence by an American company for a development project. A 10 acre parcel on William Smith Drive also has a conditional offer for a future development project.

In the **Investment Ready Short Term** (within 2 years) category there are 5 parcels totaling 170 acres (68.7 hectares). The 3 largest parcels are located in west Whitby, with one parcel owned by the Mattamy Corporation (45 acres). These lands will be available for development in 2019 with the installation of servicing by the West Whitby Land Owners for the planned residential development along the future Des Newman Boulevard.

The largest parcel in west Whitby, 67 acres, is located on the south side of Dundas Street. This property is impacted by a provincially significant wetland and creek and therefore not fully developable. Staff met with the owner to review development opportunities and potential industrial and office uses.

Economic Development staff also met with CLOCA to discuss the impact of the environmental and natural heritage features, especially as it relates to land parcels in west Whitby. Staff is working on working on a marketing - promotional plan for the west Whitby lands along the Highway 412 corridor, however, CLOCA has confirmed that the developable land in west Whitby will be reduced significantly.

In the **Investment Ready Long Term** (greater than 2 years) category there are 54 employment land parcels totalling 1,236 acres (500.3 hectares). The majority of the lands are in west Whitby and Brooklin. A large amount of the employment lands in Brooklin are not zoned for employment purposes, but the Town's new Official Plan and Brooklin Secondary Plan establishes the framework for the zoning to be put into place in the near term.

Much of the employment lands are in the vicinity of Thickson Road North and Gerrard Road, south of Highway 407. The other large section of employment lands are in the Baldwin Street and Highway 407 area. The largest parcel is a 194 acre site on Ashburn Road, south of Winchester Road West.

The Province's lands (MTO) on Highway 412 are not included as available as they have not been declared surplus. The lands will benefit from the servicing by the West Whitby Land Owners.

MTO owns 190 acres that could be sold for employment development on the Highway 412 and 407 corridors comprising of 110 acres on Highway 412 and 80 acres on Highway 407. Some acreage is being protected for MTO purposes, such as the block at Baldwin and Highway 407 for a transit hub and along Highway 412 for a possible future interchange.

There have been previous staff reports to Council identifying the need for the Province to release their lands for employment growth along the Highway 412 and 407 corridors.

At the 2017 AMO Conference, Mayor Mitchell and senior staff made a presentation to the Minister of Economic Development and Growth regarding the need to discharge the surplus lands for jobs growth.

Subsequent to the AMO presentation, Town staff met with MTO staff and reiterated the need to have the Province's lands made available sooner for employment purposes. If the Province's lands were accessible for employment development, that would have provided the potential opportunity for the Whitby lands to be submitted for consideration as a Durham Region site for the Amazon HQ2 project.

The final category is **Vacant Not for Sale**. There are 56 parcels identified representing 421 acres (170.3 hectares). Staff identified these lands as 'not for sale' through meetings with the property owners and/or their representatives. The reasons include land banking; the owner is using the parcel for their own current or future expansion; the owner is preparing to submit a site plan application.

Some of the key properties include prestige industrial lands in the Lynde Shores Industrial Park, and lands owned by Metrolinx and MTO. In the Lynde Shores Industrial Park a portion of the property has been approved for mixed use. A concept plan has been developed which includes, residential, commercial and office uses. The developer has not indicated when they plan to move ahead. Staff has recommended potential clients to the developer.

There is a large parcel in Brooklin at Winchester Road East and Thickson Road. The owner of this property has indicated it is only for sale for design-build projects. Staff has recommended this property to potential clients.



Some of the employment lands in Brooklin are impacted due to the natural heritage system which will further lessen the developable area.

The Town owns properties zoned for prestige industrial purpose including two parcels on Water Street, although one of the two is not developable without soils/property remediation. The other parcel is under negotiation for a convention centre/hotel/office project. The Town also owns a property at Garden and Burns Street that is zoned for employment uses, but designated residential in the Official Plan. This is a future employment development opportunity through the sale of the land. In the meantime it is being used as a temporary storage area for material related to public works projects. The municipality owns a strategic parcel at Victoria Street and Henry Street (former Station Gallery site), which has very high development potential. This parcel could be sold and developed for a high density mixed use commercial, Class A office and residential project. The parcel is currently leased to Metrolinx and is being used for parking.

The parcel at the north-west corner of Thicksen Road and Victoria Street East (15 acres) has been sold for self-storage units. This is unfortunate as this parcel is at a strategic corner and self-storage units create zero value-added jobs. The use is permitted within the zoning provisions and a site plan has been approved for the property.

In terms of **Next Steps**, staff is recommending the following actions.

1. That further discussions occur with MTO staff for the release of the employment lands along Highways 412 and 407.
2. That Town Planning and Development, Economic Development and Public Works staff meet further with Regional Staff to review option(s) and an implementation plan(s) for servicing the employment lands in north Whitby.

**5. Financial Considerations:**

The capital planning for water and sanitary services is the responsibility of the Region of Durham.

**6. Communication and Public Engagement:**

The information/attachment in the staff report has been provided to the Region's Economic Development and Planning Department. The Department is preparing a larger employment lands report to submit to Regional Council in Q3.

**7. Input from Departments/Sources:**

The report has been developed by the staff of the Economic Development Division and Long Range Planning Division of the Community and Marketing Services Department and Planning and Development Department.

The property information has been collected from property owners, developers and realtors.



Staff has met a number of times with the Region of Durham's Public Works Department regarding water and sanitary servicing and capital plans, and with the Planning and Economic Development Department pertaining to employment land parcels and investment enquiries.

**8. Strategic Priorities:**

The staff report is consistent with Council's Goals, the Whitby Official Plan, and Economic Development Strategy as follows:

**Council Goals**

4. To ensure Whitby is clearly seen by all stakeholders to be business and investment friendly and supportive; and to strive to improve the effectiveness and efficiency of service delivery.

**Whitby Official Plan (as amended by OPA 105)**

To plan for and provide opportunities for economic development and job creation and to enhance the opportunities for new business development in the Municipality.

The Municipality shall coordinate with the Region of Durham to maintain a sufficient supply of serviced industrial land that is available for development at all times and in appropriate and strategic locations.

The Municipality shall maintain a range of site sizes in various industrial areas in order to provide for choice for a range of economic activities, wherever possible.

**Economic Development Strategy**

Increase Whitby's Ability to Accommodate Business – update the employment lands study, and ensure provisions are in place for prestige industrial and office uses along Highways 407 and 412.

**9. Attachments:**

Attachment 1 – Employment Lands Investment Readiness Assessment

Attachment 2A – West Whitby Land Use Planning Map

Attachment 2B – South Whitby Land Use Planning Map

Attachment 2C – Brooklin Land Use Planning Map



The Corporation of the

# Township of Uxbridge

In The Regional Municipality of Durham

Town Hall 2018-COW-108  
51 Toronto Street, South  
Appendix #7 Page 24 of 44  
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## SENT VIA EMAIL

May 18, 2018

Gary Asselin  
Finance  
Region of Durham  
Whitby, Ontario  
[Gary.Asselin@durham.ca](mailto:Gary.Asselin@durham.ca)

**RE: REPORT ON THE REGION OF DURHAM'S PROPOSED  
DEVELOPMENT CHARGES BY-LAW  
TOWNSHIP FILE: F-00 G**

Please be advised that during the regular meeting of the General Purpose and Administration Committee of May 7, 2018 the following motion was carried;

THAT the Finance and Emergency Services Committee receive Report TR-17/18 of Donna Condon, Treasurer for information;

AND THAT a copy of same be forwarded to the Region of Durham representing the Township's response and comments to the Region's Proposed Development Charges.

A copy of Report TR-17/18 of Donna Condon, Treasurer has been attached for your convenience.

Yours truly,

Debbie Leroux  
Director of Legislative Services/Clerk

/ljr





# REPORT

## TREASURY DEPARTMENT

**TO:** Chair and Members of Finance, Administration & Emergency Services Committee

**FROM:** Donna Condon, Treasurer

**DATE:** May 7, 2018

**REPORT :** TR-17/18

**FILE:** Region Development Charges

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**SUBJECT:**

Report on the Region of Durham's Proposed Development Charges By-law.

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**BACKGROUND:**

The Region of Durham (the Region) has released its Regional Development Charge Background Study, which is available for viewing on the Region's website. It is expected that Regional Council will consider adoption of the Regional Development Charges background study and passage of the by-law at their meeting on June 13, 2018, with the proposed by-law coming into force on July 1, 2018. Township of Uxbridge (the Township) Staff have met and discussed the Regions main proposed changes to their Development Charges Policies, and Staff comments are as outlined below. Note – the Township will be undertaking their Development Charges Study in late 2018/early 2019.

- (1) The Region plans to introduce a new Regional Development Charge (ie. \$387 per single / semi-detached unit) for growth related social and government assisted affordable housing projects.**

→ Township Staff supports this new Regional Development Charge and believe that this new charge will help to create additional opportunities for affordable housing in the Region.

- (2) The Region plans to defer the collection of Regional Development Charges until first occupancy for social and government assisted affordable housing units, whereas currently the Region would collect Regional Development Charges at the time the building permit is issued.**

→ Township Staff support this proposed treatment by the Region and will refer this proposed treatment for consideration in the Township's Development Charges study.

→ Township Staff also expressed concerns about who would be responsible for collecting the deferred payment.

**(3) The Region plans to expand the definition of secondary units to include units built separate from the primary residence, but on the same site, therefore Garden Suites would be exempt if they qualified as a second unit. Development Charges would only be due if the units were severed from the main property within ten years of the building permit issuance. Whereas currently Development Charges would be charged if the secondary unit was not attached to the existing unit, but development charges paid for Garden Suites would be refunded if they were demolished within 10 years of the building permit being issued.**

→ Township Staff support this proposed treatment by the Region and will refer this proposed treatment for consideration in the Township's Development Charges study.

→ Staff considered whether a maximum size limit should be imposed on the secondary unit, however the size of the secondary unit would be governed by the Township's zoning bylaw and therefore it was not considered necessary to have a size limit in the Region's Development Charges bylaw.

→ Staff are of the opinion that the severance of the secondary unit would not be permitted under the Township's Official Plan and therefore would not likely happen from a planning perspective.

**(4) The Region proposes to expand the definition of Apartment to include a single storey dwelling unit located within or above a garage or commercial use which addresses affordability of infill apartment developments that would otherwise be charged at the higher medium density multiple rate.**

→ Township Staff support the proposed expanded definition of Apartment by the Region as it helps to address affordability and will refer the expanded definition for consideration in the Township's Development Charges study.

**(5) Under the Region's 50% industrial expansion exemption, proposed changes include; the existing square footage of the building would be reset at the date of the by-law and include square footage on all industrial use buildings on the same site and expansion does not have to be attached to the original building, as long as it is on the same site. In addition, the Region will require that a deferral payment agreement for the collection of Development Charges be entered into to ensure that Development Charges are due and payable if the land is severed within ten years of the building permit being issued.**

→ Township Staff support this proposed treatment by the Region as it will help to encourage expansion and will refer this proposed treatment for consideration in the Township's Development Charges study.

→ Township Staff expressed concerns that allowing expansion to not be attached to the original building, may result in additional pressure to sever such properties in the future.

→ Township Staff also expressed concerns about why similar expansion exemptions are not available for commercial developments. However, the

Development Charges Act only mandates industrial expansion exemptions for industrial developments. In addition, the Region has not received any correspondence from the development industry requesting similar expansion exemption for commercial, as is provided for industrial.

→ Township Staff also noted that in the Township's current Development Charges bylaw, it includes a clause "that if the new Gross Floor Area of the Industrial building is more than 930 metres squared, then DCs are not payable on the amount by which the building exceeds 930 metres squared of gross floor area and that this applies to new non-residential industrial developments as well as enlargements of existing industrial developments". Staff are of the opinion that the 930 square meter limit is no longer required and will consider removing it in the Township's next Development Charges study. The Region by-law does not have a size limit.

**(6) The Region, under their proposed treatment, will issue a redevelopment credit at the institutional rate if the building being demolished or redeveloped would be exempt from Development Charges under the current by-law (ie. schools, places of worship and government buildings), if the redevelopment takes place within 10 years from the date the first demolition permit was issued. Whereas, currently a redevelopment credit would not be issued if the building being demolished or redeveloped would be exempt from Development Charges.**

→ Township Staff support this proposed treatment by the Region as it will act as a further incentive to develop under used properties and Staff will refer this proposed treatment for consideration in the Township's Development Charges study.

→ Township Staff also noted that the Uxbridge bylaw has a redevelopment credit in place, but it speaks to a 5 year period, versus the 10 year period used by the Region. A 5 year period may result in an earlier redevelopment or it may result in the owner delaying the demolition of the building. Whereas the Region has indicated that if the developer has a 10 year period to redevelop, then the developer may choose to demolish a building earlier, than if they only have a 5 year period. In addition, the Region noted that in the past, the agricultural community and development industry have requested that the Region maintain the 10 year period. Staff will refer the time period (5 or 10 years) for the redevelopment credit for consideration in the Township's Development Charges study.

**(7) The Region has also proposed modifications to existing definitions as outlined below;**

**(a) Treatment of Air Supported Structure – will include a definition for air-supported structure and charge at the rate of use through a modified definition of building or structure and gross floor area. The Township's**



by-law includes such a definition – as defined in the Building Code Act. Staff will consider a more detailed definition in the Township's next Development charges study.

- (b) **Treatment of Agricultural Bunkhouses – under the Region's proposed by-law, Agricultural Bunkhouses would be exempt under a modified definition of farm buildings.** The Township definition does not specifically include Agricultural Bunkhouses, (although the intent is that they be exempt) therefore the Township should consider adding Agricultural Bunkhouses to their 2019 Development Charges bylaw to further clarify.
- (c) **Treatment of Dens - under the Region's proposed bylaw, a Den would be treated as a bedroom under a modified definition of bedroom.** Township Staff to consider the same in their 2019 Development Charges Study. However, Staff noted that the definition of a bedroom needs to comply with the Ontario Building Code definition (ie. it needs to have a window).
- (d) **Treatment of Parking Structures – continue to be exempt, however the Region proposes to modify the existing bylaw to exclude parking spaces for display of motor vehicles for sale or lease or parking spaces associated with the servicing of motor vehicles from the exemption.** Township Staff to consider the same in their 2019 Development Charges Study.

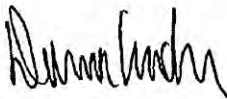
- (8) With the proposed Regional Development Charge By-law, development charges (including Regional Transit) would change as follows;
  - The residential development charges for a single / semi-detached unit would increase 9.7% from \$28,360 to \$31,119, due to higher charges for roads and water supply and the introduction of a new service charge for Housing Services.
  - The commercial development charge would increase 29.3% from \$14.28 per square foot to \$18.47 per square foot. The Region has indicated that the increase is due to higher capital costs associated with Water Supply and Regional Roads and the forecasted number of square feet per employee has decreased, and has the effect of the capital costs associated with commercial sector being spread out over a lower floor space, which has resulted in an increase in the commercial development charge.
  - The industrial development charge would decrease 14.2% from \$11.61 per square foot to \$9.96 per square foot. The Region has indicated that the decrease is attributed to the forecasted growth in industrial floor space due to a change in assumption of number of square feet per employee (increase of nearly 35%) and therefore the capital costs associated with the industrial sector are spread over a greater floor space which has resulted in a decrease in the industrial development charge.
  - The institutional development charge would increase 4.0% from \$9.26 to \$9.63.

**RECOMMENDATION:**

It is recommended that this report;

- (a) be received for information; and
- (b) be forwarded to the Region of Durham, as the Township's response and comments to the Region's Proposed Development Charges.

**Submitted by:**



Donna Condon  
Treasurer

May 16, 2018

The Regional Municipality of Durham  
605 Rossland Road East  
Whitby, ON  
L1N 6A3

Attention: Gary Asselin, Senior Economist, Finance Department

Dear Mr. Asselin,

**Re: Comments to the Proposed Regional Development Charges By-Laws and Background Studies, Report #2018-COW-64**

At the last regular Planning and Community Affairs Committee meeting of the Township of Scugog held on May 14, 2018, the above captioned matter was discussed.

I wish to advise that the following resolution was passed which will be going forward for ratification at the May 28, 2018 Township of Scugog Council meeting:

**“THAT** Report COMS-2018-037, Comments on Region of Durham Regional Development Charge Background Study, be received;

**THAT** the Township of Scugog support the proposed changes to the Region of Durham Regional Development Charge Background Study related to social and affordable housing as positive steps to increase the supply of affordable housing;

**THAT** the Region of Durham be requested to advance the widening of Simcoe Street from King Street to south of Greenway Boulevard and intersection improvements at Simcoe Street and Oyler Drive to 2022, or sooner, to support the adjacent developments;

**THAT** the Region of Durham be requested to advance the Port Perry Employment Lands Sanitary Sewage Pumping Station and sanitary forcemain to begin the Environmental Assessment in 2020, or sooner, and construction no later than 2022 to permit the development of the Port Perry Employment Lands;

**THAT** the Region of Durham be requested to create a new category for Hotel developments to encourage the development of hotels in the Region and that this rate be set lower than the Commercial rate based on the fact that hotels tend to have fewer employees per square foot of space;

**THAT** the Region of Durham be requested to reduce the rates in the Regional Transit Development Charge By-law for the Township of Scugog based on the lower level of service received in the Township compared to municipalities along the shore of Lake Ontario;

**THAT** the Region of Durham be requested to establish a DC to provide funding for growth related capital costs for broadband infrastructure to provide this basic service throughout the Region, especially in rural areas;

**THAT** the Township of Scugog support the recommendations related to industrial expansion exemptions as positive steps to encourage the expansion of existing industrial operations;

**THAT** the Township of Scugog support the proposal to issue a redevelopment credit, at the institutional DC rate, if the building being demolished or redeveloped would be exempt from DCs under the current by-law, including schools, places of worship and government buildings;

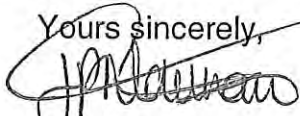
**THAT** the Township of Scugog support the proposed new definitions and changes to existing definitions; and

**THAT** Report COMS-2018-037 be forwarded to the Region of Durham, as the Township's response and comments concerning the Region of Durham's proposed Development Charge Background Study."

Please consider the attached Report COMS-2018-037 and recommendations contained therein as feedback from the Township of Scugog regarding the proposed Regional Development Charges Background Study for inclusion in the final Development Charges By-Law.

Should you require any further information in regard to this matter, please do not hesitate to contact Carol Coleman, Director of Public Works, Parks and Recreation, at 905.985.7346, extension 149.

Yours sincerely,



John Paul Newman  
Director of Corporate Services/Clerk

cc: Ms. Carol Coleman, Director of Public Works, Parks and Recreation



# Township of Scugog Staff Report

To request an alternative accessible format, please contact the Clerks Department at 905-985-7346.

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**Report Number:** COMS-2018-037

**Prepared by:** Carol Coleman, Director of Public Works, Parks and Recreation

**Department:** Community Services – Public Works and Parks

**Report To:** Planning and Community Affairs Committee

**Date:** May 14, 2018

**Reference:** Strategic Direction #1 – Roads and Other Infrastructure  
Strategic Direction #2 – Financial Sustainability  
Region of Durham Report #2018-COW-64, April 11, 2018, Public Meetings Regarding proposed Development Charges By-laws and Background Studies

**Report Title:** **Comments on Region of Durham Regional Development Charge Background Study**

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## Recommendations:

1. **That** Report COMS-2018-037, Comments on Region of Durham Regional Development Charge Background Study, be received;
2. **That** the Township of Scugog support the proposed changes to the Region of Durham Regional Development Charge Background Study related to social and affordable housing as positive steps to increase the supply of affordable housing;
3. **That** the Region of Durham be requested to advance the widening of Simcoe Street from King Street to south of Greenway Boulevard and intersection improvements at Simcoe Street and Oyler Drive to 2022, or sooner, to support the adjacent developments;



4. **That** the Region of Durham be requested to advance the Port Perry Employment Lands Sanitary Sewage Pumping Station and sanitary forcemain to begin the Environmental Assessment in 2020, or sooner, and construction no later than 2022 to permit the development of the Port Perry Employment Lands;
5. **That** the Region of Durham be requested to create a new category for Hotel developments to encourage the development of hotels in the Region and that this rate be set lower than the Commercial rate based on the fact that hotels tend to have fewer employees per square foot of space;
6. **That** the Region of Durham be requested to reduce the rates in the Regional Transit Development Charge By-law for the Township of Scugog based on the lower level of service received in the Township compared to municipalities along the shore of Lake Ontario;
7. **That** the Region of Durham be requested to establish a DC to provide funding for growth related capital costs for broadband infrastructure to provide this basic service throughout the Region, especially in rural areas;
8. **That** the Township of Scugog support the recommendations related to industrial expansion exemptions as positive steps to encourage the expansion of existing industrial operations;
9. **That** the Township of Scugog support the proposal to issue a redevelopment credit, at the institutional DC rate, if the building being demolished or redeveloped would be exempt from DCs under the current by-law, including schools, places of worship and government buildings;
10. **That** the Township of Scugog support the proposed new definitions and changes to existing definitions; and
11. **That** Report COMS-2018-037 be forwarded to the Region of Durham, as the Township's response and comments concerning the Region of Durham's proposed Development Charge Background Study.

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## 1. Background:

At the Region of Durham Council meeting on April 11, 2018, Regional staff presented a proposed new Regional Development Charge (DC) By-law which imposes residential and non-residential DCs under report number 2018-COW-64 (see ATT-1). Regional Council endorsed the following recommendation:

*“That all submissions received by Regional Council and the written submissions received by the Regional Clerk by 5:00 pm on May 21, 2018, including those opinions expressed verbally at the April 11, 2018 public meetings, be received and referred to Regional staff for consideration in the preparation of the final development charge*

*recommendations and by-laws scheduled to be presented to Regional Council on June 13, 2018.”*

The purpose of this report is to provide feedback to the Region of Durham from the Township of Scugog regarding the proposed Regional DC Background Study for inclusion in the final DC by-law.

## 2. Discussion:

The proposed Regional DC By-law is planned to be effective as of July 1, 2018. According to the Regional report, the proposed rates under the new Regional DCs are as shown in Table 1.

**Table 1: Proposed Development Charge Rates  
2018 Regional Development Charge Background Study**

Category	Proposed Rate	Proposed Change from 2013 DC Study	Rationale for Change
Residential	\$31,119/ single detached/ semi unit	9.7% increase	The residential DC increase is mainly due to higher charges for roads and water supply and the introduction of a new service charge for Housing Services
Commercial	\$18.47/ square foot	29.3% increase	The commercial DC increase is due to two main reasons: a) increased capital costs associated with roads and water supply; and b) a change in the assumption of the number of square feet per employee. The number of square feet per employee in the 2018 DC Study is lower than that used in the 2013 DC Study (approximately 13% lower). The lower square footage assumption has the effect of the capital costs being spread over a lower floor space which causes the rate to increase
Industrial	\$9.96/ square foot	14.2% decrease	The decrease is due to the forecasted growth in industrial development floor space, which is greater in this study as compared to 2013 DC Study. This is due to the change in the assumption of the number of square feet per employee which has increased for the 2018 DC Study (i.e., an increase of nearly 35 per cent). Therefore, the capital costs associated with the industrial sector is spread over a greater floor space which has caused the rate to decrease.
Institutional	\$9.63/ square foot	4.0% increase	This increase is due to higher charges for roads and water supply.

A number of changes are recommended in the proposed DC study as discussed in the following sections.

### 2.1 Changes Related to Affordable Housing

The proposed Regional DC by-law includes several positive changes that support the development of affordable housing, including:

- a) Implementing a new Housing Services DC to provide funding for growth related capital costs for social and affordable housing (\$387 per single/ semi-detached unit).
- b) Deferring DCs for social and government assisted affordable housing units to occupancy, rather than at the time that the building permit is issued, in order to recognize the cash flow challenges of these developments.
- c) Broadening the definition of secondary residential units that are exempt to include units that are not attached to the primary residence, such as garden suites and units within a garage.
- d) Expanding the definition of apartment to include single storey dwelling units within or above a garage or commercial use.

Scugog staff support these changes to the DC by-law as positive steps to increase the supply of affordable housing.

Further, the Township of Scugog's Housing Advisory Committee (SHAC) has provided comments on the proposed DC study in the form of a memorandum dated April 24, 2018 (see ATT-2). In the memorandum, the chair of SHAC states that they are, "very pleased to see that the Region has incorporated a number of recommendations of the Task Force on Seniors' and Affordable Housing that provide support to the Region's role in the creation of affordable rental and seniors' housing." As well, SHAC have indicated that they are in support of many of the proposed changes to the DC By-Law.

### 2.2 Transportation, Water and Sanitary Sewer Projects

The Region's DC study includes a list of projects and estimated costs for growth related transportation, water supply and sanitary sewerage for the period of the study from 2018 to 2028. The report notes that many of the projects will evolve over time in response to specific needs of development resulting in the altering of the costs, timing and nature of the projects.

Table 2 below shows a list of the projects within the Township of Scugog that are included in the proposed DC study. Township staff have reviewed the projects and proposed timing in

relation to anticipated growth within the Township and three of the projects are recommended to be brought forward within the proposed DC study.

**Table 2: Proposed Projects within the Township of Scugog**

<b>Project</b>	<b>Timing as per DC Study</b>	<b>Comments</b>
Simcoe Street from King Street to south of Greenway Blvd. – widening from 2 to 3 lanes (\$4,370,000)	<ul style="list-style-type: none"> <li>• Environmental Assessment (EA) to start in 2022</li> <li>• Construction in 2027</li> </ul>	Stockworth Development at Simcoe Street and Oyler Drive is underway, project needs to move forward to accommodate growth. Recommend EA in 2018 and construction no later than 2022.
Simcoe Street/ Oyler Street – Intersection Modifications/ Signal Installations (\$825,000)	<ul style="list-style-type: none"> <li>• Construction is shown beyond 2027</li> </ul>	As per above, the intersection improvements need to move forward with road widening to accommodate Stockworth Development. Recommend EA in 2018 and construction no later than 2022.
New Water Supply Source – Port Perry (\$19,100,000)	<ul style="list-style-type: none"> <li>• Construction is shown as 2020</li> </ul>	Timing is suitable
Additional Water Storage Facility – 2.8 ML storage capacity and feedermain allowance – Port Perry (\$12,100,000)	<ul style="list-style-type: none"> <li>• Construction is shown as 2021</li> </ul>	Timing is suitable
Water Street Sanitary Sewage Pumping Station (SSPS) Upgrade (\$8,000,000)	<ul style="list-style-type: none"> <li>• EA to start in 2019</li> <li>• Construction is shown as 2020</li> </ul>	Timing is suitable
Port Perry Employment Lands SSPS and sanitary forcemain allowance (\$10,675,000)	<ul style="list-style-type: none"> <li>• EA to start in 2025</li> <li>• Construction is not anticipated until approximately 2030 or 2031</li> </ul>	Pumping station is needed to support development in employment lands. Construction in 2030 or beyond is not acceptable. Recommend bringing EA forward to 2020 and construction to 2022.

Township Staff are currently reviewing an application for Site Plan Agreement for the Kings Landing development (Stockworth Development) at the northeast corner of the intersection of Simcoe Street and Oyler Drive. The site includes 248 residential units and 9,044 square



metres of commercial space. Preliminary work is already underway for the development in the form of site clearing, erosion control installation and land preparation. Construction is expected to begin in 2018 with the first 30 units completed in 2019 and all 248 of the units completed by 2024. In addition, a concept plan has been submitted to the Township for a development at the intersection of Simcoe Street and King Street that includes two residential condominium buildings with 35 units each, a gas station and a convenience store. The gas station and convenience store are expected to be completed in 2021 and the condominiums in 2024. Based on these development forecasts, widening of Simcoe Street and intersection improvements at Simcoe Street and Oylar Drive need to be constructed in 2022 or sooner.

The Township of Scugog Employment Lands require the construction of a sanitary forcemain and pumping station in order for development of majority of these lands to proceed. Scugog has been restricted in growth for many years due to limited sewage capacity at the Sewage Treatment Plant and will continue to be limited in employment related growth until this pumping station and forcemain are constructed. As well, industrial DCs won't be able to be collected until the lands are serviced. Construction in 2030 or later is not acceptable to the Township and the Region should be urged to bring this forward to initiate construction in 2022.

### 2.3 Development Charges for Hotels

The Township of Scugog's 2016 Strategic Plan, under Strategic Direction #3: Economic Development includes the goal to: "Facilitate timely approvals of tourism related development proposals". This goal is related to the Township's need for hotel(s) to support tourism.

Further, on April 30, 2018 Scugog Council endorsed the Scugog Community Tourism Strategy that addressed the need for a "quality of accommodation" within the Township to achieve sustained success in the tourism area. Over the past two years, Township staff have met with numerous investors that are interested in constructing a hotel in Scugog and while the market conditions support the need for a hotel, the investors have repeatedly indicated the current DC by-law creates a significant barrier to the development of a hotel. Durham's current DC by-law applies commercial rates for hotels. The proposed increase of 29.3% for the commercial rate will have a significant impact on any new hotel developments. The Township is currently in discussion with a hotel investor that is proposing a 36,500 square foot hotel. Table 2 below shows the Regional and Local DC rates for this proposed development. The proposed increase will result in an increase of approximately \$173,000 which will further deter hotel development.



**Table 3: DC Rates for Proposed Hotel**

	<b>Regional DC</b>	<b>Local DC</b>	<b>Total DC</b>
Current Rates	\$501,510	\$218,346	\$719,856
Proposed Rates	\$674,155	\$218,346	\$892,501

A summary of other regional municipal DC rates for hotel developments is provided below in Table 4. The proposed rate by the Region of Durham is the second highest rate. In 2017, York Region updated their DC by-law to create a new rate for hotels that is lower than other non-residential development rates based on the fact that hotels tend to have fewer employees per square foot of space.

**Table 4: Comparable Regional DC Rates for Hotels**

<b>Region</b>	<b>Hotel DC Rate/ m<sup>2</sup></b>	<b>Hotel DC Rate/ square foot</b>
Niagara	\$57.59	\$5.35
York*	\$85.38	\$7.93
Halton	\$90.19	\$8.379
Waterloo	\$122.82	\$11.41
<b>Durham</b>	<b>\$198.81</b>	<b>\$18.47</b>
Peel	\$212.97	\$19.79

\*York Region has a separate DC rate for Hotel development and all others are non-residential or commercial rates.

In order to encourage the development of hotels within Durham, and especially within the Township of Scugog, it is recommended that Region of Durham create a new category for Hotel developments and that this rate be set lower than the Commercial rate.

#### 2.4 Development Charges for Transit

The Regional Transit Development Charge By-law applies the same rate for DCs to the five lakeshore municipalities (Pickering, Ajax, Whitby, Oshawa and Clarington) as is does to the three northern municipalities (Scugog, Brock and Uxbridge). However the level of service varies greatly between the lakeshore municipalities and the northern municipalities. These rates are unfair for the northern municipalities that do not benefit from the transit service provided to the other municipalities.

It is therefore recommended that the rate for the northern municipalities be reduced to match the lower level of service or that the northern municipalities be reimbursed the difference between the rate and what the reduced rate should be.

## 2.5 Development Charges for Broadband Strategy

The Region of Durham is currently working on the development of a Regional Broadband Strategy. In Region of Durham report #2018-INFO-55, it states that:

*“The availability of broadband Internet is a priority for Canadian communities. Broadband plays a crucial role in supporting economic competitiveness and quality of life by enabling an ever-increasing reliance on Internet based applications. In recognition of the important role that broadband Internet plays, the Canadian Radio-television and Telecommunications Commission (CRTC) ruled in 2016 that access to broadband Internet is a basic service that should be available to all Canadians.”*

Phase One of the strategy has been completed. This phase was undertaken to assess the current connectivity conditions across the Region of Durham with respect to Broadband and to identify the needs of the businesses, residents and government agencies. The results of Phase One found that:

*“This analysis reveals that broadband services are generally available from at least one ISP (Internet Service Provider) within Durham's urban residential areas at speeds that meet or exceed the target for households and small businesses set by the CRTC. Within Durham's rural areas, services are generally not available at the target speed.”*

The Phase One report discusses the possibility of deploying and operating a network to primarily serve municipal needs (regional and/or area municipal) with potential access by ISPs in order to enable broader connectivity and subsidize connectivity.

Based on the ruling that broadband Internet is a basic service, similar to water or sanitary sewers, and the fact this service is generally not available in rural areas, Township of Scugog staff recommend establishing a DC to provide funding for growth related capital costs for broadband infrastructure similar to the charge proposed for social and affordable housing.

## 2.6 Industrial Expansion Exemption Broadened

Currently the DC Act provides an exemption for the expansion of industrial buildings for up to 50% of the the original floor space. As well the expansion is required to be attached to the existing building.

In order to promote industrial expansion, the proposed by-law changes the definition of the existing floor space to the existing floor space at the time of the DC By-law (e.g. July 1, 2018)

and includes the square footage of all industrial use buildings on the same site. Further the new by-law would no longer require that the expansion be attached to the existing building.

Township of Scugog staff support the recommendations related to industrial expansion exemptions as positive steps to encourage the expansion of existing industrial operations.

### 2.7 Redevelopment Credit for Any Existing Uses

With the current Regional DC By-law, the redevelopment credit does not apply if the building being demolished or redeveloped is exempt from DC credits (e.g. school, place of worship or government buildings).

The new by-law proposes that the Region will issue a redevelopment credit, at the institutional DC rate, if the building being demolished or redeveloped would be exempt from DCs under the current by-law, including schools, places of worship and government buildings. For the above to apply, the redevelopment would need to take place within 10 years from the date that the first demolition permit was issued.

Township staff support this recommendation to promote the redevelopment to develop under used properties.

### 2.8 New Definitions/ Changes to Definitions

Based on the Report # 2018-COW-64, a number of new definitions or modifications to definitions have been proposed in the new DC by-law and include:

- a) *"The definition of "farm building" has been modified to explicitly exempt a residential unit on an agricultural lot which is used exclusively for the housing of temporary or seasonal persons employed for the farming of the agricultural use;*
- b) *"Hospice" is now defined and the definition of institutional use is modified to capture Hospice within the institutional DC category;*
- c) *"Air supported structure" and "building or structure" has been defined and the definition of "gross floor area" has been modified to capture air supported structures as a use that would be required to pay DCs at the applicable rate;*
- d) *The definition of "bedroom" has been modified to include a den, study, loft or other similar area as a habitable room; and*
- e) *The exemption of parking structures from DCs continues in the proposed by-law, however, it has been modified to specifically exclude buildings or structures that provide parking spaces for the display of motor vehicles for sale or lease or parking spaces associated with the servicing of motor vehicles."*

Township staff are in support of the above new definitions or modifications to existing definitions.

### **3. Financial Implications:**

The updating of the Regional DC By-law allows for the opportunity to address higher infrastructure costs and ensure that growth pays for growth.

### **4. Conclusion:**

The updating of the DC By-law also provides an opportunity to look at the timing of proposed projects and in considering the DC rates, to take into account the specific needs of each municipality. The Township of Scugog is therefore recommending that the following be forwarded to the Region to be included in the final DC By-law:

- That the proposed changes related to social and affordable housing be approved as positive steps to increase the supply of affordable housing;
- That the widening of Simcoe Street from King Street to south of Greenway Boulevard and intersection improvements at Simcoe Street and Oyler Drive be advanced to 2022, or sooner, to support the adjacent developments;
- That the Environmental Assessment for the Port Perry Employment Lands Sanitary Sewage Pumping Station and sanitary forcemain be brought forward to 2020, or sooner, and construction no later than 2022 to permit the development of the Port Perry Employment Lands;
- That a new DC category for Hotel developments be created to encourage the development of hotels in the Region and that this rate be set lower than the Commercial rate based on the fact that hotels tend to have fewer employees per square foot of space;
- That the DC rates in the Regional Transit DC By-law for the Township of Scugog be reduced to reflect the lower level of service received in the Township compared with the municipalities along the shore of Lake Ontario;
- That a new DC category for broadband infrastructure be established to provide funding for growth related capital costs to provide this basic service throughout the Region, especially in rural areas;
- That the recommendations related to industrial expansion exemptions be approved as positive steps to encourage the expansion of existing industrial operations;
- That the proposal to issue a redevelopment credit, at the institutional DC rate, if the building being demolished or redeveloped would be exempt from DCs under the current by-law, including schools, places of worship and government buildings, be approved;



- 
- That the proposed new definitions and changes to existing definitions be approved; and
  - That Report COMS-2018-037 be forwarded to the Region of Durham, as the Township's response and comments concerning the Region of Durham's proposed Development Charge Background Study.

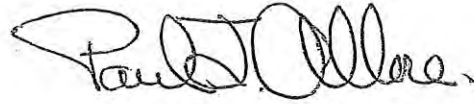
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Original Copy Signed By:

Signed and Reviewed By:



Carol Coleman, P.Eng.  
Director of Public Works, Parks and Recreation



Paul Allore, RCIP, RPP  
Chief Administrative Officer

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**Attachments:**

- ATT-1: Region of Durham Report #2018-COW-64, April 11, 2018, Public Meetings Regarding proposed Development Charges By-laws and Background Studies
- ATT-2: Memorandum from Scugog Housing Advisory Committee Chair regarding Proposed Region of Durham Development Charges



## MEMORANDUM

**DATE:** April 24, 2018

**TO:** Paul Allore, CAO  
Township of Scugog

**FROM:** Valerie Cranmer, Chair  
Scugog Housing Advisory Committee

**SUBJECT: Proposed Region of Durham Development Charges**

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Durham Region has recently released a draft By-Law with respect to residential development charges and the corresponding Regional Development Charge Background Study and staff report. This information was received by Regional Council on April 11, 2018 and the Region has requested that comments be received by the Regional Clerk by May 21, 2018. The By-law will be presented to Regional Council for approval on June 13, 2018.

The Township of Scugog Housing Advisory Committee has indicated in the 2018 Work Program it's interest providing comments on the proposed Regional Development Charge. The Committee has had an opportunity to review the proposed Regional Development Charge and is pleased to provide comments on the proposed By-law as it addresses a number of housing issues that are discussed in Housing for all Ages and Stages.

SHAC is very pleased to see that the Region has incorporated a number of recommendations of the Task Force on Seniors' and Affordable Housing that provide support to the Region's role in the creation of affordable rental and seniors' housing. SHAC is in support of the following proposed changes to the Development Charge By-Law:

- A new Housing Services Development Charge to provide funding for growth related capital costs for social and affordable housing. A charge of \$387 would be levied on every new single detached unit to create the fund. Lesser amounts are charged on smaller housing units. This fund may be accessed by:
  - the Durham Region Local Housing Corporation;
  - a non-profit housing provider that receives ongoing subsidy from the Region; or,

- a private or non-profit housing providers that receive capital funding through a federal and/or provincial government affordable housing program.
- The collection of development charges for social and government assisted affordable housing units shall be deferred to occupancy in order to recognize the cash flow challenges of these developments. The owner will be required to enter into an agreement with the Region and the applicable area municipality respecting the deferred payment of development charges.
- Garden suites and additional secondary units constructed within a garage that are detached from the existing residential unit would be exempt from development charges (up to 2 additional units). Development charges would be payable if the secondary unit is severed from the main property within 10 years of the building permit issuance.
- The definition of apartment is to be expanded to include single storey dwelling units within or above a garage or commercial use to address the affordability of infill apartments.
- It is proposed that the redevelopment credit for buildings that are exempt from development charges, such as schools or places of worship, be calculated at the institutional development charge rate. In order to provide redevelopment credits for such surplus buildings.
- In the 2013 Development Charge, the Region approved an intensification servicing policy that provided an allowance in the sanitary sewerage development charge capital program to support future intensification projects. The existing minimum 1,000 people threshold is proposed to be deleted to allow for a wider range of intensification projects to be considered

SHAC is encouraged in, and supports, the steps taken by the Region to address some of the basic issues relating to the provision of affordable housing and intensification. The measures identified above were identified in the Housing Plan recently endorsed by the Township. SHAC will continue to follow the implementation of the proposed Regional Development Charges. SHAC would also like to be involved in a similar review of the Township of Scugog's Development Charges By-Law which is scheduled to take place in 2019.

**Appendix #8**  
**Recommended Regional Development Charge By-law**

**BY-LAW NUMBER ●**  
**OF**  
**THE REGIONAL MUNICIPALITY OF DURHAM**  
**being a by-law regarding development charges**

**WHEREAS** section 2(1) of the *Development Charges Act, 1997*, provides that council of a municipality may by by-law, impose development charges against land to pay for increased capital costs required because of increased needs for services arising from development of the area to which the by-law applies if the development requires one or more of the approvals identified in section 2(2) of the *Development Charges Act, 1997*;

**AND WHEREAS** a development charge background study, dated March 27, 2018, has been prepared in support of the imposition of development charges;

**AND WHEREAS** the Council of the Regional Municipality of Durham has given notice and will hold a public meeting on April 11, 2018, in accordance with section 12(1) of the *Development Charges Act, 1997*;

**AND WHEREAS** the Council of the Regional Municipality of Durham has permitted any person who attended the public meeting to make representations in respect of the proposed development charges;

**AND WHEREAS** Council considered all of the submissions made in respect of the background study and the proposed development charges;

**AND WHEREAS** at the Council meeting on June 13, 2018, Council approved the Study and adopted the recommendations in Report ●

**NOW THEREFORE THE COUNCIL OF THE REGIONAL MUNICIPALITY OF DURHAM HEREBY ENACTS AS FOLLOWS:**

**PART I**

**INTERPRETATION**

**Definitions**

1. In this By-law,
  - (a) “Act” means the *Development Charges Act, 1997*, or a successor statute;
  - (b) “agricultural use” means lands, buildings or structures, excluding any portion thereof used as a dwelling unit or for a commercial use, used or designed or intended for use for the purpose of a *bona fide* farming operation including, but not limited to, animal husbandry, dairying,

livestock, fallow, field crops, removal of sod, forestry, fruit farming, greenhouses, horticulture, market gardening, pasturage, poultry keeping, and equestrian facilities;

- (c) “air-supported structure” means a structure consisting of a pliable membrane that achieves and maintains its shape and is supported by internal air pressure;
- (d) “apartment building” means a residential building, or the residential portion of a mixed-use building, other than a triplex, semi-detached duplex, semi-detached triplex, townhouse or stacked townhouse, consisting of more than 3 dwelling units, which dwelling units have a common entrance to grade;
- (e) “apartment” means a dwelling unit in an apartment building or a single storey dwelling unit located within or above a residential garage or a commercial use;
- (f) “area municipality” means a lower-tier municipality that forms part of the Region;
- (g) “bedroom” means a habitable room, including a den, study, loft, or other similar area, but does not include a living room, a dining room, a bathroom or a kitchen;
- (h) “building or structure: means a permanent enclosed structure and includes an air-supported structure;
- (i) “commercial accessory building or structure” means a building or structure that complies with all of the following criteria:
  - (i) is not essential to,
  - (ii) is naturally and normally incidental to or subordinate in purpose to,
  - (iii) is exclusively devoted to,
  - (iv) is detached from, and
  - (v) is situated on the same property as,

a principal commercial use. Commercial accessory buildings or structures shall include, but not limited to, the separate storage of refuse or the storage of mechanical equipment related to the operation or maintenance of the principal use, building, structure or site. Commercial accessory building or structure shall not include any building or structure, whether in whole or in part, falling within the definition of “commercial use” in this by-law.”



- (j) “commercial use” means land, buildings or structures used, designed or intended for use for either or both of office and retail uses as defined in this by-law;
- (k) “Council” means the Council of the Regional Municipality of Durham;
- (l) “development” includes redevelopment;
- (m) “development charges” means charges imposed pursuant to this By-law in accordance with the Act, except in sections 20 and 21 where “development charges” means charges with respect to water supply services, sanitary sewer services and regional road services;
- (n) “duplex” means a building comprising, by horizontal division, two dwelling units;
- (o) “dwelling unit” means a room or suite of rooms used, or designed or intended for use by one person or persons living together, in which culinary and sanitary facilities are provided for the exclusive use of such person or persons;
- (p) “existing industrial building” means a building used for or in connection with,
  - (i) manufacturing, producing, processing, storing or distributing something,
  - (ii) research or development in connection with manufacturing, producing or processing something,
  - (iii) retail sales by a manufacturer, producer or processor of something they manufactured, produced or processed, if the retail sales are at the site where the manufacturing, production or processing takes place,
  - (iv) office or administrative purposes, if they are,
    - (1) carried out with respect to manufacturing, producing, processing, storage or distributing of something, and
    - (2) in or attached to the building or structure used for that manufacturing, producing, processing, storage or distribution;
- (q) “farm building” means a building or structure used, in connection with a bona fide agricultural use and includes barns, silos, and similar structures, and includes a dwelling located on the same lot as the agricultural use or on a lot directly abutting the agricultural use, which is used exclusively for

the housing of temporary or seasonal persons employed exclusively for the farming of that agricultural use, but otherwise excludes a building or structure used, or designed or intended for use for residential or commercial uses;

- (r) “garden suite” means a one-unit detached, temporary residential structure containing bathroom and kitchen facilities that is ancillary to an existing residential structure and that is designed to be portable;
- (s) “gross floor area” means (except for the purposes of sections 11 and 17), in the case of a non-residential building or structure or the non-residential portion of a mixed-use building or structure, the aggregate of the areas of each floor, whether above or below grade, measured between the exterior faces of the exterior walls of the building or structure or pliable membrane in the case of an air supported structure, or from the centre line of a common wall separating a non-residential and a residential use, and, for the purposes of this definition, the non-residential portion of a mixed-use building is deemed to include one-half of any area common to the residential and non-residential portions of such mixed-use building or structure;
- (t) “hospice” means a building or structure used to provide not for profit palliative care to the terminally ill;
- (u) “housing services use”/ “housing services” means social housing which is rental housing provided by Durham Region Local Housing Corporation (DRLHC) or by a non-profit housing provider that receives ongoing subsidy from the Region of Durham and Affordable Housing which are rental units provided by private or non-profit housing providers that receive capital funding through a federal and / or provincial government affordable housing program;
- (v) “industrial use” means lands, buildings or structures used or designed or intended for use for manufacturing, producing, processing, fabricating or assembly of raw goods, research or development in connection therewith, and includes office uses, warehousing or bulk storage of goods and the sale of commodities to the general public where such uses are accessory to an industrial use, but does not include the sale of commodities to the general public through a warehouse club or similar use;
- (w) “institutional use” means lands, buildings or structures used or designed or intended for use by a non-profit organized body, society or religious group for promoting a public and non-profit purpose, and would include a hospice and office uses where such uses are accessory to an institutional use;

- (x) “local board” means a local board as defined in the *Municipal Affairs Act*, other than a board defined in subsection 1(1) of the *Education Act*;
- (y) “medium density multiples” includes plexes, townhouses, stacked townhouses and all other residential uses that are not included in the definition of “apartment building”, “apartment”, “garden suites”, “mobile homes”, “retirement residence units”, “single detached”, “single detached dwelling” or “semi-detached dwelling”;
- (z) “mixed-use” means land, buildings or structures used, or designed or intended for use, for a combination of at least two of commercial, industrial, institutional or residential uses;
- (aa) “mobile home” means any dwelling that is designed to be made mobile, and constructed or manufactured to provide a permanent or temporary residence for one or more persons, but does not include a travel trailer or tent trailer or trailer otherwise designed;
- (bb) “non-residential use” means lands, buildings or structures or portions thereof used, or designed or intended for use for other than residential use, and includes commercial, industrial and institutional uses;
- (cc) “office use” means lands, buildings or structures used or designed or intended for use for the practice of a profession, the carrying on of a business or occupation and, for greater certainty, but without in any way limiting the generality of the foregoing, shall include but not be limited to the office of a physician, lawyer, dentist, architect, engineer, accountant, real estate or insurance agency, insurance company, veterinarian, surveyor, appraiser, financial institution, consumer loan company, employment agency, advertising agency, consulting firm, business service, investment company, security broker, mortgage company, medical clinic, builder, land developer;
- (dd) “place of worship” means a building or structure or part thereof that is used primarily for worship and is exempt from taxation as a place of worship under the *Assessment Act*;
- (ee) “plex” means a duplex, a semi-detached duplex, a triplex or a semi-detached triplex;
- (ff) “Region” means the Regional Municipality of Durham;
- (gg) “region-wide charges” means the development charges imposed in regard to the region-wide services;

- (hh) “region-wide services” means services in regard to regional roads, regional police, paramedic services, health and social services, long term care, development related studies, and housing services;
- (ii) “residential use” means lands, buildings or structures used, or designed or intended for use as a home or residence of one or more individuals, and shall include, but is not limited to, a single detached dwelling, a semi-detached dwelling, a townhouse, a plex, a stacked townhouse, an apartment, an apartment building, a mobile home, a retirement residence and a residential dwelling unit accessory to a non-residential use;
- (jj) “retail use” means lands, buildings or structures used or designed or intended for use for the sale or rental or offer for sale or rental of goods or services for consumption or use and, for greater certainty, but without in any way limiting the generality of the foregoing, shall include, but not be limited to, food stores, pharmacies, clothing stores, furniture stores, department stores, sporting goods stores, appliance stores, garden centres, automotive dealers, automotive repair shops, gasoline service stations, government owned retail facilities, private daycare, private schools, private lodging, private recreational facilities, sports clubs, golf courses, skiing facilities, race tracks, gambling operations, medical clinics, funeral homes, motels, hotels, rooming houses, restaurants, theatres, facilities for motion picture, audio and video production and distribution, sound recording services, self-storage facilities and secure document storage;
- (kk) “retirement residence” means a residential building or the residential portion of a mixed-use building which provides accommodation for persons of retirement age, where common facilities for the preparation and consumption of food are provided for the residents of the building, and where each unit or living accommodation has separate sanitary facilities, less than full culinary facilities and a separate entrance from a common hall;
- (ll) “retirement residence unit” means a unit within a retirement residence;
- (mm) “rooming house” means a detached building or structure which comprises rooms that are rented for lodging and where the rooms do not have both culinary and sanitary facilities for the exclusive use of individual occupants;
- (nn) “Seaton Community” means the lands shown on Schedule “F”, which may generally be described as being bounded: to the south by the Canadian Pacific Railway right-of-way; to the west by West Duffins Creek; to the north by Provincial Highway No. 7; and to the east by Sideline 16 and the boundary between the City of Pickering and the Town of Ajax, and

excludes the lands comprising the Hamlet communities of Whitevale, Green River and Brougham;

- (oo) “semi-detached duplex” means one of a pair of attached duplexes, each duplex divided vertically from the other by a party wall;
  - (pp) “semi-detached dwelling” means a building divided vertically (above or below ground) into and comprising 2 dwelling units;
  - (qq) “semi-detached triplex” means one of a pair of triplexes divided vertically one from the other by a party wall;
  - (rr) “serviced” means the particular service is connected to or available to be connected to the lands, buildings or structures, or, as a result of the development, will be connected to or will be available to be connected to the lands, buildings or structures, or the lands to be developed are in an area designated for the particular service in the Region’s Official Plan;
  - (ss) “services” means the services designated in section 7 of this by-law;
  - (tt) “single detached dwelling” and “single detached” means a building comprising 1 dwelling unit;
  - (uu) “stacked townhouse” means a building, other than a plex, townhouse or apartment building, containing at least 3 dwelling units; each dwelling unit separated from the other vertically and/or horizontally and each dwelling unit having a separate entrance to grade;
  - (vv) “townhouse” means a building, other than a plex, stacked townhouse or apartment building, containing at least 3 dwelling units, each dwelling unit separated vertically from the other by a party wall and each dwelling unit having a separate entrance to grade;
  - (ww) “triplex” means a building comprising 3 dwelling units.
2. In this by-law where reference is made to a statute or a section of a statute such reference is deemed to be a reference to any successor statute or section.

## **PART II**

### **APPLICATION OF BY-LAW — RULES**

#### **Circumstances Where Development Charges are Payable**

3. Development charges shall be payable in the amounts set out in sections 10, 13, 14 and 15 of this by-law where:
- (a) the lands are located in the area described in subsection 4(1); and



- (b) the development of the lands requires any of the approvals set out in section 5.

#### **Area to Which By-law Applies**

- 4. (1) Subject to subsections 4(2) and 4(3), this by-law applies to all lands in the Region.
- (2) This by-law shall not apply to lands that are owned by and used for the purposes of:
  - (a) the Region or a local board thereof;
  - (b) a board as defined in subsection 1(1) of the *Education Act*; and
  - (c) an area municipality or a local board thereof in the Region.
- (3) Development charges imposed under this by-law in regard to water supply and sanitary sewerage services do not apply to the development of lands located within the Seaton Community. For greater certainty, the balance of the development charges imposed under this by-law apply to the development of lands located within the Seaton Community.

#### **Approvals for Development**

- 5. Development charges shall be imposed upon all lands, buildings or structures that are developed for residential or non-residential uses if the development requires,
  - (a) the passing of a zoning by-law or of an amendment thereto 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 subsection 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 9 of the *Condominium Act, 1998*; or
  - (g) the issuing of a permit under the *Building Code Act, 1992* in relation to a building or structure.

**Designation of Services**

6. It is hereby declared by Council that all development of land within the area to which this By-law applies will increase the need for services.
7. The development charges under this By-law applicable to a development shall apply without regard to the services required or used by a particular development.
8.
  - (1) No more than one development charge for each service designated in section 9 shall be imposed on land to which this by-law applies even though two or more of the actions described in section 5 are required before the land can be developed.
  - (2) Notwithstanding subsection 8(1), if two or more of the actions described in section 5 occur at different times, additional development charges shall be imposed if the subsequent action has the effect of increasing the need for services.
9.
  - (1) The categories of services for which development charges are imposed under this by-law are as follows:
    - (a) water supply;
    - (b) sanitary sewerage;
    - (c) regional roads;
    - (d) long term care;
    - (e) regional police;
    - (f) paramedic services;
    - (g) health and social services;
    - (h) housing services; and
    - (i) development related studies.
  - (2) The components of the services designated in subsection 9(1) are described on Schedule "A".

## **Amount of Charge**

### **Residential**

10. The development charges described in Schedule “B” to this by-law shall be imposed upon residential uses of lands, buildings or structures, including a dwelling unit accessory to a non-residential use and, in the case of a mixed use building or structure, upon the residential uses in the mixed use building or structure, according to the type of residential unit. The development charges payable shall comprise the following:
- (a) Region-wide Charges
    - (i) a development charge with respect to each of the region-wide services according to the type of residential use;
  - (b) Regional Water Supply and Sanitary Sewer Charges
    - (i) where the lands, buildings or structures are serviced by regional water supply services, the development charge with respect to water supply services according to the type of residential use;
    - (ii) where the lands, buildings or structures are serviced by regional sanitary sewer services, the development charge with respect to sanitary sewer services according to the type of residential use.

### **Exemptions**

11. (1) In this section,
- (a) “gross floor area” means the total floor area, measured between the outside of exterior walls or between the outside of exterior walls and the centre line of party walls dividing the building from another building, of all floors above the average level of finished ground adjoining the building at its exterior walls;
  - (b) “other residential building” means a residential building not in another class of residential building described in this subsection;
  - (c) “semi-detached or row dwelling” means a residential building consisting of one dwelling unit having one or two vertical walls, but no other parts, attached to another structure;
  - (d) “single detached dwelling” means a residential building consisting of one dwelling unit and not attached to another structure.
- (2) Subject to subsections 11(3), 11(4) and 11(5), development charges shall not be imposed in respect to:

- (a) the issuance of a building permit not resulting in the creation of an additional dwelling unit;
  - (b) the enlargement of an existing dwelling unit;
  - (c) the creation of one or two additional dwelling units within an existing single detached dwelling or on the same lot as an existing single detached dwelling;
  - (d) the creation of one additional dwelling unit within a semi-detached dwelling, a row dwelling, or any other residential building, or on the same lot as an existing semi-detached dwelling, a row dwelling, or any other residential building; or
  - (e) the creation of a garden suite.
- (3) Notwithstanding 11(2)(c) and (d), prior to the issuance of a building permit for any additional dwelling unit located on the same lot, but not within a single detached dwelling, semi-detached dwelling, a row dwelling, or any other residential building, the owner shall be required to enter into an agreement with the Region under section 27 of the Act respecting the timing and calculation of payment of development charges, notice of which the owner shall register on the title to the lands at its sole cost and expense with the intention that the provisions shall bind and run with title to the lands. Such agreement will require that in the event that the lands upon which any additional dwelling unit is located are the subject of an application for consent under section 53 of the *Planning Act*, or for which a by-law is passed under subsection 50(7) of the *Planning Act*, within 10 years of the date of building permit issuance for such additional dwelling unit, the development charges that would have otherwise been payable for such dwelling unit, shall become due and payable.
- (4) Notwithstanding subsection 11(2)(c), development charges shall be imposed in accordance with section 10 if the total gross floor area of the additional one or two dwelling units within the existing single detached dwelling or on the same lot as the existing single detached dwelling exceeds the gross floor area of the existing dwelling unit.
- (5) Notwithstanding subsection 11(2)(d), development charges shall be imposed in accordance with section 10 if the additional dwelling unit has a gross floor area greater than:
- (a) in the case of a semi-detached or row dwelling, the gross floor area of the existing dwelling unit; and

- (b) in the case of any other residential building, the gross floor area of the smallest dwelling unit already contained in the residential building.

### **Mobile Home**

- 12. (1) The development charges imposed upon a mobile home under section 10 shall be payable at the rate applicable to an apartment of two bedrooms or larger.
- (2) The development charges paid in regard to a mobile home shall be refunded in full to the then current owner thereof, upon request, if the mobile home is removed within ten years of the issuance of the building permit relating thereto.
- (3) The onus is on the applicant to produce evidence to the satisfaction of the Region, acting reasonably, which establishes that the applicant is entitled to the refund claimed under this section.

### **Retirement Residence Unit**

- 12.1 (1) The development charges imposed on a retirement residence unit under section 10 shall be payable at the rate applicable to an apartment of one bedroom and smaller.

### **Non-Residential**

#### ***Commercial***

- 13. (1) The development charges described in Schedule "C" to this by-law shall be imposed upon commercial uses of lands, buildings or structures, and, in the case of a mixed use building or structure, upon the commercial uses in the mixed use building or structure. The development charges payable shall comprise the following:
  - (a) Regional Road Charges
    - (i) a development charge with respect to regional road services according to the gross floor area of the commercial use;
  - (b) Regional Water Supply and Sanitary Sewer Charges
    - (i) where the lands, buildings or structures are serviced by regional water supply services, the development charge with respect to water supply services according to the gross floor area of the commercial use;



- (ii) where the lands, buildings or structures are serviced by regional sanitary sewer services, the development charge with respect to sanitary sewer services according to the gross floor area of the commercial use.
- (2) Subject to subsections 13(3) and 13(4) of this by-law, the development charges imposed on commercial accessory buildings or structures shall be payable at the rate applicable to industrial development under Schedule "E".
- (3) The application of development charges at the industrial rate in regard to commercial accessory buildings or structures shall be limited to an aggregate of 7,000 square feet of gross floor area of all such buildings or structures on the same site.
- (4) Development charges at the rate applicable to commercial development under Schedule "C" shall be imposed upon the gross floor area of commercial accessory buildings or structures in excess of 7,000 square feet on the same site.

***Institutional***

- 14. The development charges described in Schedule "D" to this by-law shall be imposed upon institutional uses of lands, buildings or structures, and, in the case of a mixed use building or structure, upon the institutional uses in the mixed use building or structure. The development charges payable shall comprise the following:
  - (a) Regional Road Charges
    - (i) a development charge with respect to regional road services according to the gross floor area of the institutional use;
  - (b) Regional Water Supply and Sanitary Sewer Charges
    - (i) where the lands, buildings or structures are serviced by regional water supply services, the development charge with respect to water supply services according to the gross floor area of the institutional use;
    - (ii) where the lands, buildings or structures are serviced by regional sanitary sewer services, the development charge with respect to sanitary sewer services according to the gross floor area of the institutional use.

### ***Industrial***

15. The development charges described in Schedule “E” to this by-law shall be imposed upon industrial uses of lands, buildings or structures, and, in the case of a mixed use building or structure, upon the industrial uses in the mixed use building or structure. The development charges payable shall comprise the following:
- (a) Regional Road Charges
    - (i) a development charge with respect to regional road services according to the gross floor area of the industrial use;
  - (b) Regional Water Supply and Sanitary Sewer Charges
    - (i) where the lands, buildings or structures are serviced by regional water supply services, the development charge with respect to water supply services according to the gross floor area of the industrial use;
    - (ii) where the lands, buildings or structures are serviced by regional sanitary sewer services, the development charge with respect to sanitary sewer services according to the gross floor area of the industrial use.

### **Exemptions**

16. (1) Notwithstanding the provisions of this by-law, development charges shall not be imposed in regard to:
- (a) agricultural uses and farm buildings;
  - (b) places of worship;
  - (c) public hospitals receiving aid under the *Public Hospitals Act*, R.S.O. 1990, c. P.40, excluding such buildings or structures or parts thereof used, designed or intended for use primarily for or in connection with a commercial purpose;
  - (d) any part of a building or structure used for the parking of motor vehicles, excluding parking spaces for display of motor vehicles for sale or lease or parking spaces associated with the servicing of motor vehicles;
  - (e) free standing roof-like structures and canopies that do not have exterior walls.

**Exemption for Enlargement of Existing Industrial Building**

17. (1) Despite any other provisions of this by-law, if a development includes the enlargement of the gross floor area of an existing industrial building, the amount of the development charge that is payable in respect of the enlargement shall be calculated as follows:
- (a) if the gross floor area is enlarged by fifty percent or less, the amount of the development charge in respect of the enlargement is zero;
  - (b) if the gross floor area is enlarged by more than fifty percent the amount of the development charge in respect of the enlargement is the amount of the development charge that would otherwise be payable multiplied by the fraction determined as follows:
    - (i) determine the amount by which the enlargement exceeds fifty percent of the gross floor area before the enlargement; and
    - (ii) divide the amount determined under paragraph (i) by the amount of the enlargement.
- (2) For the purposes of subsection 17(1) the following provisions apply:
- (a) the gross floor area of an existing industrial building shall be calculated as it existed as of July 1, 2018;
  - (b) subject to 2(c) below, the enlargement need not be an attached addition or expansion of an existing industrial building, but rather may be a new standalone structure, provided it is located on the same parcel of land as the existing industrial building;
  - (c) in the event that the enlargement is in the form of a standalone building or structure located on the same parcel of land as per 2(b) above, prior to the issuance of a building permit for the standalone building or structure, the owner shall be required to enter into an agreement with the Region under section 27 of the Act respecting the timing and calculation of payment of development charges, notice of which the owner shall register on the title to the lands at its sole cost and expense with the intention that the provisions shall bind and run with title to the lands. Such agreement will require that in the event that the lands upon which any standalone building or structure is located are the subject of an application for consent under section 53 of the *Planning Act*, or for which a by-law is passed under subsection 50(7) of the *Planning Act*, within 10 years of building permit issuance for such standalone building or

structure, that the development charges that would have otherwise been payable for such standalone building or structure, shall become due and payable.

- (3) In this section “gross floor area” means the total floor area, measured between the outside of exterior walls or between the outside of exterior walls and the centre line of party walls dividing the building from another building, of all floors above the average level of finished ground adjoining the building at its exterior walls.

### **Reduction of Development Charges For Redevelopment**

18. (1) Despite any other provision of this by-law, where, as a result of the redevelopment of land, a building or structure existing on the land within ten years prior to the date of payment of development charges in regard to such redevelopment was, or is to be demolished, in whole or in part, or converted from one principal use to another, in order to facilitate the redevelopment, the development charges otherwise payable with respect to such redevelopment shall be reduced by the following amounts:
- (a) in the case of a residential building or structure, the amount of the reduction in the applicable development charges will equal the applicable development charges under section 10 of this by-law that would have been chargeable on the type of dwelling units demolished or to be demolished or converted to another use; and
  - (b) in the case of a non-residential building or structure, the amount of the reduction in the applicable development charges will equal the applicable development charges under sections 13, 14 or 15 of this by-law that would have been chargeable on the gross floor area of the non-residential building or structure that was demolished or to be demolished or converted to another use;
  - (c) in the case of a non-residential building or structure that would have been exempt from the payment of development charges under the current Regional Development Charge By-law, the amount of the reduction in the applicable development charge will equal the applicable development charge under section 14 of this by-law that, had the building or structure not been exempt, could have been chargeable on the gross floor area of the non-residential building or structure that was demolished or to be demolished or converted to another use; and
  - (d) in the case of a mixed-use building or structure, the amount of the reduction in the applicable development charges will equal the applicable development charges under sections 10, 13, 14 or 15 of this by-law that would have been chargeable either upon the type of

dwelling units or the gross floor area of non-residential use in the mixed-use building or structure that is being demolished or to be demolished or converted to another use;

provided that such amounts shall not exceed, in total, the amount of the development charges otherwise payable with respect to the redevelopment.

- (2) The ten year period referred to in subsection 18(1) of this by-law shall be calculated from the date of the issuance of the first demolition permit.
- (3) Development charges shall not be reduced under this section where the building or structure that is to be demolished or has been demolished or converted from one principal use to another was, or would have been, exempt from development charges under this by-law.
- (4) The onus is on the applicant to produce evidence to the satisfaction of the Region, acting reasonably, which establishes that the applicant is entitled to the reduction in the payment of development charges claimed under this section.

### **PART III**

#### **ADMINISTRATION**

##### **Timing of Payment of Development Charges**

19. Development charges, adjusted in accordance with section 24 of this by-law to the date of payment, are payable in full on the date on which a building permit is issued with respect to each dwelling unit, building or structure.
20.
  - (1) Notwithstanding section 19, development charges, adjusted in accordance with section 24 to the date of payment, with respect to water supply services, sanitary sewer services and regional road services shall be payable, with respect to an approval of a residential plan of subdivision under section 51 of the Planning Act, immediately upon the owner entering into the subdivision agreement with the Region, on the basis of the proposed number and type of dwelling units in the plan of subdivision.
  - (2) Notwithstanding section 20(1), development charges applicable to a high density or condominium block in a residential plan of subdivision are payable in accordance with section 19.
  - (3) Notwithstanding subsection 20(1), where an owner elects to enter into an agreement with the Region pursuant to section 27 of the Act, development charges with respect to water supply services, sanitary sewer services and regional road services may be payable as follows:



- (a) upon the execution of the subdivision agreement, 50% of the development charges otherwise payable under subsection 20-1, adjusted in accordance with section 24 to the date of payment; and
  - (b) on the first anniversary date of the execution of the subdivision agreement, 50% of the development charges otherwise payable under subsection 20-1, adjusted in accordance with section 24 to the date of payment;  
provided, however, in regard to any lot on the plan of subdivision, any balance of the development charges owing during the one year period following execution of the subdivision agreement shall become payable, after adjustment in accordance with section 24 to the date of payment, on the date a building permit is issued in regard to such lot.
- (4) The balance of the development charges outstanding at any time that are payable in accordance with subsection 20-3 shall be secured by a letter of credit, in a form acceptable to the Region, in an amount which is equal to 55% of the development charges as determined under section 10. The payment of the outstanding balance under subsection 20-3 may be made by way of a draw by the Region on the letter of credit.
- (5) Notwithstanding section 19 and subsection 20-3, Council, from time to time, and at any time, may enter into agreements in accordance with section 27 of the Act which provide for all or any part of a development charge to be paid before or after it would otherwise be payable.
- (6) Notwithstanding any of the foregoing, for lands, buildings and structures developed for a housing services use, the Region may defer the timing of the payment of development charges from building permit issuance to a period of time not to exceed eighteen months from the date of first building permit issuance, to be at the discretion of the Commissioner of Finance, if the owner enters into an agreement with the Region and the applicable area municipality under section 27 of the Act respecting the timing and calculation of payment of development charges, notice of which the owner shall register on the title to the lands at its sole cost and expense, with the intention that the provisions shall bind and run with title to the lands.
21. (1) If, at the time of issuance of a building permit or permits in regard to a lot on a plan of subdivision for which payments have been made pursuant to subsection 20-1 or 20-3, the type of dwelling unit for which building permits are being issued is different than that used for the calculation and payment under subsection 20-1 or 20-3, and there has been no change in the zoning affecting such lot, and the development charges for the type of dwelling unit for which building permits are being issued were greater at the time that payments were made pursuant to subsection 20-1 or 20-3 than for the type of dwelling unit used to calculate the payment under

subsection 20(1) or 20(3), an additional payment to the Region is required, which payment, in regard to such different unit types, shall be the difference between the development charges in respect to the type of dwelling unit for which building permits are being issued, calculated as at the date of issuance of the building permit or permits, and the development charges previously collected in regard thereto, adjusted in accordance with section 24 of this by-law to the date of issuance of the building permit or permits.

- (2) If, at the time of issuance of a building permit or permits in regard to a lot on a plan of subdivision for which payments have been made pursuant to subsection 20(1) or 20(3), the total number of dwelling units of a particular type for which building permits have been or are being issued is greater, on a cumulative basis, than that used for the calculation and payment under subsection 20(1) or 20(3), and there has been no change in the zoning affecting such lot, an additional payment to the Region is required, which payment shall be calculated on the basis of the number of additional dwelling units at the rate prevailing as at the date of issuance of the building permit or permits for such dwelling units.
- (3) If, at the time of issuance of a building permit or permits in regard to a lot on a plan of subdivision for which payments have been made pursuant to subsection 20(1) or 20(3), the type of dwelling unit for which building permits are being issued is different than that used for the calculation and payment under subsection 20(1) or 20(3), and there has been no change in the zoning affecting such lot, and the development charges for the type of dwelling unit for which building permits are being issued were less at the time that payments were made pursuant to subsection 20(1) or 20(3) than for the type of dwelling unit used to calculate the payment under subsection 20(1) or 20(3), a refund in regard to such different unit types shall be paid by the Region, which refund shall be the difference between the development charges previously collected, adjusted in accordance with section 24 of this by-law to the date of issuance of the building permit or permits, and the development charges in respect to the type of dwelling unit for which building permits are being issued, calculated as at the date of issuance of the building permit or permits.
- (4) If, at the time of issuance of a building permit or permits in regard to a lot on a plan of subdivision for which payments have been made pursuant to subsection 20(1) or 20(3), the total number of dwelling units of a particular type for which building permits have been or are being issued is less, on a cumulative basis, than that used for the calculation and payment under subsection 20(1) or 20(3), and there has been no change in the zoning affecting such lot, a refund shall be paid by the Region, which refund shall be calculated on the basis of the number of fewer dwelling units at the rate prevailing as at the date of issuance of the building permit or permits.

- (5) Notwithstanding subsections 21(3) and 21(4), a refund shall not exceed the amount of the development charges paid under section 20.

### **Payment by Services**

22. Notwithstanding the payments required under sections 19 and 20, the Region may, by agreement pursuant to section 38 of the Act, permit an owner to provide services in lieu of the payment of all or any portion of a development charge. The Region shall give the owner who performed the work a credit towards the development charge in accordance with the agreement subject to the requirements of the Act.

### **Front-Ending Agreements**

23. Council, from time to time, and at any time, may enter into front-ending agreements in accordance with the Act.

### **Indexing**

24. Development charges imposed pursuant to this by-law shall be adjusted annually, without amendment to this by-law, as of the 1st day of July, 2019, and on each successive July 1<sup>st</sup> date in accordance with the Statistics Canada Quarterly, *Construction Price Statistics*, catalogue number 62-207, for the most recently available annual period ending March 31.

### **Schedules**

25. The following schedules to this by-law form an integral part thereof:
- |              |   |  |
|--------------|---|--|
| Schedule "A" | - | Components of Services Designated in section 7 |
| Schedule "B" | - | Residential Development Charges                |
| Schedule "C" | - | Commercial Development Charges                 |
| Schedule "D" | - | Institutional Development Charges              |
| Schedule "E" |   | Industrial Development Charges                 |
| Schedule "F" | - | Map of Seaton Community                        |

### **Date By-law in Force**

26. This by-law shall come into force on July 1, 2018.

**Date By-law Expires**

27. This by-law will expire five years from the date it comes into force, unless it is repealed at an earlier date by a subsequent by-law.

**Repeal**

28. By-law No.16-2013 is hereby repealed effective on the date this by-law comes into force.

**Registration**

29. A certified copy of this by-law may be registered on title to any land to which this by-law applies.

**Severability**

30. In the event any provision, or part thereof, of this by-law is found by a court of competent jurisdiction to be *ultra vires*, such provision, or part thereof, shall be deemed to be severed, and the remaining portion of such provision and all other provisions of this by-law shall remain in full force and effect.

**Short Title**

31. This By-law may be cited as the Regional Municipality of Durham Development Charges By-law, 2018

BY-LAW read and passed this 13th day of June, 2018.

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Gerri Lynn O'Connor, Regional Chair and CEO

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R. Walton, Regional Clerk/  
Director of Legislative Services

**SCHEDULE "A"**  
**DESIGNATED REGIONAL SERVICES AND  
SERVICE COMPONENTS THEREUNDER**

<u>CATEGORY OF REGIONAL SERVICES</u>	<u>SERVICE COMPONENTS</u>
1. Regional Road	<ul style="list-style-type: none"><li>• Regional Road Construction/Improvements/Urbanization</li><li>• Improvements to Highway Interchanges/Grade Separations</li><li>• Intersection and Corridor Improvements</li><li>• Traffic Signals and Systems</li><li>• Property Acquisition</li><li>• Maintenance Facilities</li><li>• Capital Equipment</li><li>• Landscaping</li><li>• Studies</li><li>• Environmental Assessment</li></ul>
2. Regional Police	<ul style="list-style-type: none"><li>• Costs to Acquire Land or an Interest in Land, Including a Leasehold Interest</li><li>• Costs to Improve Land</li><li>• Costs to Acquire, Lease, Construct or Improve Buildings and Structures</li><li>• Costs to Acquire, Lease, Construct or Improve Facilities</li><li>• Vehicles and Equipment</li></ul>
3. Long Term Care	<ul style="list-style-type: none"><li>• Costs to Acquire Land or an Interest in Land, Including a Leasehold Interest</li><li>• Costs to Improve Land</li><li>• Costs to Acquire, Lease, Construct or Improve Buildings and Structures</li></ul>



- Costs to Acquire, Lease, Construct or Improve Facilities
4. Water Supply
    - Pumping Stations
    - Reservoirs
    - Feeder mains
    - Water Supply Plants and Municipal Wells
    - Capital Equipment
    - Studies
    - Environmental Assessment
    - Water Use Efficiency Strategy
    - Well Interference
  5. Sanitary Sewerage
    - Sewage Pumping Stations and Force mains
    - Trunk Sanitary Sewers
    - Water Pollution Control Plants
    - Sludge Storage and Disposal Facilities
    - Capital Equipment
    - Studies
    - Environmental Assessment
    - Water Use Efficiency
  6. Paramedic Services
    - Land Ambulances and Equipment Stations and Land
  7. Health and Social Services
    - Costs to Acquire Land and Buildings
    - Studies
  8. Housing Services
    - Costs to Acquire Land and Buildings or Units
    - Costs to Improve Land
    - Costs for Construction of new Buildings or Units
    - Studies
  9. Development Related Studies

**SCHEDULE "B"**

**RESIDENTIAL DEVELOPMENT CHARGES PER DWELLING UNIT  
EFFECTIVE JULY 1, 2018 - \$ PER DWELLING TYPE**

SERVICE CATEGORY	SINGLE DETACHED & SEMI-DETACHED \$	MEDIUM DENSITY MULTIPLES \$	TWO BEDROOM APARTMENT & LARGER \$	ONE BEDROOM APARTMENT & SMALLER \$
<u>Region-Wide Charges</u>				
Regional Roads	9,250	7,432	5,373	3,502
Regional Police	715	575	416	271
Long-Term Care	19	15	11	7
Paramedic Services	170	137	99	64
Health & Social Services	123	99	72	47
Housing Services	387	311	225	147
Development Related Studies	19	15	11	7
Subtotal	10,683	8,584	6,207	4,045
<u>Regional Water Supply &amp; Sanitary Sewer Charges</u>				
Water Supply	9,420	7,569	5,472	3,566
Sanitary Sewerage	9,170	7,368	5,327	3,472
Subtotal	18,591	14,938	10,799	7,038
<b>Total of All Charges</b>	<b><u>29,273</u></b>	<b><u>23,521</u></b>	<b><u>17,006</u></b>	<b><u>11,083</u></b>

NOTE: The development charges described above shall be adjusted annually on July 1 pursuant to Section 24 of this By-law.

**SCHEDULE "C"**

**COMMERCIAL DEVELOPMENT CHARGES EFFECTIVE JULY 1, 2018  
\$ PER SQUARE FOOT OF GROSS FLOOR AREA**

SERVICE CATEGORY	COMMERCIAL DEVELOPMENT CHARGES
Water Supply	3.51
Sanitary Sewerage	5.88
Regional Roads	8.54
<b>Total of All Charges</b>	<b><u>17.93</u></b>

NOTE: The development charges described above shall be adjusted annually on July 1 pursuant to section 24 of this By-law.

**SCHEDULE "D"**

**INSTITUTIONAL DEVELOPMENT CHARGES EFFECTIVE JULY 1, 2018  
\$ PER SQUARE FOOT OF GROSS FLOOR AREA**

SERVICE CATEGORY	INSTITUTIONAL DEVELOPMENT CHARGES
Water Supply	0.86
Sanitary Sewerage	1.05
Regional Roads	7.18
<b>Total of All Charges</b>	<b><u>9.09</u></b>

NOTE: The development charges described above shall be adjusted annually on July 1 pursuant to section 24 of this By-law.

**SCHEDULE "E"**

**INDUSTRIAL DEVELOPMENT CHARGES EFFECTIVE JULY 1, 2018  
\$ PER SQUARE FOOT OF GROSS FLOOR AREA**

SERVICE CATEGORY	INDUSTRIAL DEVELOPMENT CHARGES
Water Supply	2.80
Sanitary Sewerage	3.38
Regional Roads	3.24
<b>Total of All Charges</b>	<b><u>9.42</u></b>

NOTE: The development charges described above shall be adjusted annually on July 1 pursuant to section 24 of this By-law.



**SCHEDULE "F"**  
**SEATON COMMUNITY**

