



Addendum to Development Charges Update Study

Town of Caledon

For Public Circulation and Comment

June 21, 2021

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1. Summary of Revisions to the April 29, 2021 Development Charges Update Study

1.1 Background

Commensurate with the provisions of the Development Charges Act (D.C.A.), 1997, the Town of Caledon (Town) has undertaken a Development Charges (D.C.) Update Study to amend the 2019 D.C. Background Study and By-law 2019-31. The D.C. Update Study and draft amending by-law were posted to the Town's website for public review. The statutory public meeting was undertaken on May 26, 2021.

The purpose of the addendum to the April 29, 2021 D.C. Update Study is to update the proposed schedule of charges to add a class of service for Development-Related Studies. These capital costs were included in the proposed schedule of charges by incorporating them into the calculation of the D.C. for eligible services. Town staff have determined that these study costs should be separated into class of service for ease of administration of the D.C. reserve funds. The amended schedule of charges herein does not change the quantum identified in the D.C. Update Study, only reallocates the charge by service and class of service.

The refinements are detailed in the subsequent sections of this report and will form part of the D.C. Update Study for Council's consideration and approval prior to adoption of the amending D.C. By-law.



2. Discussion

2.1 Class of Service Development-Related Studies

The D.C.A. allows municipalities to create a class of services for capital costs include in the D.C. by-law. Town staff have determined that development-related studies, as described in Section 3.6 of the D.C. Update Study, should be separated from the services within the schedule a charges as a class of services. The D.C. reserve funds will be managed in accordance with the structure of the schedule of charges.

Table 2-1 summarizes the impacts of the proposed addendum to the draft schedule of charges for Council's consideration.

Table 2-1
Comparison of Current and Proposed Schedule of Charges
For Single Detached and Non-Residential Development (2021\$)

Residential (\$/Single Detached) Comparison				Non-Residential (\$/per sq.mt.) Comparison			
Service	Current (as of February 1, 2021)	Proposed (April 29, 2021 D.C. Update Study)	Proposed (June 21, 2021 D.C. Addendum Study)	Service	Current (as of February 1, 2021)	Proposed (April 29, 2021 D.C. Update Study)	Proposed (June 21, 2021 D.C. Addendum Study)
Municipal Wide Services:				Municipal Wide Services:			
Services Related to a Highway	16,072	21,003	20,558	Services Related to a Highway	44.18	57.61	56.44
	1,586			4.33			
Fire Protection Services	1,320	2,189	2,142	Fire Protection Services	3.64	6.03	5.88
Parks and Recreation Services	1,955	15,596	15,266	Parks and Recreation Services	0.57	4.44	4.37
	8,680			2.50			
Library Services	901	1,795	1,757	Library Services	0.23	0.57	0.50
Development Related Studies (class of service)	844	-	865	Development Related Studies (class of service)	2.39	-	1.46
Animal Control	90	90	90	Animal Control	-	-	-
Provincial Offences Act	208	252	246	Provincial Offences Act	0.57	0.68	0.69
Total Municipal Wide Services	31,657	40,924	40,924	Total Municipal Wide Services	58.41	69.34	69.34



3. Changes to the D.C. Update Study

Based on the foregoing, the following revisions are made to the pages within the April 29, 2021 D.C. Update Study. Accordingly, the revised pages are appended to this report:

- Page 61 – Revisions to establish a class of service for Development-Related Studies;
- Page 65 – Revised schedule of charges;
- Page 66 – Revised comparison of current and proposed D.C.s;
- Page 75 – Revised recommendations to reflect the addendum; and
- Appendix A – Draft Amending By-law reissued to reflect the changes identified herein.



4. Process for Adoption of the Amending D.C. By-law

The revisions provided herein form the basis for the amending D.C. by-law and will be incorporated into the D.C. Update Study to be provided to Council prior to Council's consideration and adoption of the proposed amending D.C. by-law.

If Council is satisfied with the above noted changes to the D.C. Update Study and amending D.C. by-law, then prior to by-law passage Council must:

- Approve the D.C. Update Study, as amended;
- Determine that no further public meetings are required on the matter; and
- Adopt the amending D.C. by-law.



Appendices



Appendix A

Amended Pages



3.6 Development Related Studies

The Town's 2019 D.C. Background Study included growth-related studies under Development Related Studies Services. These studies include both service specific studies, that pertain to one of the D.C. eligible services permitted in the D.C.A., and other general growth-related studies that pertain to all services.

The above referenced sections, include the studies respective of the D.C. eligible services specifically. The remaining growth-related studies, such as the Official Plan Review, DC By-law Background Study, Urban Boundary Expansion/Municipal Comprehensive Review, etc. have been allocated to the respective D.C. eligible services based on the proportionate share of D.C. eligible capital needs. In addition to removing the 10% statutory deduction previously required for these studies (\$1.0 million), a deduction to the capital needs was made to reflect the general benefits of these studies to other non-D.C. eligible services (\$1.3 million).

The revised gross capital costs for growth-related studies, included in the schedule of charges within the Development-Related Studies class of service, total \$15.5 million. Applying deductions for post period benefit (\$1.6 million), general benefits to ineligible services (\$1.3 million), and benefit to existing development (\$3.7 million), and including the unfunded costs of studies reflected in the D.C. reserve fund balance (\$0.8 million), results in D.C. recoverable costs of \$9.6 million. The following table summarizes the allocation by D.C. eligible services, and proportionate cost share attributable for residential and non-residential development.

D.C. Eligible Service	Growth-Related Studies (\$)		
	Res	Non-Res	Total
Services Related to a Highway	3,574,206	1,841,258	5,415,464
Operations	375,410	193,393	568,803
Fire Protection Services	411,518	211,994	623,512
Parkland and Trail Development	399,253	21,013	420,266
Indoor Recreation Facilities	2,105,296	110,805	2,216,101
Library Services	288,208	15,169	303,376
Provincial Offences Act	40,432	20,829	61,260
TOTAL	7,194,323	2,414,460	9,608,783



**Table 4-3
Amended Calculated Schedule of Development Charges (2019\$)**

Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments Larger than 70 s.m.	Apartments 70 s.m. or Smaller	Other Residential Dwellings	(per sq.mt. of Total Floor Area)
Municipal Wide Services:					
Roads and Related	19,435	11,291	6,627	14,797	53.36
Fire Protection Services	2,025	1,177	690	1,542	5.56
Parks and Recreation Services	14,432	8,385	4,921	10,987	4.13
Library Services	1,661	965	566	1,264	0.48
Animal Control	85	49	29	65	0.00
Provincial Offences Act	233	135	79	177	0.65
Class of Services:					
Development-Related Studies	817	475	279	622	1.38
Total Municipal Wide Services	38,688	22,477	13,191	29,454	65.55

**Table 4-4
Amended Schedule of Development Charges (2021\$)**

Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments Larger than 70 s.m.	Apartments 70 s.m. or Smaller	Other Residential Dwellings	(per sq.mt. of Total Floor Area)
Municipal Wide Services:					
Roads and Related	20,558	11,944	7,010	15,652	56.44
Fire Protection Services	2,142	1,245	730	1,631	5.88
Parks and Recreation Services	15,266	8,870	5,205	11,622	4.37
Library Services	1,757	1,021	599	1,337	0.50
Animal Control	90	52	31	69	0.00
Provincial Offences Act	246	143	84	187	0.69
Class of Services:					
Development-Related Studies	865	502	295	658	1.46
Total Municipal Wide Services	40,924	23,776	13,953	31,156	69.34



A comparison of the amended charges herein (indexed to 2021\$), with the Town's D.C. rates is provided in Table 4-5. In total, D.C.s for the single detached dwelling units would increase by \$9,267 per unit (+29%) and the non-residential charge per sq.mt. of T.F.A. would increase by \$10.93 (+19%).

Table 4-5
Comparison of Current and Calculated Development Charges (2021\$)

Residential (\$/Single Detached) Comparison				Non-Residential (\$/per sq.mt.) Comparison			
Service	Current (as of February 1, 2021)	Proposed	Difference	Service	Current (as of February 1, 2021)	Proposed	Difference
Municipal Wide Services:				Municipal Wide Services:			
Services Related to a Highway	16,072	20,558	2,900	Services Related to a Highway	44.18	56.44	7.94
	1,586						
Fire Protection Services	1,320	2,142	822	Fire Protection Services	3.64	5.88	2.24
Parks and Recreation Services	1,955	15,266	4,631	Parks and Recreation Services	0.57	4.37	1.29
	8,680						
Library Services	901	1,757	855	Library Services	0.23	0.50	0.28
Development Related Studies (class of service)	844	865	20	Development Related Studies (class of service)	2.39	1.46	(0.94)
Animal Control	90	90	-	Animal Control	-	-	-
Provincial Offences Act	208	246	38	Provincial Offences Act	0.57	0.69	0.12
Total Municipal Wide Services	31,657	40,924	9,267	Total Municipal Wide Services	58.41	69.34	10.93



7. Process for Adoption of the Amending Development Charges By-law

If approved, the changes provided herein will form part of the 2019 D.C. Background Study. Appendix A to this D.C. Update Study includes the draft Amending D.C. By-law being presented for Council's consideration. The D.C. Update Study and draft amending D.C. By-law will be presented to the public at a public meeting of Council to solicit public input on the proposed D.C. by-law.

It is anticipated that Council will consider for adoption the proposed amending by-law at a subsequent meeting of Council (July 13, 2021), witnessing the 60-day period between the release of the D.C. Background Study and the passage of the D.C. By-law. If Council is satisfied with the proposed changes to the D.C. Background Study and D.C. By-Law, it is recommended that Council:

“Approve the Development Charges Update Study dated April 29, 2021, as amended, subject to further annual review during the capital budget process;”

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

“Approve the Amending Development Charge By-law as set out herein”

The Corporation of the Town of Caledon

By-law No. 2021-__

Being a By-law Regarding Development Charges to amend By-law 2019-31 to make revisions to the Town's development charges to reflect amendments to the *Development Charges Act*.

WHEREAS Section 19 of the Development Charges Act, 1997, S.O. 1997, c27 ("the Act") provides for amendments to be made to development charges by-laws;

AND WHEREAS the Council of the Corporation of the Town of Caledon (hereinafter called "the Council") has determined that amendments should be made to the Development Charge By-law of the Corporation of the Town of Caledon, being By-law 2019-31;

AND WHEREAS, in accordance with the Act, a development charges background study has been completed in respect of the proposed amendment;

AND WHEREAS the Council of the Corporation of the Town of Caledon has given notice and held a public meeting in accordance with the Act; and

Now therefore the Council of The Corporation of the Town of Caledon hereby enacts as follows:

1. By-law 2019-31 is hereby amended as follows:
 - a. The following sections are added to subsection 1.(1) of the by-law
"institutional development", for the purposes of subsection 13.(5), means development of a building or structure intended for use:
 - (a) as a long-term care home within the meaning of subsection 2 (1) of the Long Term Care Homes Act, 2007;
 - (b) as a retirement home within the meaning of subsection 2 (1) of the Retirement Homes Act, 2010;
 - (c) by any institution of the following post-secondary institutions for the objects of the institution:
 - i. a university in Ontario that receives direct, regular and ongoing operation funding from the Government of Ontario;

- ii. a college or university federated or affiliated with a university described in subclause (i); or
- iii. an Indigenous Institute prescribed for the purposes of section 6 of the Indigenous Institute Act, 2017;
- (d) as a memorial home, clubhouse or athletic grounds by an Ontario branch of the Royal Canadian Legion; or
- (e) as a hospice to provide end of life care;

“Rental housing”, for the purposes of subsection 13.(5), means development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises;

“Non-profit housing development”, for the purposes of subsection 13.(6), means development of a building or structure intended for use as residential premises by:

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

b. Subsections 2.(2) and 2.(3) are deleted and replaced with the following:

2.(2) As of May 29, 2019, this by-law shall not apply to land proposed for development within

(a) the Bolton Business Improvement Area as outlined in By-law No. 80-72, as has been or may be amended; or

(b) the Caledon East Commercial Core Area as outlined on Schedule D of the Town of Caledon Official Plan.

c. Subsections 2.(4) renumbered to subsection 2.(3).

d. Subsections 2.(5) renumbered to subsection 2.(4).

- e. Subsection 4.(1) is deleted and replaced with the following:
- 4.(1) Development charges shall be imposed in accordance with this by-law in respect of the following services, and class of services, based on the allocations with respect to residential and non-residential development as contained in Schedules A and C:
- (a) Roads and Related;
 - (b) Fire Protection Services;
 - (c) Parks and Recreation Services;
 - (d) Library Services;
 - (e) Animal Control;
 - (f) Provincial Offences Act; and
 - (g) Development-Related Studies.
- h. Subsection 6.(1) is deleted and replaced with the following:
- 6.(1) This by-law shall not apply with respect to any of the actions described in subsection 1 of section 3 of this by-law if the only effect of such action is to:
- (a) permit the enlargement of an existing dwelling unit;
 - (b) permit the creation of one or two additional dwelling units in, or ancillary to, an existing single-detached dwelling, provided that the total gross floor area of the additional dwelling unit or the additional dwelling units is not greater than the gross floor area of the dwelling unit in the existing single-detached dwelling;
 - (c) permit the creation of one additional dwelling unit in, or ancillary to, an existing semi-detached or row dwelling, provided that the gross floor area of the additional dwelling unit is not greater than the gross floor area of the dwelling unit in the existing semi-detached or row dwelling; or

(d) permit the creation of one additional dwelling unit in, or ancillary to, any other existing residential building, provided that the gross floor area of the additional dwelling unit is not greater than the gross floor area of the smallest dwelling unit in the existing residential building..

i. The following sections are added subsection 6.(5) of the by-law:

6.(5) This by-law shall not apply with respect to any of the actions described in subsection 1 of section 3 of this by-law if the only effect of such action is to create of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to dwellings, as set out in section 2(3) of O.Reg. 82/98.

Item	Name of Class of Proposed New Residential Buildings	Description of Class of Proposed New Residential Buildings	Restrictions
1	Proposed new detached dwellings	Proposed new residential buildings that would not be attached to other buildings and that are permitted to contain a second dwelling unit, that being either of the two dwelling units, if the units have the same gross floor area, or the smaller of the dwelling units.	The proposed new detached dwelling must only contain two dwelling units. The proposed new detached dwelling must be located on a parcel of land on which no other detached dwelling, semi-detached dwelling or row dwelling would be located.
2	Proposed new semi-detached dwellings or row dwellings	Proposed new residential buildings that would have one or two vertical walls, but no other parts, attached to other buildings and that are permitted to contain a second dwelling unit, that being either of the two dwelling units, if the units have the same gross floor area, or the smaller of the dwelling units.	The proposed new semi-detached dwelling or row dwelling must only contain two dwelling units. The proposed new semi-detached dwelling or row dwelling must be located on a parcel of land on which no other detached dwelling, semi-detached dwelling or row dwelling would be located.
3	Proposed new residential buildings that would be ancillary to a proposed new detached dwelling, semi-detached dwelling or row dwelling	Proposed new residential buildings that would be ancillary to a proposed new detached dwelling, semi-detached dwelling or row dwelling and that are permitted to contain a single dwelling unit.	The proposed new detached dwelling, semi-detached dwelling or row dwelling, to which the proposed new residential building would be ancillary, must only contain one dwelling unit. The gross floor area of the dwelling unit in the proposed new residential building must be equal to or less than the gross floor area of the detached dwelling, semi-detached dwelling or row dwelling to which the proposed new residential building is ancillary.

j. The following subsections are added to section 13 of the by-law:

13.(5) Notwithstanding subsection 13. (1), development charges for rental housing and institutional developments are due and payable in 6 installments commencing with the first installment payable on the date of occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.

13.(6) Notwithstanding subsection 13. (1), development charges for non-profit housing developments are due and payable in 21 installments commencing with the first installment payable on the date of occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter.

13.(7) Notwithstanding subsection 13. (1), where the development of land results from the approval of a Site Plan or Zoning By-law Amendment received on or after January 1, 2020, and the approval of the application occurred within 2 years of building permit issuance, the Development Charges under subsections 5. (2) and 5. (3) shall be calculated based on the rates set out in Schedule "A" on the date of the planning application, including interest. Where both planning applications apply, Development Charges shall be calculated on the rates, including interest, set out in Schedule "A" on the date of the later planning application.

13.(8) Interest for the purposes of subsections 13. (5), 13. (6) and 13. (7) shall be determined as set out in the Town of Caledon Interest Rate Policy as set out in By-Law No. 2020-96, as amended from time to time.

k. Schedule "A" is deleted, and the attached Schedule "A" substitutes therefor

2. This by-law shall come into force on July 14, 2021.

By-law passed this 13th day of July 2021

Mayor

Clerk

Schedule "A" to By-law 2019-31 of the Corporation of the Town of Caledon
 Schedule of Development Charges (effective June 25, 2019 – September 17, 2022)

Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments Larger than 70 s.m.	Apartments 70 s.m. or Smaller	Other Residential Dwellings	(per sq.mt. of Total Floor Area)
Municipal Wide Services:					
Roads and Related	19,435	11,291	6,627	14,797	53.36
Fire Protection Services	2,025	1,177	690	1,542	5.56
Parks and Recreation Services	14,432	8,385	4,921	10,987	4.13
Library Services	1,661	965	566	1,264	0.48
Animal Control	85	49	29	65	0.00
Provincial Offences Act	233	135	79	177	0.65
Class of Service:					
Development-Related Studies	817	475	279	622	1.38
Total Municipal Wide Services	38,688	22,477	13,191	29,454	65.55

Schedule of Development Charges (effective September 18, 2022)

Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments Larger than 70 s.m.	Apartments 70 s.m. or Smaller	Other Residential Dwellings	(per sq.mt. of Total Floor Area)
Municipal Wide Services:					
Roads and Related	19,435	11,291	6,627	14,797	53.36
Fire Protection Services	2,025	1,177	690	1,542	5.56
Parks and Recreation Services	14,432	8,385	4,921	10,987	4.13
Library Services	1,661	965	566	1,264	0.48
Provincial Offences Act	233	135	79	177	0.65
Class of Service:					
Development-Related Studies	817	475	279	622	1.38
Total Municipal Wide Services	38,603	22,428	13,162	29,389	65.55