Town of Tillsonburg
2019 Development Charges
Background Study

Public Meeting
May 13, 2019
Public Meeting Purpose

Purpose:

• This meeting is a mandatory requirement under the Development Charges Act (D.C.A.)

• Prior to Council’s consideration of a by-law, a background study must be prepared and available to the public a minimum of 2 weeks prior to a public meeting and provided on the Municipality’s website 60 days prior to by-law passage

• This public meeting is to provide a review of the Development Charges (D.C.) proposal and to receive public input on the proposed policies and charges
Study Process and Timeline

• D.C. Background Study process has been undertaken in conjunction with Oxford County and the area municipalities (excl. Woodstock)
  • Growth forecast and detailed discussions with staff regarding future needs to service growth (July – Dec. 2018)
  • Joint Council Information Session (July 10, 2018)
  • Development Industry Stakeholder Session (Aug. 13 and Sep. 5, 2018)
  • Joint County and Area Municipal Council Information Session (March 13, 2019)
  • Development Industry Stakeholder Session (March 21 and 25, 2019)
  • Tillsonburg Council Information Session (March 21, 2019)
  • Release of D.C. Background Study (April 12, 2019)
  • D.C. Public Meeting (May 13, 2019)
  • Council consideration of D.C. By-law (June 13, 2019)
The Process of Calculating a Development Charge under the Act that must be followed

1. Anticipated Development
2. Ineligible Services
3. Estimated Increase in Need for Service
4. Ceiling Re: Increased Need
5. Needs That Will Be Met
6. Examination of the Long-term Capital and Operating Costs for Capital Infrastructure
7. Asset Management Plan for All Capital Projects to be Funded by D.C.s
8. Specified Local Services
9. D.C. Needs By Service
10. Less: Uncommitted Excess Capacity
11. Less: Benefit To Existing Development
12. Less: Grants, Subsidies and Other Contributions
13. Less: 10% Where Applicable
14. D.C. Net Capital Costs
15. Financing, Inflation and Investment Considerations
16. D.C. By-law(s)
17. Amount of the Charge By Type of Development (including apportionment of costs - residential and non-residential)
18. Consideration of exemptions, phase-ins, etc.
Growth Forecast

- The County of Oxford is currently undertaking a Municipal Comprehensive Review to update the growth forecast for the County and area municipalities.

- Growth forecast has been prepared based on January 2019 draft findings for the 10-year period (2019-2029) and 22 year period (2019-2041)

<table>
<thead>
<tr>
<th>Time Horizon</th>
<th>Residential</th>
<th>Non-Residential</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Net Population</td>
<td>Residential Units</td>
</tr>
<tr>
<td>Mid 2019</td>
<td>16,545</td>
<td>7,696</td>
</tr>
<tr>
<td>Mid 2029</td>
<td>18,386</td>
<td>8,589</td>
</tr>
<tr>
<td>Mid 2041</td>
<td>20,713</td>
<td>9,541</td>
</tr>
</tbody>
</table>

Incremental Change

<table>
<thead>
<tr>
<th></th>
<th>10-year (2019-2029)</th>
<th>22-year (2019-2041)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,841</td>
<td>1,845</td>
</tr>
<tr>
<td></td>
<td>893</td>
<td>1,219</td>
</tr>
<tr>
<td></td>
<td>511</td>
<td>102,800</td>
</tr>
</tbody>
</table>

1. Excludes NFPOW and WAH
Increase in Need for Service

Town-Wide Services (22-year)

- Roads and Related (road improvements and public works)

Town-Wide Services (10-year)

- Fire Services
- Police Services
- Parks and Recreation (indoor recreation, parks and trails development)
- Administration - Studies
Anticipated Capital Needs
Gross Capital Costs - $19.8 million

- Post Period Benefit: $0.1 million (1%)
- Benefit to Existing Development: $6.2 million (31%)
- Grants, Subsidies, & Other Contributions: $1.9 million (10%)
- D.C. Reserve Funds: $1.3 million (7%)
- D.C. Recoverable Costs: $10.2 million (51%)
- Other (e.g. 10% Statutory Deduction): $0.1 million (0%)
Development Charge Recoverable Capital Costs
Total D.C. Recoverable Costs – $10.2 million

- Roads and Related - $8.8 million (86%)
- Fire Services - $0.5 million (5%)
- Police Services - $0 million (0%)
- Parks & Recreation - $0.5 million (5%)
- Administration Studies - $0.4 million (4%)
## Proposed Schedule of Development Charges

<table>
<thead>
<tr>
<th>Service</th>
<th>Single and Semi-Detached Dwelling</th>
<th>Apartments - 2 Bedrooms +</th>
<th>Apartments - Bachelor and 1 Bedroom</th>
<th>Other Multiples</th>
<th>Municipal Wide Services (per m² of Gross Floor Area)</th>
<th>Municipal Wide Services (per Wind Turbine)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal Wide Services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads and Related</td>
<td>4,434</td>
<td>2,364</td>
<td>1,599</td>
<td>2,785</td>
<td>19.73</td>
<td>4,434</td>
</tr>
<tr>
<td>Fire Services</td>
<td>512</td>
<td>273</td>
<td>185</td>
<td>322</td>
<td>2.39</td>
<td>512</td>
</tr>
<tr>
<td>Police Services</td>
<td>47</td>
<td>25</td>
<td>17</td>
<td>29</td>
<td>0.22</td>
<td>47</td>
</tr>
<tr>
<td>Parks &amp; Recreation</td>
<td>860</td>
<td>458</td>
<td>310</td>
<td>540</td>
<td>0.75</td>
<td></td>
</tr>
<tr>
<td>Administration Studies</td>
<td>400</td>
<td>213</td>
<td>144</td>
<td>251</td>
<td>1.87</td>
<td>400</td>
</tr>
<tr>
<td><strong>Total Municipal Wide Services</strong></td>
<td><strong>6,252</strong></td>
<td><strong>3,333</strong></td>
<td><strong>2,255</strong></td>
<td><strong>3,927</strong></td>
<td><strong>24.95</strong></td>
<td><strong>5,392</strong></td>
</tr>
</tbody>
</table>
Comparison of Current vs. Proposed D.C.
Per Single Detached Residential Dwelling Unit, and per Square Metre of Non-Residential Gross Floor Area

### Residential (Single Detached) Comparison

<table>
<thead>
<tr>
<th>Service</th>
<th>Current</th>
<th>Calculated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Municipal Wide Services:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads and Related</td>
<td>2,796</td>
<td>4,434</td>
</tr>
<tr>
<td>Fire Services</td>
<td>490</td>
<td>512</td>
</tr>
<tr>
<td>Police Services</td>
<td>-</td>
<td>47</td>
</tr>
<tr>
<td>Parks &amp; Recreation</td>
<td>383</td>
<td>860</td>
</tr>
<tr>
<td>Administration Studies</td>
<td>127</td>
<td>400</td>
</tr>
<tr>
<td><strong>Total Municipal Wide Services</strong></td>
<td>3,796</td>
<td>6,252</td>
</tr>
</tbody>
</table>

### Non-Residential (per m²) Comparison

<table>
<thead>
<tr>
<th>Service</th>
<th>Current</th>
<th>Calculated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Municipal Wide Services:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads and Related</td>
<td>-</td>
<td>19.73</td>
</tr>
<tr>
<td>Fire Services</td>
<td>-</td>
<td>2.39</td>
</tr>
<tr>
<td>Police Services</td>
<td>-</td>
<td>0.22</td>
</tr>
<tr>
<td>Parks &amp; Recreation</td>
<td>-</td>
<td>0.75</td>
</tr>
<tr>
<td>Administration Studies</td>
<td>-</td>
<td>1.87</td>
</tr>
<tr>
<td><strong>Total Municipal Wide Services</strong></td>
<td>-</td>
<td>24.95</td>
</tr>
</tbody>
</table>
Municipal D.C. Comparison
Per Single-Detached Residential Dwelling Unit

Residential Development Charges per Fully-Serviced Single Detached Dwelling for Select Municipalities

Proposed Oxford County and Area-Municipality rates Shown with hatching
Municipal D.C. Comparison
Per Square Metre of Commercial Gross Floor Area

Commercial Development Charges per Square Metre of G.F.A. for Select Municipalities

- Upper Tier
- Lower Tier
- Education

Calculated Oxford County and Area-Municipality rates Shown with hatching
Municipal D.C. Comparison
Per Square Metre of Industrial Gross Floor Area

Industrial Development Charges per Square Metre of G.F.A. for Select Municipalities

Calculated Oxford County and Area-Municipality rates Shown with hatching
Development Charge By-Law Policies
D.C. By-Law Policies
Charge Applicability, Timing, and Administration

• One municipal development charge by-law be used for all services
• D.C. by-law would provide for calculation and collection of the charges at the time of building permit issuance
• Municipality may enter into agreement for the D.C. to paid before or after it would otherwise be payable
• Annual Indexing of D.C.s to occur on April 1st
D.C. By-Law Policies
Statutory D.C. Exemptions

• The D.C.A. provides statutory exemptions for:
  • Industrial additions of up to and including 50% of the existing GFA of the building - for industrial additions which exceed 50% of the existing GFA, only the portion of the addition in excess of 50% is subject to D.C.s
  • Land used for Municipal or Board of Education purposes
  • Residential development that results in only the enlargement of an existing dwelling unit, or that results only in the creation of up to two additional dwelling units
D.C. By-Law Policies
Current Non-Statutory D.C. Exemptions

- Non-Residential Buildings
- Places of Worship
- Public Hospitals
- Farm Buildings
- Temporary Buildings or Structures
- Temporary Dwelling Units
- Affordable Housing
- Lands designated as “Central Business District” and “Entrepreneurial Area” in the County of Oxford Official Plan, Schedule T-1
- Long-Term Care homes
D.C. By-Law Policies

Redevelopment Credits

• Credits provided for redevelopment through the demolition or conversion of an existing building or structure
• Credits are witnessed for a 5-year period from demolition or conversion, or no later than 12 months from the date of building permit issuance for the redevelopment
• No credit shall be given where the existing building or would have been exempt from Development Charges in accordance with the by-law
Next Steps
Next Steps

• Council to receive input from the public on the proposed D.C. By-Law;

• Consider further amendments to the D.C. Background Study and D.C. by-law prior to by-law passage, as required; and

• Council consideration of D.C. By-law (June 13, 2018)