

TOWNSHIP OF MCNAB/BRAESIDE
DEVELOPMENT CHARGES BACKGROUND STUDY
Draft Report

Prepared for: Township of McNab/Braeside

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**TOWNSHIP OF MCNAB/BRAESIDE
DEVELOPMENT CHARGE BACKGROUND STUDY - APRIL 9, 2019
DRAFT REPORT**

TABLE OF CONTENTS

1.0	<u>INTRODUCTION</u>	1
2.0	<u>BACKGROUND</u>	2
3.0	<u>METHODOLOGY</u>	3
4.0	<u>GROWTH FORECASTS AND AVERAGE LEVEL OF SERVICE</u>	4
4.1	<u>Introduction</u>	4
4.2	<u>Review of Past Population and Development Trends</u>	4
4.3	<u>Average Level of Service Over the Past Ten Years</u>	5
4.4	<u>Demographic and Growth Projections</u>	7
4.5	<u>Assessment Analysis</u>	13
5.0	<u>TEN-YEAR CAPITAL EXPENDITURE FORECAST</u>	14
6.0	<u>GROWTH-RELATED CAPITAL COSTS</u>	17
6.1	<u>General Eligible Services</u>	17
6.2	<u>Fire Protection</u>	17
6.3	<u>Transportation</u>	18
6.4	<u>Recreation</u>	19
#	6.5 <u>Stormwater Management</u>	19
7.0	<u>FUND ADMINISTRATION</u>	23
8.0	<u>IMPLEMENTATION</u>	31
8.1	<u>Application of Development Charge</u>	31
8.2	<u>Adjustments for Inflation</u>	31
8.3	<u>Development Charge Implementation and Collection</u>	31
8.4	<u>Pamphlet</u>	32
8.5	<u>Conditions to be Imposed on Subdivision Approvals</u>	32
9.0	<u>DEVELOPMENT CHARGES</u>	33
#	9.1 <u>Summary of New Development Charges</u>	33
9.2	<u>Credits for Lot Levies Previously Collected</u>	35
10.0	<u>LONG TERM CAPITAL AND OPERATING COSTS</u>	42
10.1.	<u>Net Operating Costs Over the Forecast Period</u>	42
10.2.	<u>Long-Term Capital Financing From Non-Development Charge Sources</u>	42

TABLE OF CONTENTS (CONTINUED)

11.0	<u>ASSET MANAGEMENT</u>	44
11.1	<u>Annual Capital Provisions</u>	44

APPENDIX "A" Estimated Year of Purchase Based on Average Level of Service

List of Tables

Table A - Permanent and Seasonal Population 2009-2018.....	5
Table B - Population & Household Projections 2019-2028.....	10
Table B-1 - Population & Household Projections: Jedd Creek/Campbell Drain 2019-2028	11
Table B-2 – Population & Household Projections: Dochart Creek 2019-2028.....	12
Table C - Assessment Analysis -2018	13
Table D - Ten-Year Capital Expenditure Forecast (2019-2028)	15
Table E - Allocation of Development Charges Between Service Categories.....	23
Table F - Development Charges - General.....	33
Table G - Development Charges - Jedd Creek & Campbell Drain	34
Table H – Development Charges – Dochart Creek.....	35
Table 1A - 10 Year Average Municipal Service Standards	6
Table 2A - Future Municipal Expenditures That Qualify as Growth-Related	21
Table 2B - Future Acquisitions Allocation of Growth-Related Costs to Land Use.....	22
Table 3A - Schedule of Future Acquisitions By Year That Qualify as Growth-Related - General Residential	25
Table 3B - Schedule of Future Acquisitions By Year That Qualify as Growth-Related - General Commercial/Industrial	26
Table 3C - Schedule of Future Acquisitions By Year That Qualify as Growth-Related - Jedd Creek & Campbell Drain Residential	27
Table 3D - Schedule of Future Acquisitions By Year That Qualify as Growth-Related - Jedd Creek & Campbell Drain Commercial/Industrial.....	28
Table 3E - Schedule of Future Acquisitions By Year That Qualify as Growth-Related - Dochart Creek Residential	29
Table 3F - Schedule of Future Acquisitions By Year That Qualify as Growth-Related - Dochart Creek Commercial/Industrial	30
Table 4A - Development Charges Calculation - General Residential	36
Table 4B - Development Charges Calculation - General Commercial/Industrial	37
Table 4C - Development Charges Calculation - Jedd Creek & Campbell Drain Residential	38
Table 4D - Development Charges Calculation - Jedd Creek & Campbell Drain Commercial/Industrial	39
Table 4E - Development Charges Calculation – Dochart Creek Residential.....	40
Table 4F - Development Charges Calculation - Dochart Creek Commercial/Industrial	41
Table 5A - Summary of Long-Term Capital Impact.....	43

**TOWNSHIP OF MCNAB/BRAESIDE
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1.0 INTRODUCTION

The Township of McNab/Braeside retained Jp2g Consultants Inc. to undertake a new Development Charges Study and Development Charges By-law for the municipality in order to recover the growth-related net capital costs of certain services provided in the Township over the next 5 years. Development Charges By-law #2014-47 of the Township of McNab/Braeside expires on June 17, 2019. The following report has been prepared in accordance with the requirements of the Development Charges Act, 1997, S.O. 1997. C.27 and its regulations, and presents information and background data collected to provide a basis in support of the proposed new Development Charges By-law for the Township of McNab/Braeside.

2.0 BACKGROUND

The Province of Ontario adopted the current Development Act on December 8, 1997 and subsequent regulations to the Act, which both came into force and effect on March 1, 1998. Amendments to the Act (Bill 73) and regulations came into effect on December 3, 2015. A development charge under the Development Charges Act, 1997 is a fee charged to pay for increased capital costs required because of increased needs for services arising from development. Development charges can be collected for each new dwelling unit, new commercial building/structure or addition or new industrial building/structure or industrial addition greater than 50% of the existing gross floor area (g.f.a.).

The study is aimed at determining a development charge rate structure which will not require existing taxpayers to contribute to the capital cost of new growth. Similarly, new taxpayers should not have to contribute more than their fair share of the net capital cost of providing the current level of municipal services for new growth. This approach is guided by provisions in the Development Charges Act, 1997, and its regulations.

The Development Charges Act includes a requirement for municipalities to undertake a supporting Background Study if they wish to pass a by-law to collect development charges. The purpose of the Study is to identify the services to which the development charges relate, the increase in the need for a service that is due to growth, the net growth-related capital costs of services for which a development charge will be collected and the capital costs of the service that will be incurred during the five year term of implementing the Development Charges By-law. The following Study will determine the development charges that are to be collected in order to recover the growth-related net capital costs of certain eligible services over a ten (10) year planning period.

The recommendations put forth in this Study are in accordance with the requirements of the Development Charges Act, 1997 as amended, and Ontario Regulation 82/98, as amended by Ontario Regulation 428/15.

3.0 METHODOLOGY

The process followed in order to calculate an eligible development charge for the Township of McNab/Braeside can be summarized as follows. The first step in the study is to review demographic and development trends in the Township to determine population counts and household counts over the past ten years. An inventory of services provided over the past ten years within specified eligible service categories was then undertaken and combined with the results of the population and household counts to calculate the average level of service provided over the past ten years. This exercise provides an indication of which municipal facilities and equipment will not have sufficient capacity over the next ten years to accommodate the needs of future growth at historical service levels.

Any services with excess capacity are identified, as the excess capacity must be used up prior to an additional unit of the service being purchased or constructed. One of the changes from the previous Development Charges Act is that municipalities can no longer collect a Development Charge for the excess capacity in existing capital facilities or equipment. Essentially, the new approach to excess capacity says that what is paid for is paid for, unless Council specifically identified that the excess capacity would be paid for through development charges. In the case of the Township of McNab/Braeside, most of the services which have been included in the development charges calculations were assumed to be operating at capacity at the time of the Study, with the exception of any items that were identified in the Township's previous By-law #2014-47 and associated Study, which are being carried forward in this Study as through the adoption of the previous By-law and Study. Council identified that any excess capacity in these items would be paid for through development charges.

This information was then used as the basis of preparing a capital expenditure forecast and population projections for the ten-year period of the Study. The ten-year capital expenditure forecast was prepared on the basis of generally continuing to provide the average level of service from the past ten years over the next ten-year period, for certain specified services. The forecast ensures that the average level of service is not exceeded and that new development only pays its fair share of the costs.

The ten-year capital expenditure forecast and the population projections are then used as the basis to calculate the eligible development charges that can be collected by the Township.

4.0 GROWTH FORECASTS AND AVERAGE LEVEL OF SERVICE

4.1 Introduction

The analysis of population trends is an essential element in determining the municipality's future services, policies and programs. The demand for services in a municipality is considered to be directly related to growth.

The general principle for establishing a development charge rate is that the existing population should not have to pay for the capital costs of growth-related development through general taxation. The capital cost of growth-related development should be reduced by contributions from those creating a requirement for additional municipal services. New taxpayers, however, should only have to pay their fair share of the net capital cost of providing the current level of municipal services for new growth.

A review of population trends and growth projections is very important in order to establish an appropriate growth rate so that:

1. The timing and sizing of construction for new municipal services and facilities can be scheduled.
2. The amount of residential and commercial/industrial development sharing the cost of new facilities and services can be estimated.
3. The average level of service provided in the Township over the 10-year period immediately preceding the preparation of this Study can be established.

4.2 Review of Past Population and Development Trends

In order to calculate population and development projections for the Township of McNab/Braeside in the future, it is necessary to establish what the past demographic, population and development trends in the municipality have been. In this regard, a review of census data and property building permit data was undertaken in order to establish what the annual population in the municipality was over the preceding ten-year period from, 2009 to 2018. The estimate of total population over the past ten years includes both seasonal and permanent population. The resulting estimate of the total population for the Township of McNab/Braeside from 2009 to 2018 is shown in Table A as follows:

Table A	
Township of McNab/Braeside Permanent and Seasonal Population 2009-2018	
Year	Township of McNab/Braeside Population
2009	7945
2010	7967
2011	7989
2012	7947
2013	7905
2014	7862
2015	7820
2016	7781
2017	7831
2018	7888

* Sources: Census Canada data and Jp2g Consultants Inc. Review of Township Building Permit Data.

4.3 Average Level of Service Over the Past Ten Years

The above population table was applied to the inventory of the equipment and facilities held by the Township in order to determine the average level of service provided over the past ten (10) years. The inventory of equipment and facilities from 2009-2018 was updated based on discussions with Township staff. The results of these calculations are presented in Table 1A, which shows the average level of service for capital facilities and equipment in eligible service categories.

4.4 Demographic and Growth Projections

A growth forecast was prepared for residential and commercial/industrial growth over a 10-year period as the Act allows for the charge to include an increase in the need for service that relates to the 10-year period immediately following the preparation of this study for particular services specified in the Act.

The growth forecast has several purposes.

1. It establishes the level of growth the municipality will be required to provide services for over the forecast period.
2. It provides a basis for identifying the level of growth that will be sharing the cost of new capital facilities over the planning period of the Study.
3. The population projections provide a basis for determining municipal service standards and ensuring that the level of service that the development charge is collected for does not exceed the average level of service provided for in the municipality over the ten-year period immediately preceding the Study.
4. The growth projections form a basis of information from which the actual development charges are determined per person, per residential unit and per square meter of non-residential building area.

Based on the analysis of demographic, development and growth trends, population and household projections by dwelling type were prepared for the Township of McNab/Braeside. Table B shows population and household projections by dwelling type for the Township for the time period between 2019 and 2028. The following population and household projections are presented:

Ten Year Projection

*	2019 Population	7,935)) 10-year growth = 466
*	2028 Population	8,401)	

New Housing Mix

Total No. of Units By 2028

	<u>Percent</u>	<u>No. of Units</u>
Single Detached Dwelling Units	95.34%	3,296
Single Attached Dwelling Units	1.04%	36
Apartment Dwelling Units	1.45%	50
Mobile Homes	<u>2.17%</u>	<u>75</u>
Total	100.0%	<u>3,457</u>

Residential growth rates for the Township are based on a review of development

proposals, historical building permit activity and an estimate of average household size. Based on this review, the projections appear to be reasonable for the planning period of the study.

Commercial/Industrial building growth rates are based on an extrapolation of the historical average growth rate for commercial and industrial building activity. The historical average rate of commercial and industrial building activity for the previous five years is 707m² per year. This average growth rate will be carried forward for the next ten-year time period between 2019 and 2028 as follows:

Non-Residential	2019 - 2028
Commercial/Industrial	707m ² per year

A review of development activity in the Township revealed that most of the new lots created in the Township were historically created through the severance (consent) process and by plan of subdivision, with an average of 19 lots created per year over the last five years. Three single detached residential subdivisions in the Township are currently draft-approved, including Braeburn Estates (25 lots), Van Order Subdivision (41 lots) and Madawaska Shores (30 lots). Two single detached residential subdivisions in the Township have recently received final approval. These include: Hogan Heights (28 lots) and Glen Meadows Subdivision (40 lots).

It is anticipated that the growth over the period of the Study will be distributed geographically throughout the Township for the majority of services and will not be isolated to a specific area. For the Jedd Creek/Campbell Drain Master Drainage Plan, development within the Jedd Creek/Campbell Drain stormwater management service area will contribute an additional development charge toward the cost of the Plan and for the Dochart Creek Master Plan, development within the Dochart Creek stormwater management service area will contribute an additional development charge toward the cost of the Plan.

Development trends in the past five (5) years have seen fewer new buildings than previous years; however, there are a number of factors which should result in an increase in lot creation and building activity over the next 5-10 years. These factors include:

1. The installation of new bridges and 4-lane widening of Highway 17 will provide easier access to the Ottawa urban market.
2. Two residential subdivisions (Glen Meadows and Hogan Heights) have only recently received final approval and are now expected to be built-out over the next ten-year time period.
3. The three draft approved plans of subdivision should receive final approval sometime over the next ten-year time period.

An estimate of residential and commercial/industrial growth has been prepared for the Jedd Creek/Campbell Drain and Dochart Creek stormwater management service areas. A review of MPAC property data indicates that the Jedd Creek/Campbell Drain

service area has a population of approximately 1,317 persons in the residential area. The Dochart Creek service area has an approximate population of 71 people. The estimate of population and household growth between 2019 and 2028 for the Jedd Creek/Campbell Drain service area and for the Dochart Creek service area are illustrated on Table B-1 and Table B-2 respectively.

Township of McNab/Braeside	Table B: General Charge POPULATION & HOUSEHOLD PROJECTIONS 2019-2028	Apr-19
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	Base Year										
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Single Detached	2,996	3,026	3,056	3,086	3,116	3,146	3,176	3,206	3,236	3,266	3,296
- annual change		30	30	30	30	30	30	30	30	30	30
- Average Household Size	2.53	2.52	2.51	2.50	2.50	2.49	2.48	2.47	2.47	2.46	2.45
- annual change	-0.065	-0.010	-0.009	-0.008	-0.007	-0.007	-0.007	-0.007	-0.007	-0.007	-0.007
Calculated Population	7,581	7,627	7,675	7,725	7,777	7,828	7,879	7,930	7,980	8,029	8,080

Attached	31	32	32	33	33	34	34	35	35	36	36
- annual change		1	1	1	1	1	1	1	1	1	1
- Average Household Size	2.40	2.40	2.39	2.39	2.38	2.38	2.37	2.37	2.36	2.36	2.35
- annual change	-0.041	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005
Calculated Population	74	75	76	78	79	80	81	82	83	84	85

Apartment	45	46	46	47	47	48	48	49	49	50	50
- annual change		1	1	1	1	1	1	1	1	1	1
- Average Household Size	2.00	2.00	1.99	1.99	1.98	1.98	1.97	1.97	1.96	1.96	1.95
- annual change	-0.041	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005
Calculated Population	90	91	92	92	93	94	95	95	96	97	98

Mobile Homes	75	75	75	75	75	75	75	75	75	75	75
- annual change	0	0	0	0	0	0	0	0	0	0	0
- Average Household Size	1.90	1.90	1.89	1.89	1.88	1.88	1.87	1.87	1.86	1.86	1.85
- annual change	-0.041	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005
Calculated Population	143	142	142	141	141	141	140	140	140	139	139

Total Non Single (population)	307	308	310	311	313	314	315	317	318	320	321
Total Single (population)	7,581	7,627	7,675	7,725	7,777	7,828	7,879	7,930	7,980	8,029	8,080

Total No. Households	3,147	3,178	3,209	3,240	3,271	3,302	3,333	3,364	3,395	3,426	3,457
TOTAL Population	7,888	7,935	7,985	8,037	8,090	8,142	8,195	8,246	8,298	8,349	8,401
Cumulative increase	0	47	97	149	202	254	307	358	410	461	513

Weighted Age. Household Size	2.51	2.50	2.49	2.48	2.47	2.47	2.46	2.45	2.44	2.44	2.43
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Township of McNab/Braeside	Table B-1: Jedd Creek & Campbell Drain Stormwater Management Service Area POPULATION & HOUSEHOLD PROJECTIONS 2019-2028	Apr-19
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	Base Year										
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Single Detached	492	502	512	522	532	542	552	562	572	582	592
- annual change		10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
- Average Household Size	2.53	2.53	2.52	2.51	2.50	2.50	2.49	2.48	2.47	2.47	2.46
- annual change	-0.056	-0.001	-0.009	-0.008	-0.007	-0.007	-0.007	-0.007	-0.007	-0.007	-0.007
Calculated Population	1,244	1,268	1,289	1,310	1,331	1,352	1,373	1,394	1,414	1,435	1,455

Attached	5	5	5	5	5	5	5	5	5	5	5
- annual change		0	0	0	0	0	0	0	0	0	0
- Average Household Size	2.40	2.40	2.39	2.39	2.38	2.38	2.37	2.37	2.36	2.36	2.35
- annual change	-0.041	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005
Calculated Population	12	12	12	12	12	12	12	12	12	12	12

Apartment	7	8	8	9	9	10	10	11	11	12	12
- annual change	0	1	1	1	1	1	1	1	1	1	1
- Average Household Size	2.00	2.00	1.99	1.99	1.98	1.98	1.97	1.97	1.96	1.96	1.95
- annual change	-0.041	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005
Calculated Population	14	15	16	17	18	19	20	21	22	22	23

Mobile Homes	25	25	25	25	25	25	25	25	25	25	25
- annual change	0	0	0	0	0	0	0	0	0	0	0
- Average Household Size	1.90	1.90	1.89	1.89	1.88	1.88	1.87	1.87	1.86	1.86	1.85
- annual change	-0.041	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005
Calculated Population	48	47	47	47	47	47	47	47	47	46	46

Total Non Single (population)	74	74	75	76	77	78	78	79	80	81	81
Total Single (population)	1,244	1,268	1,289	1,310	1,331	1,352	1,373	1,394	1,414	1,435	1,455

Total No. Households	529	539	550	560	571	581	592	602	613	623	634
TOTAL Population	1,317	1,343	1,364	1,386	1,408	1,430	1,451	1,473	1,494	1,515	1,536
Cumulative increase	0	26	47	69	91	113	134	156	177	198	219

Weighted Age. Household Size	2.49	2.49	2.48	2.47	2.47	2.46	2.45	2.45	2.44	2.43	2.43
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Township of McNab/Braeside	Table B-2: Dochart Creek Stormwater Management Service Area POPULATION & HOUSEHOLD PROJECTIONS 2019-2028										Apr-19
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	Base Year										
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Single Detached	28	28	28	29	29	29	29	29	30	30	30
- annual change		0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
- Average Household Size	2.53	2.52	2.51	2.50	2.50	2.49	2.48	2.47	2.47	2.46	2.45
- annual change	-0.065	-0.010	-0.009	-0.008	-0.007	-0.007	-0.007	-0.007	-0.007	-0.007	-0.007
Calculated Population	71	71	71	72	72	72	73	73	73	73	74

Attached	0	0	0	0	0	0	0	0	0	0	0
- annual change		0	0	0	0	0	0	0	0	0	0
- Average Household Size	2.40	2.40	2.39	2.39	2.38	2.38	2.37	2.37	2.36	2.36	2.35
- annual change	-0.041	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005
Calculated Population	0	0	0	0	0	0	0	0	0	0	0

Apartment	0	0	0	0	0	0	0	0	0	0	0
- annual change		0	0	0	0	0	0	0	0	0	0
- Average Household Size	2.00	2.00	1.99	1.99	1.98	1.98	1.97	1.97	1.96	1.96	1.95
- annual change	-0.041	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005
Calculated Population	0	0	0	0	0	0	0	0	0	0	0

Mobile Homes	0	0	0	0	0	0	0	0	0	0	0
- annual change		0	0	0	0	0	0	0	0	0	0
- Average Household Size	1.90	1.90	1.89	1.89	1.88	1.88	1.87	1.87	1.86	1.86	1.85
- annual change	-0.041	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005	-0.005
Calculated Population	0	0	0	0	0	0	0	0	0	0	0

Total Non Single (population)	0	0	0	0	0	0	0	0	0	0	0
Total Single (population)	71	71	71	72	72	72	73	73	73	73	74

Total No. Households	28	28	28	29	29	29	29	29	30	30	30
TOTAL Population	71	71	71	72	72	72	73	73	73	73	74
Cumulative increase	0	0	0	1	1	1	2	2	2	2	3

Weighted Age. Household Size	2.53	2.52	2.51	2.50	2.50	2.49	2.48	2.47	2.47	2.46	2.45
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4.5 Assessment Analysis

The following table calculates how the eligible development charge is allocated between various land users: residential and commercial/industrial.

Table C
Township of McNab/Braeside
Assessment Analysis - 2018
(Excludes Business Assessment)

	<u>Realty Assessment</u>	<u>Ratio</u>
Residential	\$ 817,106,000	0.93
Commercial/ Industrial	<u>\$ 61,443,000</u>	<u>0.07</u>
TOTAL	\$ 878,549,000	1.00

Source: MPAC data for the Township of McNab/Braeside, 2018.

The assessment base is used to allocate the capital costs between residential and commercial/industrial development. In this regard, it is recommended that 93.0% of the capital costs associated with the General Eligible service category, the Fire Protection service category, the Transportation service category and the Stormwater Management service category be allocated to residential growth and 7.0% of the capital costs be allocated to commercial/industrial growth; however, in the case of the Recreation service category, the residential sector is the user of the service and, therefore, 100% of the capital costs of this service is allocated to the residential sector.

5.0 TEN-YEAR CAPITAL EXPENDITURE FORECAST

The ten-year capital expenditure forecast is based on a program of not exceeding the average level of service provided for the particular item over the past ten years. Appendix A illustrates in what years the purchase or construction of a particular item in a service category could be undertaken based on the average level of service over the past ten years being applied to the projected population growth over the next ten-year period.

Table D below illustrates the individual items within the service categories for which a development charge will be collected and which are expected to be purchased or constructed over the next ten years to meet an increase in the need for the service as a result of growth. Table D also provides an estimate of the cost (in 2019\$) to acquire or build a particular item and the anticipated expenditure year.

With regard to the road's projects listed under the Transportation service category in the ten-year capital expenditure forecast, should it be necessary for Council to substitute a similar road project for one that is listed in this Study, Council may do so without amendment to the Development Charges By-law, subject to certain conditions being met. These conditions are as follows: Council must pass a resolution to adopt and amend the ten-year capital expenditure forecast related to development charges, the portion of road to be funded through development charges is of equal length, the nature of the works is the same, and the same portion of costs are attributable to growth.

**Table D
Township of McNab/Braeside Ten-Year Capital Expenditure Forecast (2019-2028)
for Projects/Purchase to be Funded Partially Through Development Charges**

Service Category	No. of Items or m² or Km	Estimated Year of Expenditure.	Total Estimated Gross Cost (2019\$)
General Eligible Services			
Development Charge Study Every 5 Years	1	2019	\$20,000
Development Charge Study Every 5 Years	1	2024	\$20,000
Zoning By-law	1	2020	\$25,000
Signage	1	2022	\$25,000
Asset Management – Roads Study	1	2023	\$30,000
Asset Management – Roads Study	1	2028	\$30,000
Asset Management – Building Study	1	2019	\$30,000
Asset Management – Building Study	1	2024	\$30,000
Asset Management - 5-Year Review	1	2024	\$20,000
Subtotal			\$230,000
Fire Protection			
Fire Station No. 1 Expansion (m2)	148.64 m ²	2021	\$611,000
Fire Station No. 3 Parking Lot Expansion	15 spaces	2019	\$31,600
Pumper Truck (Excess Capacity)	1	2028	\$297,600
Pickup Truck (Heavy Duty)	1	2023	\$45,000
Cameras	2	2026	\$20,000
Fire Equipment (UTV)	1	2021	\$20,000
Subtotal			\$1,025,200
Transportation			
LCB to HCB Upgrade			
Robertson Line (LCB to HCB upgrade)	3.2 km	2022	\$671,025
Braeloch Road (LCB to HCB upgrade)	3.8 km	2023	\$765,599
Mountain View Road (LCB to HCB upgrade)	1.8 km	2028	\$387,989
Meyer Road (LCB to HCB upgrade)	1.8 km	2028	\$396,514
Building Upgrade			
Glasgow Station Building Expansion (m2)	357 m ²	2022	\$790,000
Road Profile Change			
Scheel Drive (profile expansion)	1.5 km	2019	\$570,000
Maple Bend Road (profile expansion)	1.4 km	2019	\$275,000
Mast Road	0.4 km	2019	\$130,000
Mill Ridge Road	2.5 km	2020	\$517,609
Nieman Drive	1.6 km	2020	\$362,162
Pine Grove Road	1.3 km	2028	\$283,718
Road Upgrades (active transportation) + Paved Shoulders			
Kippen Road	3.7 km	2024	\$807,000
Stewartville Road	3.2 km	2024	\$696,000

Campbell Drive	4.3 km	2025	\$935,000
Usborne Street	4.0 km	2027	\$880,000
Equipment			
GPS Equipment	8	2020	\$20,000
Subtotal			\$8,487,616
Recreation			
Recreation Centers			
McNab Center Park Building Improvement	10 m ²	2020	\$265,000
White Lake Recreation Centre	421 m ²	2026	\$2,220,000
Trail Development			
Braeside Beach Trail Development	1 km	2027	\$120,000
Clay Bank Park Development (Trail)	500m	2028	\$106,800
Stewartville Trail Development	2km	2019-2023	\$110,000
Parkland Improvements			
Parkland Improvements (Red Pine Bay)	1	2023	\$160,000
Parking Lots			
Braeside JAG Parking Lot Expansion (spaces)	30	2021	\$70,000
Burnstown Beach Parking Lot Expansion (spaces)	20	2020	\$20,000
Recreation Improvements			
Braeside Outdoor Rink Improvement (Accessibility features)	1	2019	\$337,150
Transportation			
Pickup Truck (Medium Duty)	1	2020	\$55,000
Planning			
Strategic Recreation Plan	1	2023	\$40,000
Subtotal			\$3,503,950
Stormwater Management			
Master Drainage Plan: Jedd Creek and Campbell Drain	1	2028	\$234,633
Master Drainage Plan: Dochart Creek	1	2028	\$59,222
Subtotal			\$293,855
10- Year Capital Expenditure Total			\$13,540,621

6.0 GROWTH-RELATED CAPITAL COSTS

The ten-year capital expenditure forecast was used as a basis for calculating the eligible development charge. The 2019 costs of growth-related capital expenditures are listed in Table 2A “Future Municipal Expenditures”. Table 2A shows the gross cost per unit or project, the net cost per unit or project, and the share of the cost of purchasing equipment or building a capital facility which can be attributed to population growth over the ten-year projection period included in the Study and the eligible development charge. Table 2B shows how the eligible development charge is divided between residential and commercial/industrial development. The following subsections provide a discussion on how the eligible costs were determined.

6.1 General Eligible Services

The growth-related capital costs associated with the General Eligible service category were determined to include the capital costs for the following:

- 90% of the cost for a Development Charges Study, to be completed every five years, one in 2019 and one in 2024.
- 50% of the cost for the Township’s Comprehensive Zoning By-law Review to be completed in 2020.
- 45% of the cost for four gateway signs to be completed in 2022.
- 20% of the cost for Asset Management – Roads Study, to be completed every five years, one in 2023 and one in 2028.
- 20% of the cost for Asset Management – Building Study, to be completed every five years, one in 2019 and one in 2024.
- 20% of the cost for the Township’s Asset Management – 5 Year Review to be completed in 2024.

The net growth-related capital costs shown on Table 2A for the General Eligible service category were calculated on the basis of 10% of the growth-related capital cost being provided by a municipal contribution drawn from a source other than development charge revenues as is required under the Development Charges Act, 1997. It was assumed that 90% of the cost of the Development Charge Studies are attributable to new growth and that no grants or subsidies would be available to undertake the studies. For an update to the Township’s Zoning By-law it was assumed that 50% of the cost of this review is attributable to growth and 20% of the cost of the Asset Management Studies are attributable to growth, due to these documents relating to the management of growth and development. For signage it was assumed that 45% of the cost of new signage would be growth related based upon an average service standard of seven (7) existing municipal signs. Table 2B illustrates the allocation of costs between the residential and the commercial/industrial sector.

6.2 Fire Protection

The growth-related capital costs associated with the Fire Protection service category over the ten-year period of the Study were determined to include the capital costs for

the following:

- 100% of the cost for 48.52 m² of an 148.64 m² expansion of Fire Station No.1 in 2021.
- 100% of the cost of 0.97 parking spaces for the Fire Station No.3 Parking Lot Expansion in 2019.
- 32% of the cost a pumper truck to be collected as excess capacity in 2028.
- 13% of the net cost to purchase a Pick-up Truck in 2023.
- 13% of the net cost to purchase infra-red Cameras in 2026.
- 32% of the net cost to purchase a UTV (Utility Task Vehicle) in 2021.

It is assumed that a \$5,000 grant would be available for the purchase of a Utility Task Vehicle. It was assumed that no grants or subsidies would be available for any of the other items in this category. The purchase or construction costs shown in Table 2A were estimated based on 2019 dollars. Table 2B illustrates the allocation of costs between the residential and the commercial/industrial sector. Excess capacity existed in the cost of a new pumper truck purchased in 2010, where the net cost \$255,600 to replace the pumper truck was reduced by \$42,007.84, which is the amount equal to the one collected by the Township between the years (2014-2018). Council also intends to recover, through future development charges, the costs of the excess capacity in items that will be purchased or facilities that will be built during the ten-year period of the capital forecast.

6.3 Transportation

The growth-related capital costs associated with the Transportation service category were determined to include the capital costs for the following:

- 100% of the net cost per kilometre of the eligible distance (6.47 kilometers) of road upgrades including upgrades from LCB to HCB surface treatment for the following road sections:
 - 3.2 kilometers of Robertson Drive in 2022;
 - 3.8 kilometers of Braeloch Road in 2023;
 - 1.8 kilometers of Mountain View Road in 2028;
 - 1.8 kilometers of Meyer Road in 2028.
- 100% of the net cost for 59.13 m² of a proposed 469 m² expansion of the Glasgow Station Building in 2022.
- 100% of the net cost of the eligible distance (8.71 kilometers) of road upgrades for profile expansion for the following road sections:
 - 1.5 kilometers of Scheel Drive in 2019;
 - 1.4 kilometers of Maple Bend Road in 2019;
 - 0.4 kilometers of Mast Road in 2019;
 - 2.5 kilometers of Mill Ridge Road in 2020;
 - 1.6 kilometers of Nieman Drive in 2020;
 - 1.3 kilometers of Pine Grove Road in 2028.
- 100% of the net cost of the eligible distance (0.09 kilometers) of road upgrades for active transportation and adding paved shoulders for the following road sections:

- 3.7 kilometers of Kippen Road in 2024;
- 3.2 kilometers of Stewartville Road in 2024;
- 4.3 kilometers of Campbell Drive in 2025;
- 4.0 kilometers of Usborne Street in 2027.
- 52% of the net cost to purchase 8 units of GPS equipment in 2020.

It was assumed that no grants or subsidies would be available for any of the items in this category. The purchase or construction costs shown in Table 2A were estimated based on 2019 dollars. Table 2B illustrates the allocation of costs between the residential and the commercial/industrial sector.

6.4 Recreation

The growth-related capital costs associated with the Recreation service category were determined to include the capital costs for the following:

- 31.25 square meters of two new recreation buildings, the McNab Center Park Building Improvement in 2020 and the White Lake Recreation Center in 2026.
- The equivalent cost of 1.17 km of 3 trail development projects between 2019 and 2023.
- 84% of the net cost of parkland improvements attributable to Red Pine Bay in 2023.
- Cost equivalent of 10.6 parking spaces for parking lot expansion projects including the Braeside JAG parking lot expansion in 2021 and the Burnstown Beach parking lot expansion in 2020.
- 13% of the net cost of improvements to the Braeside Outdoor Rink in 2019.
- 13% of the net cost of purchasing a medium duty pickup truck in 2020.
- 20% of the net cost of a Strategic Recreation Plan in 2023.

There are grants valued at \$168,575 that would be available for the Braeside Outdoor Rink Improvements. The cost attributable to growth for this project is reduced to an amount equal to the grant, which is 50% of the cost of the project. The purchase or construction costs shown in Table 2A were estimated based on 2019 dollars. Table 2B illustrates the allocation of costs between residential and commercial/industrial sectors. No recreation development charges are applied to future commercial/industrial development. No excess capacity was existing in any of the services for which a development charge is to be collected. Council intends to recover, through future development charges, the costs of the excess capacity in items that will be purchased or facilities that will be built during the ten-year period of the capital forecast.

6.5 Stormwater Management

The growth-related capital costs associated with the Jedd Creek/Campbell Drain and Dochart Creek Stormwater Management service categories were determined to include the capital costs as follows:

- 17% of the cost to prepare a Master Drainage Plan for the Jedd Creek and Campbell Drain Stormwater Management Service Area in 2028.
- 5% of the cost to prepare a Master Drainage Plan for Dochart Creek Stormwater Management Service Area in 2028.

It was assumed that no grants or subsidies would be available for the Jedd Creek/Campbell Drain Stormwater Management Plan and it was assumed that there would be a 50% subsidy for the Dochart Creek Stormwater Management Plan. The purchase or construction costs shown in Table 2A were estimated based on 2019 dollars. Table 2B illustrates the allocation of costs between residential and commercial/industrial sectors.

The Development Charges Act, 1997 requires that the growth-related capital cost must be reduced by ten percent for all services except water, sewer, stormwater drainage, transportation, electrical power, police and fire protection services. The ten percent for the eligible services not specifically exempted in the Act must be sourced from other municipal funds (this would not include grant sources which would have to be accounted for in determining the growth-related costs).

FUTURE MUNICIPAL EXPENDITURES
That Qualify as Growth-Related Under the Development Charges Act
(2019 \$000's)

GENERAL ELIGIBLE	Expend. Year	GROSS Cost	NET Cost	Due to Growth	Eligible Dev. Charge
Development Charge Study Every 5 Years	2019	\$20.0	\$18.0	1.00	\$18.0
Development Charge Study Every 5 Years	2024	\$20.0	\$18.0	1.00	\$18.0
Zoning By-law	2020	\$25.0	\$22.5	0.50	\$11.3
Signage (4 Gateway Signs)	2022	\$20.0	\$18.0	0.45	\$8.2
Asset Management - Roads Study	2023	\$30.0	\$27.0	0.20	\$5.4
Asset Management - Roads Study	2028	\$30.0	\$27.0	0.20	\$5.4
Asset Management - Building Study	2019	\$30.0	\$27.0	0.20	\$5.4
Asset Management - Building Study	2024	\$30.0	\$27.0	0.20	\$5.4
Asset Management - 5 Year Review	2024	\$20.0	\$18.0	0.20	\$3.6
Subtotal		\$225.0	\$202.5		\$80.6

FIRE PROTECTION	Expend. Year	GROSS Cost	NET Cost	Due to Growth	Eligible Dev. Charge
Fire Station No. 1 Expansion (m2)	2021	\$4.1	\$4.1	48.54	\$199.5
Fire Station No. 3 Parking Lot Expansion (15 Spaces)	2019	\$2.1	\$2.1	0.97	\$2.1
Pumper Truck (Excess Capacity-See Note 1)	2028	\$297.6	\$255.6	0.32	\$83.0
Pickup Truck	2023	\$45.0	\$15.0	0.13	\$1.9
Cameras	2026	\$20.0	\$20.0	0.13	\$2.6
Fire Equipment (UTV)	2021	\$20.0	\$15.0	0.32	\$4.9
Subtotal		\$388.8	\$311.8		\$294.0

TRANSPORTATION	Expend. Year	Gross Cost	NET Cost	Due to Growth	Eligible Dev. Charge
Road Improvements (Upgrade to HCB)	2022, 2023, 2028	\$208.0	\$40.8	6.47	\$263.8
Glasgow Station Building Expansion (m2)	2022	\$2.1	\$2.1	59.13	\$124.6
Road Upgrades (profile expansion)	2019, 2020, 2028	\$245.8	\$24.6	8.71	\$214.0
Road Upgrades (active transportation)	2024, 2025, 2027	\$27.5	\$27.5	0.09	\$2.5
GPS Equipment	2020	\$2.0	\$1.5	0.52	\$0.8
Subtotal		\$485.4	\$96.4		\$605.6

RECREATION	Expend. Year	GROSS Cost	NET Cost	Due to Growth	Eligible Dev. Charge
Recreation Bldgs (MCPL + WLPRC)	2020 & 2026	\$5.27	\$4.7	31.25	\$148.3
Trails and Park Development (KM)	2019-2028	\$55.0	\$49.5	1.17	\$57.9
Park Improvements (Red Pine Bay)	2023	\$160.0	\$144.0	0.84	\$121.6
Parking Lot Expansions (Per Parking Space)	2021 & 2022	\$1.0	\$0.9	10.66	\$9.6
Outdoor Rink Improvement (Number of Rinks)	2019	\$337.2	\$168.6	0.13	\$21.9
Pick-up Truck (Medium Duty)	2020	\$55.0	\$49.5	0.13	\$6.4
Strategic Recreation Plan	2023	\$40.0	\$36.0	0.20	\$7.2
Subtotal		\$653.4	\$453.2		\$373.0

STORM WATER MANAGEMENT	Expend. Year	GROSS Cost	NET Cost	Due to Growth	Eligible Dev. Charge
Master Drainage Plan: Jedd Creek and Campbell Drain	2028	\$234.6	\$211.2	0.17	\$35.9
Master Drainage Plan: Dochart Creek	2028	\$59.2	\$29.6	0.05	\$1.5
Subtotal		\$293.8	\$240.8		\$37.4

Note 1: Net cost includes a reduction in the amount collected between 2014 and 2018 (\$42,007.84)

FUTURE ACQUISITIONS
Allocation of Growth-Related Cost to Land Use Type
(2019 \$000's)

GENERAL ELIGIBLE	Eligible Develop. Charge	Expend. Year	Residential Share 93%	Com/Ind Share 7%
Development Charge Study Every 5 Years	\$18.0	2019	\$16.74	\$1.26
Development Charge Study Every 5 Years	\$18.0	2024	\$16.74	\$1.26
Zoning By-law	\$11.3	2020	\$10.46	\$0.79
Signage (4 Gateway Signs)	\$8.2	2022	\$7.61	\$0.57
Asset Management - Roads Study	\$5.4	2023	\$5.02	\$0.38
Asset Management - Roads Study	\$5.4	2028	\$5.02	\$0.38
Asset Management - Building Study	\$5.4	2019	\$5.02	\$0.38
Asset Management - Building Study	\$5.4	2024	\$5.02	\$0.38
Asset Management - 5 Year Review	\$3.6	2024	\$3.35	\$0.25
Subtotal	\$80.6		\$74.99	\$5.64

FIRE PROTECTION	Eligible Develop. Charge	Expend. Year	Residential Share 93%	Com/Ind Share 7%
Fire Station No. 1 Expansion (m2)	\$199.5	2021	\$185.55	\$13.97
Fire Station No. 3 Parking Lot Expansion (15 Spaces)	\$2.1	2019	\$1.91	\$0.14
Pumper Truck (Excess Capacity-See Note 1)	\$83.0	2028	\$77.23	\$5.81
Pickup Truck	\$1.9	2023	\$1.81	\$0.14
Cameras	\$2.6	2026	\$2.42	\$0.18
Fire Equipment (UTV)	\$4.9	2021	\$4.53	\$0.34
Subtotal	\$294.0		\$273.5	\$20.6

TRANSPORTATION	Eligible Develop. Charge	Expend. Year	Residential Share 93%	Com/Ind Share 7%
Road Improvements (Upgrade to HCB)	\$263.8	2022, 2023, 2028	\$245.30	\$18.46
Glasgow Station Building Expansion	\$124.6	2022	\$115.84	\$8.72
Road Upgrades (profile changes)	\$214.0	2019, 2020, 2028	\$199.00	\$14.98
Road Upgrades (active transportation)	\$2.5	2024, 2025, 2027	\$2.33	\$0.18
GPS Equipment	\$0.8	2020	\$0.73	\$0.05
Subtotal	\$605.6		\$563.19	\$42.39

RECREATION	Eligible Develop. Charge	Expend. Year	Residential Share 100%	Com/Ind Share 0%
Recreation Bldgs (MCPL + WLPRC)	\$148.3	2020 & 2026	\$148.32	\$0.00
Trails and Park Development (KM)	\$57.9	2019, -23, -27, -28	\$57.89	\$0.00
Park Improvements (Red Pine Bay)	\$121.6	2023	\$121.63	\$0.00
Parking Lot Expansions (Per Parking Space)	\$9.6	2021 & 2022	\$9.59	\$0.00
Outdoor Rink Improvement (Number of Rinks)	\$21.9	2019	\$21.91	\$0.00
Pick-up Truck (Medium Duty)	\$6.4	2020	\$6.43	\$0.00
Strategic Recreation Plan	\$7.2	2023	\$7.20	\$0.00
Subtotal	\$359.3		\$359.3	\$0.0

STORM WATER MANAGEMENT	Eligible Develop. Charge	Expend. Year	Residential Share 93%	Com/Ind Share 7%
Master Drainage Plan: Jedd Creek and Campbell Drain	\$35.9	2028	\$33.4	\$2.5
Master Drainage Plan: Dochart Creek	\$1.5	2028	\$1.4	\$0.1
Subtotal	\$37.4		\$34.8	\$2.6

7.0 **FUND ADMINISTRATION**

A separate development charge reserve fund should be created into which all development charge revenues are deposited. Interest earned on the fund balance accrue to the fund and is an integral part of the development charge structure. Withdrawals from the fund are made only to pay for the growth-related net capital cost of service types listed in this report or to refund overpayment to owners, with interest, if appropriate.

A sub-account for each of the following service types should be maintained and the indicated proportionate share of development charge revenues and interest accumulated and appropriate expenditures deducted (Tables 3A, 3B, 3C, 3D, 3E and 3F). Sub-accounts for service categories which require a ten percent municipal contribution should be maintained separately from those that do not require a ten percent municipal contribution. The following Table E summarizes how the development charges that are collected are to be allocated between reserve fund sub-accounts if the maximum development charge is selected by Council. It should be noted that the figures in this Study are the recommended maximum amounts only and may not reflect the actual amount selected by Council to be collected as development charges.

Table E
Township of McNab/Braeside
Allocation of Development Charges Between Service Categories

<u>Service Category</u>	<u>Proportional Share</u>	
	<u>Residential</u>	<u>Commercial/ Industrial</u>
General Eligible Services	5.3 %	7.6 %
Fire Protection	17.3 %	24.8 %
Transportation	47.2 %	67.6 %
Recreation	30.2 %	0.0 %
Total	100.0 %	100.0 %
Stormwater Management (Jedd Creek/Campbell Drain and Dochart Creek Stormwater Management Service Areas)	100.0%	100.0%

The reasons for the sub-accounts rather than different reserve funds, is the simplicity of accounting and control and the ability to “borrow” funds from one service type to another without creating an overdraft in a reserve fund.

Responsibility for the reserve fund and sub-account operations should be with the Treasurer, who is ultimately responsible for the fiscal viability of the reserve fund and

its future commitments.

An annual report relating to the Development Charges By-law and reserve funds must be prepared by the Treasurer and submitted to Council in accordance with the requirements of the Development Charges Act. The annual report is to include statements of the opening and closing balances of the reserve fund for the preceding year and the transactions relating to the reserve funds and must be submitted to the Minister of Municipal Affairs and Housing within 60 days after it is presented to Council. The annual report from the Treasurer must also include the following information:

For each reserve fund:

- A description of the service for which the fund was established (list of services in the service category).
- For any credits in relation to the service or service category for which the fund was established, the amount outstanding at the beginning of the previous year, the amount given in the year, the amount used in the year and the amount outstanding at the end of the year. These amounts must then be broken down further by individual credit holder.
- The amount of any money borrowed from the fund by the Township during the previous year and the purpose for which it was borrowed.
- The amount of interest accrued during the previous year on the money borrowed from the fund by the Township.
- The amount and source of any money used by the municipality in the previous year to repay money borrowed from the fund or interest on such money.
- A schedule that identifies credits recognized under section 38 of the Act and, for each credit recognized, the service against which the credit is applied and the source of funds used to finance the credit.

For each project that is financed in whole or in part through development charges:

- The amount of money from each reserve fund that is spent on the project.
- The amount and source of any other money that is spent on the project.

**SCHEDULE OF FUTURE ACQUISITIONS BY YEAR: General Charge
That Qualify as Growth-Related
(2019 \$000's)**

RESIDENTIAL

Service Category	Ratio	NPV	Ex Bal.	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total
General Eligible	5.265%	47.7	19.4	21.8	10.5	0.0	7.6	5.0	25.1	0.0	0.0	0.0	5.0	75.0
Fire Protection	17.323%	156.8	78.5	1.9	0.0	190.1	0.0	1.8	0.0	0.0	2.4	0.0	77.2	273.5
Transportation	47.170%	426.9	64.7	75.5	94.5	0.0	189.9	87.9	1.1	0.7	0.0	0.6	113.0	563.2
Recreation	30.242%	273.7	29.0	38.5	9.9	2.1	7.5	138.2	0.0	0.0	144.9	16.5	8.3	365.8
TOTAL	100%	905.0	191.6	137.6	114.9	192.2	205.0	232.9	26.2	0.7	147.3	17.2	203.6	1,277.4

**SCHEDULE OF FUTURE AQUISITIONS BY YEAR: General Charge
That Qualify as Growth-Related
(2019 \$000's)**

COMMERCIAL / INDUSTRIAL

Service Category	Ratio	NPV	Ex Bal.	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total
General Eligible	7.55%	3.6	1.5	1.6	0.79	0.0	0.6	0.4	1.9	0.0	0.0	0.0	0.4	5.6
Fire Protection	24.83%	11.8	5.9	0.1	0.0	14.3	0.0	0.1	0.0	0.0	0.2	0.0	5.8	20.6
Transportation	67.62%	32.1	4.9	5.7	7.1	0.0	14.3	6.6	0.1	0.0	0.0	0.0	8.5	42.4
TOTAL	100%	47.5	12.2	7.5	7.9	14.3	14.9	7.1	2.0	0.0	0.2	0.0	14.7	68.6

Township of McNab/Braeside

Table 3C

April 9, 2019

**SCHEDULE OF FUTURE ACQUISITIONS BY YEAR: Jedd Creek & Campbell Drain Stormwater Management Service Area
That Qualify as Growth-Related
(2019 \$000's)**

RESIDENTIAL

Service Category	Ratio	NPV	Ex Bal.	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total
Master Drainage Plan: Jedd Creek and Campbell Drain	100.000%	17.7	5.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	33.3	33.3
TOTAL	100%	17.7	5.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	33.3	33.3

Township of McNab/Braeside

Table 3D

April 9, 2019

**SCHEDULE OF FUTURE AQUISITIONS BY YEAR: Jedd Creek & Campbell Drain Stormwater Management Service Area
That Qualify as Growth-Related
(2019 \$000's)**

COMMERCIAL / INDUSTRIAL

Service Category	Ratio	NPV	Ex Bal.	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total
Master Drainage Plan: Jedd Creek and Campbell Drain	100.00%	1.3	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.5	2.5
TOTAL	100%	1.3	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.5	2.5

Township of McNab/Braeside

Table 3E

April 9, 2019

**SCHEDULE OF FUTURE ACQUISITIONS BY YEAR: Dochart Creek Stormwater Management Service Area
That Qualify as Growth-Related
(2019 \$000's)**

RESIDENTIAL

Service Category	Ratio	NPV	Ex Bal.	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total
Dochart Creek Development Charge	100.000%	0.4	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.3	1.3
TOTAL	100%	0.4	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.3	1.3

Township of McNab/Braeside

Table 3F

April 9, 2019

**SCHEDULE OF FUTURE AQUISITIONS BY YEAR: Dochart Creek Stormwater Management Service Area
That Qualify as Growth-Related
(2019 \$000's)**

COMMERCIAL / INDUSTRIAL

Service Category	Ratio	NPV	Ex Bal.	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total
Dochart Creek Development Charge	100.00%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
TOTAL	100%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1

8.0 **IMPLEMENTATION**

8.1 Application of Development Charge

With the exception of the Jedd Creek/Campbell Drain Stormwater Management Service Area and Dochart Creek Stormwater Management Service Area, a uniform development charge rate is recommended across the entire Township for the following reasons:

- a) Most capital expenditures in the Township are designed to service the entire population, and therefore, a Township-wide approach is an equitable approach for allocating these costs.
- b) Most capital projects represent large irregular expenditures that preclude an even rate of expansion or implementation. The construction or acquisition program must be based on priority of need rather than attempting to balance construction by the financial returns of differing areas.
- c) It is simple to administer.

The Jedd Creek/Campbell Drain development charge will apply in addition to the general development charge to all new development within the Jedd Creek/Campbell Drain service area. The Dochart Creek development charge will apply in addition to the general development charge to all new development within the Dochart Creek service area.

The Development Charges By-law expires five years after the day it comes into force unless Council identifies an earlier expiry date or repeals it sooner.

8.2 Adjustments for Inflation

The development charge in the Township is based on a combination of projects to be built in the future discounted to 2019 dollars. It is therefore recommended that an annual inflation factor be applied to the development charge fee to adjust for inflationary pressures. The regulation to the Development Charges Act (Ontario Regulation 82/98, as amended) identifies the Statistics Canada Quarterly *Construction Price Statistics* catalogue number 62-007 as the prescribed index.

8.3 Development Charge Implementation and Collection

The Development Charges By-law should be implemented in full on the date of passage of the By-law and should apply to all new building permit applications. The Development Charges Act identifies the building permit stage as the time when development charges are payable. As services are required at or near the date that a building is occupied, it is appropriate to collect the development charge at the building permit stage.

8.4 Pamphlet

The Development Charges Act requires that a pamphlet be prepared which describes the general purpose of the development charges that are being imposed, the rules for determining if a development charge is payable and the amount, a list of the services to which the development charges relate and a description of the general purpose of the Treasurer's annual report (statement of the Treasurer) and where it may be reviewed by the public. One copy of the pamphlet is to be distributed free of charge to any one requesting it.

8.5 Conditions to be Imposed on Subdivision Approvals

The Development Charges Act requires that one of the conditions in giving approval to a draft plan of subdivision must ensure that the persons who first purchase the subdivided land, after the final approval of the draft plan of subdivision, are informed at the time the land is transferred of all of the development charges related to the development.

9.0 DEVELOPMENT CHARGES

9.1 Summary of New Development Charges

The following Tables F, G and H provide a summary of the maximum new development charges for the Township of McNab/Braeside that could be considered based on the Capital Expenditure Forecast. The new charges are based on calculations shown in Tables 4A, 4B, 4C, 4D, 4E and 4F. Table F shows the general development charge that would be applicable to new development on all lands in the Township of McNab/Braeside. Table G shows the development charge that would be applicable to new development on all lands within the Jedd Creek and Campbell Drain service area. Table H shows the development charge that would be applicable to new development in lands within the Dochart Creek Stormwater Management Service Area. It should be noted that the values shown on Tables 4A, 4B, 4C, 4D, 4E and 4F are maximum amounts that can be collected. Township Council may decide not to collect the maximum eligible development charge from a certain category of use as long as the difference is not made up by another category of use.

The maximum new charges that could be collected based on the eligible portion for items in the Township’s ten-year capital expenditure forecast for projects/purchases to be funded or partially funded through development charges included with this Study are as follows:

**Table F: Township of McNab/Braeside
Maximum Development Charges - General**

Township of McNab/Braeside - General Development Charges		
Use	Category	New Charge
Residential (per dwelling unit)	Single Detached Dwelling	\$ 3,954
	Single Attached Dwelling	\$ 3,784
	Apartment	\$ 3,143
	Mobile Home	\$ 2,982
Commercial/ Industrial/ (per m ² of G.F.A.)	Applies to all categories except expansions of existing Industrial buildings of less than 50% of the G.F.A.	\$ 9.00 per m ²
Institutional	Charge determined as per nature of the use, i.e., Residential components charged according to the class of use and other components charged as per Commercial/Industrial rate.	

**Table G: Township of McNab/Braeside
Maximum Development Charges -
Jedd Creek and Campbell Drain Stormwater Management Service Area**

Township of McNab/Braeside - Jedd Creek and Campbell Drain Stormwater Management Service Area Development Charges		
Use	Category	New Charge
Residential (per dwelling unit)	Single Detached Dwelling	\$ 230
	Single Attached Dwelling	\$ 219
	Apartment	\$ 182
	Mobile Home	\$ 173
Commercial/ Industrial/ (per m ² of G.F.A.)	Applies to all categories except expansions of existing Industrial buildings of less than 50% of the G.F.A.	\$ 0.38 per m ²
Institutional	Charge determined as per nature of the use, i.e., Residential components charged according to the class of use and other components charged as per Commercial/Industrial rate.	

Please note that the figures in this Study are the recommended maximum amounts based on a revised ten-year capital expenditure forecast from that which was included in the Preliminary Draft Report.

**Table H: Township of McNab/Braeside
Maximum Development Charges -
Dochart Creek Stormwater Management Service Area**

Township of McNab/Braeside - Dochart Creek Stormwater Management Service Area Development Charges		
Use	Category	New Charge
Residential (per dwelling unit)	Single Detached Dwelling	\$ 298
	Single Attached Dwelling	\$ 286
	Apartment	\$ 237
	Mobile Home	\$ 225
Commercial/ Industrial/ (per m ² of G.F.A.)	Applies to all categories except expansions of existing Industrial buildings of less than 50% of the G.F.A.	\$ 0.43 per m ²
Institutional	Charge determined as per nature of the use, i.e., Residential components charged according to the class of use and other components charged as per Commercial/Industrial rate.	

Please note that the figures in this Study are the recommended maximum amounts based on a revised ten-year capital expenditure forecast from that which was included in the Preliminary Draft Report.

9.2 Credits for Lot Levies Previously Collected

As the Township previously charged a lot levy for new lots which were created, the Township must continue the practice of deducting the amount of the lot levy already paid for a vacant lot from the development charge that would be payable under the new By-law when a building permit is obtained for the lot.

**DEVELOPMENT CHARGES CALCULATION: General Charge
Net Growth-Related Capital Cost
(2019 \$000's)**

RESIDENTIAL

		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Population Forecast By Year	npv	7,935	7,985	8,037	8,090	8,142	8,195	8,246	8,298	8,349	8,401
Per year growth	465 384		50	52	53	53	52	52	51	51	52
Persons per Household		2.506	2.496	2.488	2.480	2.473	2.466	2.458	2.451	2.444	2.436
Decrease in Persons per Household	0.058		0.010	0.009	0.008	0.007	0.007	0.007	0.007	0.007	0.007
Household Forecast By Year		3,147	3,178	3,209	3,240	3,271	3,302	3,333	3,364	3,395	3,426
Annual Increase	279 230		31	31	31	31	31	31	31	31	31

Net Present Value	4%
Net Capital Cost	905.0
Adjusted Population Growth	564
Net Capital Cost Per Capita	\$1,604

	PERSONS PER UNIT			PV of Cost / Capita
	Current	Decrease Factor	Adjusted	
Average Hhld	2.506	-0.058	2.448	\$1,604
Single Detached	2.530	-0.065	2.465	\$1,604
Single Attached	2.400	-0.041	2.359	\$1,604
Apartment	2.000	-0.041	1.959	\$1,604
Mobile Home	1.900	-0.041	1.859	\$1,604

DEVELOPMENT CHARGE TABLE			
	Gross	Tax Credit	Net
Average Hhld	\$3,926	\$0.00	\$3,926
Single Detached	\$3,954	\$0.00	\$3,954
Single Attached	\$3,784	\$0.00	\$3,784
Apartment	\$3,143	\$0.00	\$3,143
Mobile Home	\$2,982	\$0.00	\$2,982

Township of McNab/Braeside

TABLE 4B

April 9, 2019

DEVELOPMENT CHARGES CALCULATION: General Charge
Net Growth-Related Capital Cost
(2019 \$000's)

COMMERCIAL / INDUSTRIAL

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Commercial Square Metres (sq. meters of building space)										
Annual Growth	710	710	710	710	710	710	710	710	710	710

Net Present Value	4%
Net Capital Cost	47.5
Net Growth In Space	5279
Cost Per sq. m.	9.00
Tax Credit	0
Development Charge Per Sq. M. of Building Space	\$9.00

**DEVELOPMENT CHARGES CALCULATION: Jedd Creek & Campbell Drain Stormwater Management Service Area
Net Growth-Related Capital Cost
(2019 \$000's)**

RESIDENTIAL

		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Population Forecast By Year	npv	1,343	1,364	1,386	1,408	1,430	1,451	1,473	1,494	1,515	1,536
Per year growth	194 160		21	22	22	22	22	21	21	21	21
Persons per Household		2.492	2.491	2.482	2.475	2.468	2.461	2.454	2.446	2.439	2.432
Decrease in Persons per Household	0.049		0.001	0.008	0.008	0.007	0.007	0.007	0.007	0.007	0.007

Household Forecast By Year		529	539	550	560	571	581	592	602	613	623
Annual Increase	95 78		11	11	11	11	11	11	11	11	11

Net Present Value	4%
Net Capital Cost	17.7
Adjusted Population Growth	191
Net Capital Cost Per Capita	\$93

	PERSONS PER UNIT			PV of Cost / Capita
	Current	Decrease Factor	Adjusted	
Average Hhld	2.492	-0.049	2.443	\$93
Single Detached	2.530	-0.056	2.474	\$93
Single Attached	2.400	-0.041	2.359	\$93
Apartment	2.000	-0.041	1.959	\$93
Mobile Home	1.900	-0.041	1.859	\$93

DEVELOPMENT CHARGE TABLE			
	Gross	Tax Credit	Net
Average Hhld	\$227	\$0.00	\$227
Single Detached	\$230	\$0.00	\$230
Single Attached	\$219	\$0.00	\$219
Apartment	\$182	\$0.00	\$182
Mobile Home	\$173	\$0.00	\$173

Township of McNab/Braeside	TABLE 4D	April 9, 2019
DEVELOPMENT CHARGES CALCULATION: Jedd Creek & Campbell Drain Stormwater Management Service Area		
Net Growth-Related Capital Cost		
(2019 \$000's)		

COMMERCIAL / INDUSTRIAL

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Commercial Square Metres (sq. meters of building space)										
Annual Growth	472	472	472	472	472	472	472	472	472	472

Net Present Value	4%
Net Capital Cost	1.3
Net Growth In Space	3512
Cost Per sq. m.	0.38
Tax Credit	0
Development Charge Per Sq. M. of Building Space	\$0.38

**DEVELOPMENT CHARGES CALCULATION: Dochart Creek Stormwater Management Service Area
Net Growth-Related Capital Cost
(2019 \$000's)**

RESIDENTIAL

		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Population Forecast By Year	npv	71	71	72	72	72	73	73	73	73	74
Per year growth	2	2	0	0	0	0	0	0	0	0	0
Persons per Household	19	2.530	2.520	2.511	2.503	2.496	2.488	2.481	2.473	2.466	2.458
Decrease in Persons per Household	0.060		0.010	0.009	0.008	0.008	0.007	0.007	0.007	0.007	0.007
Household Forecast By Year		28	28	28	29	29	29	29	29	30	30
Annual Increase	2	1	0	0	0	0	0	0	0	0	0

Net Present Value	4%
Net Capital Cost	0.4
Adjusted Population Growth	4
Net Capital Cost Per Capita	\$121

	PERSONS PER UNIT			PV of Cost / Capita
	Current	Decrease Factor	Adjusted	
Average Hhld	2.530	-0.060	2.470	\$121
Single Detached	2.530	-0.065	2.465	\$121
Single Attached	2.400	-0.041	2.359	\$121
Apartment	2.000	-0.041	1.959	\$121
Mobile Home	1.900	-0.041	1.859	\$121

DEVELOPMENT CHARGE TABLE			
	Gross	Tax Credit	Net
Average Hhld	\$299	\$0.00	\$299
Single Detached	\$298	\$0.00	\$298
Single Attached	\$286	\$0.00	\$286
Apartment	\$237	\$0.00	\$237
Mobile Home	\$225	\$0.00	\$225

Township of McNab/Braeside	TABLE 4F DEVELOPMENT CHARGES CALCULATION: Dochart Creek Stormwater Management Service Area Net Growth-Related Capital Cost (2019 \$000's)	April 9, 2019
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COMMERCIAL / INDUSTRIAL

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Commercial Square Metres (sq. meters of building space)										
Annual Growth	10	10	10	10	10	10	10	10	10	10

Net Present Value	4%
Net Capital Cost	0.0
Net Growth In Space	78
Cost Per sq. m.	0.43
Tax Credit	0
Development Charge Per Sq. M. of Building Space	\$0.43

10.0 LONG TERM CAPITAL AND OPERATING COSTS

This section provides a brief examination of the long-term capital and operating costs for the capital facilities and infrastructure to be included in the Development Charges Study. This examination is required as one of the features of the Development Charges Act, 1997.

10.1 Net Operating Costs Over the Forecast Period

The Municipality's net operating costs are not expected to increase by any significant amount as a result of the capital infrastructure program included in this Development Charge Study.

10.2. Long-Term Capital Financing From Non-Development Charge Sources

Table 5A summarizes the components of the development-related capital program that will require funding from non-development charge sources. In total \$12,150,000 will need to be financed from non-development charge sources over the next ten years.

Township of McNab/Braeside

Table 5A
SUMMARY OF LONG TERM
CAPITAL IMPACT
(2019 \$000's)

April 9, 2019

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total
Gross Cost	\$1,448.8	\$1,264.8	\$701.0	\$1,486.0	\$1,095.6	\$1,573.0	\$935.0	\$2,240.0	\$1,000.0	\$1,796.48	\$13,540.6
Eligible Development Charge	\$173.9	\$180.7	\$209.2	\$217.2	\$227.1	\$28.1	\$0.7	\$76.8	\$0.7	\$276.32	\$1,390.6
TOTAL	\$1,274.9	\$1,084.1	\$491.8	\$1,268.8	\$868.5	\$1,544.9	\$934.3	\$2,163.2	\$999.3	\$1,520.2	\$12,150.0

11.0 ASSET MANAGEMENT

The Development Charges Act was amended in late 2015 and, effective January 1st, 2016, municipalities are required to complete an Asset Management Plan before the passing of a Development Charges By-law. A key function of the Asset Management Plan is to demonstrate that all assets proposed to be funded under the Development Charges By-law are financially sustainable over their full life cycle.

11.1 Annual Capital Provisions

The annual capital provisions required to replace the capital infrastructure proposed to be funded under the Development Charges By-law is based on useful life assumptions and the capital cost of acquiring each asset.

As shown in Table 5A, by 2028 the Municipality will need to fund an additional \$12,150,000 over 10 years in order to properly fund the full life-cycle costs of the new assets supported under this Development Charges By-law.

The calculated annual funding provision should be considered within the context of the Municipality's projected growth over the next ten years. This growth will have the effect of increasing the overall assessment base to offset the capital asset provisions required to replace the infrastructure proposed to be funded under the Development Charges By-law.

The calculated annual provisions identified are considered to be financially sustainable as it is expected that the increased capital asset management requirements can be absorbed by the tax base over the long-term.

12.0 REFERENCES

Township of McNab/Braeside Treasury Department Report: 2019 Asset Management Plan.

Bill 98 - The Development Charges Act, 1997 and Ontario Regulation 82/98.

By-law 2014-47 of the Corporation of the Municipality of McNab/Braeside. (Development Charges By-law).

Census Canada 2011 and 2016 Statistics. Population and Dwelling Count data.

Corporation of the Township of McNab/Braeside, Zoning By-law, 2010-49.

Ontario Ministry of Finance/MPAC, Assessment Statistics/ Land Use Counts, 2018.

Township building permit records, reserve fund reports and staff interviews.

APPENDIX "A"

Estimated Year of Purchase Based on Average Level of Service

**ESTIMATED YEAR OF PURCHASE BASED ON AVERAGE LEVEL OF SERVICE
McNab/Braeside 2019 to 2028**

	Number	Incremental Growth-related Increase in Need for Service										Total attributed to growth
		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
FIRE PROTECTION												
Fire Hall Bays (All stations)	747	4.46	9.15	14.08	19.11	24.10	29.04	33.94	38.80	43.61	48.54	48.54
Fire Hall Parking Spaces	15	0.09	0.18	0.28	0.38	0.48	0.58	0.68	0.78	0.88	0.97	0.97
Pumper Trucks	5	0.03	0.06	0.09	0.13	0.16	0.19	0.23	0.26	0.29	0.32	0.32
Pickup Truck	2	0.01	0.02	0.04	0.05	0.06	0.08	0.09	0.10	0.12	0.13	0.13
Cameras	2	0.01	0.02	0.04	0.05	0.06	0.08	0.09	0.10	0.12	0.13	0.13
Fire Equipment (UTV)	5	0.03	0.06	0.09	0.13	0.16	0.19	0.23	0.26	0.29	0.32	0.32

	Number/ Km	Incremental Growth-related Increase in Need for Service										Total attributed to growth
		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
TRANSPORTATION												
McNab/Brae HCB Rds (km)		0.59	1.22	1.88	2.55	3.21	3.87	4.52	5.17	5.81	6.47	6.47
Existing Buildings	910	5.43	11.14	17.15	23.28	29.35	35.38	41.35	47.26	53.13	59.13	59.13
Roads (profile changes) km	133.98	0.80	1.64	2.52	3.43	4.32	5.21	6.09	6.96	7.82	8.71	8.71
Road Upgrades (active transportation)	1.4	0.01	0.02	0.03	0.04	0.05	0.05	0.06	0.07	0.08	0.09	0.09
GPS	8	0.05	0.10	0.15	0.20	0.26	0.31	0.36	0.42	0.47	0.52	0.52

	Number or Floor Area (m ²)	Incremental Growth-related Increase in Need for Service										Total attributed to growth
		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
RECREATION												
Recreation Bldgs (m2)	528	2.87	5.89	9.06	12.30	15.52	18.70	21.85	24.98	28.08	31.25	31.25
Trails and Park Development (km)	18	0.11	0.22	0.34	0.46	0.58	0.70	0.82	0.93	1.05	1.17	1.17
Park Improvements (Red Pine Bay)	13	0.08	0.16	0.24	0.33	0.42	0.51	0.59	0.68	0.76	0.84	0.84
Parking Lot Expansion (No. of Spaces)	164	0.98	2.01	3.09	4.20	5.29	6.38	7.45	8.52	9.57	10.66	10.66
Outdoor Rink Improvement (No of Rinks)	2	0.01	0.02	0.04	0.05	0.06	0.08	0.09	0.10	0.12	0.13	0.13
Pick-up Trucks	2	0.01	0.02	0.04	0.05	0.06	0.08	0.09	0.10	0.12	0.13	0.13

	Number or Floor Area (m ²)	Incremental Growth-related Increase in Need for Service										Total attributed to growth
		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
General Government												
Signage	7.0	0.04	0.09	0.13	0.18	0.23	0.27	0.32	0.36	0.41	0.45	0.45