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2021 Development Charges Update Study

Town of Petawawa

For Public Circulation and Comment

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1. Introduction

1.1 Background

The Town of Petawawa (Town) imposes development charges (D.C.s) to recover the increase in the needs for service arising from development. The basis for the calculation of the Town’s current residential and non-residential D.C.s is documented in the Town’s “2019 Development Charges Background Study” dated May 15, 2019, as amended (2019 D.C. Background Study). This D.C. Background Study provides the supporting documentation for the Town’s D.C. By-law 1280/19. The current D.C.s by municipal service and development type are summarized in Table 1-1. This table reflects the indexed charges that are currently in force as of January 1, 2021.

Table 1-1
Town of Petawawa
Current (Indexed) Schedule of D.C.s

Service	RESIDENTIAL				NON-RESIDENTIAL (per sq.ft. of Gross Floor Area)
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples and Mobile Homes	
Municipal Wide Services:					
Transportation Services	\$ 1,474	\$ 794	\$ 553	\$ 1,144	\$ 1.27
Fire Protection Services	\$ 169	\$ 91	\$ 64	\$ 131	\$ 0.14
Parks and Recreation	\$ 1,371	\$ 739	\$ 515	\$ 1,064	\$ 0.11
Library Services	\$ 231	\$ 125	\$ 87	\$ 179	\$ 0.02
Administration - Studies	\$ 164	\$ 88	\$ 62	\$ 127	\$ 0.14
Total Municipal Wide Services	\$ 3,409	\$ 1,837	\$ 1,281	\$ 2,645	\$ 1.68
Urban Services					
Wastewater Services	\$ 2,076	\$ 1,118	\$ 780	\$ 1,611	\$ 1.45
Water Services	\$ 508	\$ 273	\$ 191	\$ 394	\$ 0.34
Total Urban Services	\$ 2,584	\$ 1,391	\$ 971	\$ 2,005	\$ 1.79
GRAND TOTAL RURAL AREA	\$ 3,409	\$ 1,837	\$ 1,281	\$ 2,645	\$ 1.68
GRAND TOTAL URBAN AREA	\$ 5,993	\$ 3,228	\$ 2,252	\$ 4,650	\$ 3.47

1.2 Existing Policies (Rules)

The following subsections set out the rules governing the calculation, payment, and collection of the D.C. as provided in By-law 2019-073, in accordance with the *Development Charges Act, 1997*, as amended (D.C.A.).



1.2.1 Payment in any Particular Case

In accordance with the D.C.A., s. 2 (2), a D.C. shall be calculated, payable, and collected where the development requires one or more of the following:

- the passing of a zoning by-law or of an amendment to a zoning by-law under section 34 of the *Planning Act*;
- the approval of a minor variance under section 45 of the *Planning Act*;
- a conveyance of land to which a by-law passed under section 50 (7) of the *Planning Act* applies;
- the approval of a plan of subdivision under section 51 of the *Planning Act*;
- a consent under section 53 of the *Planning Act*;
- the approval of a description under section 50 of the *Condominium Act*; or
- the issuing of a building permit under the *Building Code Act* in relation to a building or structure.

1.2.2 Determination of the Amount of the Charge

The calculation for residential development is generated on a per capita basis and imposed based on four housing types (i.e., single and semi-detached, two bedrooms and larger apartments, bachelor and one-bedroom apartments, and other multiples). The eligible D.C. cost calculations are based on the net anticipated population increase. The total eligible D.C. cost is divided by the “gross” (new resident) population to determine the per capita amount. The cost per capita is then multiplied by the average occupancy of the new units to calculate the charges by type of residential dwelling unit.

The non-residential D.C. has been calculated and imposed on a per square foot (sq.ft.) of gross floor area (G.F.A.) basis.

1.2.3 Application to Redevelopment of Land (Demolition and Conversion)

Where development involves the demolition and replacement of a building or structure on the same site, or the conversion from one principal use to another, the developer shall be allowed a redevelopment credit equivalent to:

- the number of dwelling units demolished/converted multiplied by the applicable residential D.C. in place at the time the D.C. is payable; and/or



- the G.F.A. of the building demolished/converted multiplied by the current non-residential D.C. in place at the time the D.C. is payable.

The demolition credit is allowed only if the land was improved by occupied structures, and if the demolition permit related to the site was issued less than 24 months prior to the issuance of a building permit. The credit can, in no case, exceed the amount of D.C.s that would otherwise be payable.

Redevelopment credits will not be granted to demolitions or conversions of previously D.C. exempt developments.

1.2.4 Exemptions (full or partial)

Statutory exemptions

- Industrial building additions of up to and including 50% of the existing G.F.A. (defined in O. Reg. 82/98, s.1) of the building; for industrial building additions which exceed 50% of the existing G.F.A., only the portion of the addition in excess of 50% is subject to D.C.s (s. 4 (3));
- Buildings or structures owned by and used for the purposes of any municipality, local board or Board of Education (s. 3); and
- 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 (based on prescribed limits set out in s. 2 of O. Reg. 82/98).

Non-statutory exemptions

- Buildings or structures on land owned and used by Garrison Petawawa;
- Lands, buildings, or structures used or to be used for a place of worship or for the purposes of a churchyard or cemetery exempt from taxation under the *Assessment Act*, and
- The development of non-residential farm buildings constructed for bona-fide farm uses.

1.2.5 Indexing

The by-law provides for indexing of the D.C. annually on January 1st of each year, in accordance with provisions under the D.C.A.



1.2.6 By-law Duration

The by-law will expire at 12:01 AM on July 16, 2024 unless it is repealed by Council at an earlier date.

1.2.7 Date Charge Payable

Development charges imposed under the by-law are calculated, payable, and collected upon issuance of a building permit with respect to each dwelling unit, building or structure.

1.3 Changes to the D.C.A.: More Homes, More Choice Act and the COVID-19 Economic Recovery Act

On May 2, 2019, the Province introduced Bill 108 (*More Homes, More Choice Act*), which proposed changes to the D.C.A. The Bill was introduced as part of the Province's "*More Homes, More Choice: Ontario's Housing Supply Action Plan*." The Bill received Royal Assent on June 6, 2019. While having received Royal Assent, many of the amendments to the D.C.A. would not come into effect until they are proclaimed by the Lieutenant Governor. On January 1, 2020, the following provisions were proclaimed:

- A D.C. for rental housing and institutional developments will pay the charge in six equal annual installments, with the first payment commencing on the date of occupancy. A D.C. for non-profit housing developments will pay the charge in 21 equal annual installments. A municipality may charge interest on the installments. Any unpaid D.C. amounts may be added to the property and collected as taxes.
- The determination of the D.C. for all developments occurring within two years of a Site Plan or Zoning By-law Amendment planning approval shall be determined based on the D.C.s in effect on the date the planning application was submitted. These provisions only apply to Site Plan and Zoning By-law Amendment planning applications received on or after January 1, 2020. Developments arising from planning application approvals not fitting these criteria, or if the building permit arising from these planning approvals is issued two years or more after the planning application approval, the D.C. is determined based on the provisions of the D.C. by-law.



In early 2020, the Province released Bill 197 (*COVID-19 Economic Recovery Act*), an omnibus bill amending numerous statutes, including the D.C.A. and *Planning Act*. This Bill also revised some of the proposed amendments included in the *More Homes, More Choice Act*. The *COVID-19 Economic Recovery Act* received Royal Assent on July 21, 2020 and provisions of the statute affecting the D.C.A. were proclaimed on September 18, 2020. The following provides a summary of the changes to the D.C.A. that are now in effect:

List of D.C. Eligible Services

The D.C.A. previously defined ineligible services for D.C.s. The amendments to the D.C.A. now defined the services that are eligible for inclusion in a D.C. by-law. The following summarizes the D.C. eligible services:

- Water supply services, including distribution and treatment services;
 - Wastewater services, including sewers and treatment services;
 - Storm water drainage and control services;
 - Services related to a highway;
 - Electrical power services;
 - Toronto-York subway extension, as defined in subsection 5.1 (1);
 - Transit services other than the Toronto-York subway extension;
 - Waste diversion services;
 - Policing services;
 - Fire protection services;
 - Ambulance services;
 - Library Services;
 - Long-term care services;
 - Parks and recreation services (excluding the acquisition of land for parks);
 - Public health services;
 - Childcare and early years services;
 - Housing services;
 - *Provincial Offences Act* services;
 - Services related to emergency preparedness;
 - Services related to airports, but only in the Regional Municipality of Waterloo;
- and



- Additional services as prescribed.

10% Statutory Deduction

The D.C.A. previously required a 10% statutory deduction for all services not specifically identified in s.s. 5 (5) of the D.C.A. (i.e. soft services). This had the effect of categorizing D.C. eligible services into two groups, i.e. 90% D.C. recoverable services, and 100% D.C. recoverable services. The amendments to the D.C.A. remove the 10% statutory deduction for soft services.

Classes of D.C. Services

As noted above the D.C.A. categorized services generally into two categories. The amended D.C.A. repeals these provisions and provides the following:

- A D.C. by-law may provide for any eligible service or capital cost related to any eligible service to be included in a class, set out in the by-law.
- A class may be composed of any number or combination of services and may include parts or portions of the eligible services or parts or portions of the capital costs in respect of those services.
- A D.C. by-law may provide for a class consisting of studies in respect of any eligible service whose capital costs are described in paragraphs 5 and 6 of s. 5 of the D.C.A.
- A class of service set out in the D.C. by-law is deemed to be a single service with respect to reserve funds, use of monies, and credits.

Statutory Exemptions

The D.C.A. provides for statutory exemptions from payment of D.C.s where the development is creating additional residential dwelling units within prescribed classes of existing residential buildings or structures. This statutory exemption has been expanded to include secondary residential dwelling units, in prescribed classes, that are ancillary to existing residential buildings. Furthermore, additional statutory exemptions are provided for the creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to new dwellings.



Transition

Services, other than those described in paragraphs 1 to 10 of subsection 2 (4) of the D.C.A. (i.e. soft services) within an existing D.C. by-law can remain in effect, even if the by-law expires, until the earlier of the day the by-law is repealed, the day the municipality passes a Community Benefits Charge by-law under subsection 37 (2) of the *Planning Act*, or the specified date. The specified date is September 18, 2022.

1.4 Other Legislative Changes

Bill 213 (*Better for People, Smarter for Business Act*) received Royal Assent on December 8, 2020. This Bill amended the *Ministry of Training, Colleges and Universities Act* to provide an exemption from the payment of D.C.s for universities. Specifically, the Act states:

Land vested in or leased to a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education is exempt from development charges imposed under the *Development Charges Act*, 1997 if the development in respect of which development charges would otherwise be payable is intended to be occupied and used by the university.

This statutory exemption to the payment of D.C.s came into effect on the December 8, 2020.

1.5 Purpose of this Document

This background study has been prepared pursuant to the requirements of the D.C.A. to amend the Town's D.C. by-law. The proposed amendments relate to the removal of the 10% deduction for soft services and provide updates to the underlying D.C. eligible capital cost estimates. In addition, other proposed amendments relate to the timing and collection of D.C.s and statutory exemptions, as a result of recent changes to the D.C.A. (as summarized in Section 1.3 and 1.4 herein).

This D.C. background study and draft amending by-law will be provided to the public to provide interested parties with sufficient background information on the legislation, recommendations, and an outline of the basis for these recommendations.



The following Chapters of this Study include:

- Chapter 2 – Anticipated Development
- Chapter 3 – Revisions to the Anticipated Capital Needs
- Chapter 4 – Revised D.C. Calculation and Schedule of Charges
- Chapter 5 – D.C. Policy Recommendations and D.C. By-law Rules
- Chapter 6 – Asset Management Plan and Long-Term Capital and Operating Costs
- Chapter 7 – Process for Adoption of the Amending Development Charges By-law
- Appendix A – Draft Amending D.C. By-law

It should be noted that this Study is provided as an update to the Town's 2019 D.C. Background Study, and as such the calculations are denominated in 2019 dollars (the Town's D.C. Background Study cost base). The amended D.C. rates will be subsequently indexed to 2021 rates for implementation.

The notice of the Public Meeting will be advertised in accordance with the requirements of the D.C.A., i.e. 20 clear-days prior to the public meeting. This background study document will be released for public review and posted on the Town's website in accordance with provisions of the D.C.A. on November 17, 2021. The statutory public meeting will be held on December 6, 2021. A presentation will be made to the public regarding the recommendations of this study, and Council will receive oral and written comments on the matter.

It is anticipated that Council will consider for adoption the proposed amending by-law after the 60-day period from the release of the D.C. Background Study has been satisfied. The intended date for passage of the D.C. by-law is January 17, 2022.

1.6 Summary of Proposed Amendments

Other than the changes identified within this report, all other D.C. calculations and policies (i.e. rules) contained in By-law 2019-073 remain unchanged by this process.

The analysis provided herein will address the proposed amendments to the Town's D.C. by-law arising from the recent amendments to the D.C.A., as outlined in Sections 1.3 and 1.4 above. In particular, Chapters 3 and 4 address changes to the D.C. eligible



costs and calculation of the charges resulting from the removal of the 10% statutory deduction for 'soft' services, as well as the change in classification of Administration service to the class of service for Growth-Related Studies. Changes to the capital costs underlying the charge have been made for Water and Wastewater services. These changes are discussed in detail in Chapter 3 of this report.

Chapter 5 presents the changes to the D.C. by-law collection policies and statutory exemptions to reflect legislative changes.



2. Anticipated Development

It is a requirement of Section 5 (1) of the D.C.A. that “the anticipated amount, type and location of development, for which development charges can be imposed, must be estimated”. The growth forecast contained in Chapter 3 of the 2019 D.C. Background Study (with supplemental tables in Appendix A) provides for the anticipated development for which the Town will be required to provide services over a ten-year period (mid-2019 to mid-2029) and a 17-year time horizon (mid-2019 to mid-2036).

The growth forecast contained in the 2019 D.C. Background Study is summarized in Table 2-1. For the purposes of this update study, the growth forecast as contained within the 2019 D.C. Background Study remains unchanged.

Table 2-1
Town of Petawawa
2019 D.C. Background Study – Growth Forecast Summary

Time Horizon	Residential		Non-Residential	
	Net Population ¹	Residential Units	Employment	Gross Floor Area (sq.ft.)
Mid-2019	11,475	6,572	8,157	
Mid-2029	12,732	7,428	8,864	
Mid-2036 (Serviced Area)	14,051	7,927	9,089	
Mid-2036 (Town-wide)	13,999	8,033	9,136	
Incremental Growth				
10-year (2019-2029)	1,257	856	707	550,900
17-year (2019-2029, Serviced Area)	2,576	1,355	932	694,000
17-year (2019-2036, Town-wide)	2,524	1,461	979	764,500

¹ Excludes Garrison Petawawa Population



3. Revisions to the Anticipated Capital Needs

The 2019 D.C. Background Study justified the maximum amount that could be charged for residential and non-residential development. The study and by-law identified anticipated capital needs for recovery through D.C.s for the following services:

- Transportation;
- Fire Protection;
- Parks and Recreation;
- Library;
- Administration (Studies);
- Wastewater; and
- Water.

The following sections summarize the amendments made to the D.C. eligible capital costs. In accordance with the amendments to the D.C.A., the 10% statutory deduction has been removed from the calculation of the D.C. eligible capital costs for Parks and Recreation Services, Library Services, and specific studies under Administration. The changes to the D.C. eligible capital costs for Wastewater Services, Water Services, and Administration Studies comprising the D.C. amendment are also summarized.

Other than the revisions included in this report, all other capital needs and the determination of D.C. recoverable costs contained in the Town's 2019 D.C. Background Study remain unchanged.



3.1 Parks and Recreation Services

This study serves to remove the 10% statutory deduction that is no longer required for Parks and Recreation services due of the recent changes to the D.C.A. No changes to the capital projects included for Parks and Recreation services are required and as such, the total gross capital costs remain unchanged at \$2.39 million when compared to the 2019 D.C. Background Study. After deducting approximately \$0.62 million in recognition of the benefits to existing development and approximately \$0.47 million for existing reserve fund balances, \$1.30 million has been included in the calculation of the charge.

The D.C. recoverable costs are allocated 95% to residential development and 5% to non-residential development based on the recognition that residential users are the primary users of Parks and Recreation Services. The detailed capital needs listing and calculation of D.C.-eligible costs are shown in Table 3-1.



**Table 3-1
Infrastructure Costs Covered in the D.C. Calculation – Parks and Recreation Services**

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	2019-2029								95%	5%	
1	Mountain Bike Trail Development	2019-2024	150,000	-		150,000	75,000		75,000	71,250	3,750
2	Hydro Corridor Trail Development (Jackpine Trail 1.1km)	2019-2028	45,000	-		45,000	13,500		31,500	29,925	1,575
3	Hydro Corridor Trail Development (Laurentian Trail 1.1km)	2019-2028	50,000	-		50,000	15,000		35,000	33,250	1,750
4	Hydro Corridor Trail Development (Limestone Trail 0.6km)	2019-2028	21,000	-		21,000	6,300		14,700	13,965	735
5	Woodland Trail Development	2020-2023	48,500	-		48,500	14,550		33,950	32,253	1,698
6	Laurentian Highlands Park Development	2022	345,000	-		345,000	-		345,000	327,750	17,250
7	Portage Landing Park Development	2023	105,000	-		105,000	-		105,000	99,750	5,250
8	Pick-up Truck	2021	45,000	-		45,000	-		45,000	42,750	2,250
9	Radtke Estates Community Park Development (including EA)		1,500,000	-		1,500,000	450,000		1,050,000	997,500	52,500
10	Radtke Estates Neighbourhood Park Development		30,000	-		30,000	-		30,000	28,500	1,500
11	Twinning of the Algonquin Trail (Town Centre to Portage Road)	2019-2020	50,000	-		50,000	45,039		4,961	4,713	248
	Reserve Fund Adjustment		-	-		-	-		(468,676)	(445,242)	(23,434)
	Total		2,389,500	-	-	2,389,500	619,389	-	1,301,435	1,236,363	65,072



3.2 Library Services

The Town's 2019 D.C. Background Study identified approximately \$208,300 in gross capital costs to meet the increase in need for service for Library services over the 10-year forecast period. The statutory 10% deduction removed approximately \$15,900 in growth-related capital costs from the D.C. recoverable costs. The elimination of this statutory deduction increases the D.C. recoverable cost for the forecast period to just over \$205,400. No other changes to the capital projects included for Library services are required

Similar to Parks and Recreation Services, the D.C. recoverable costs are allocated 95% to residential development and 5% to non-residential development. The detailed capital needs listing and calculation of D.C.-eligible costs are shown in Table 3-2.



3.3 Administration (Growth-Related Studies Class of Service)

The Town's 2019 D.C. Background Study included growth-related studies under the Administration Studies service. Changes to Administration Studies are provided to conform with changes in the D.C. eligible services under the D.C.A. and the ability to include a separate class of services for growth-related studies (as summarized in Section 1.3).

The Town's 2019 D.C. Background Study identified \$449,400 in gross capital costs pertaining to growth-related studies. Through this update study, the gross capital cost of undertaking this D.C. by-law amendment process has been added.

As a result, the total gross capital costs of Growth-Related Studies have increased to \$461,600. Deductions of \$159,000 for benefit to existing development and approximately \$77,100 for the reserve fund balance have been applied. A further deduction of \$2,500 has been made to reflect the general benefits of the general planning studies (i.e., Official Plan Update and Zoning By-law Update) to other, non-D.C. eligible services. The resultant net growth-related capital costs included in the calculation of the charge total approximately \$223,000.

The net costs for the growth-related studies have been allocated to the eligible services in the following manner:

- Transportation – 15%
- Fire Protection – 30%
- Parks and Recreation – 20%
- Library – 1%
- Wastewater – 21%
- Water – 13%

Consistent with the 2019 D.C. Background Study, these costs have been allocated 64% residential and 36% non-residential based on the incremental growth in population to employment for the 10-year forecast period.

The revised capital needs listing and calculation of D.C.-eligible costs are shown in Table 3-3 below.



**Table 3-3
Infrastructure Costs Covered in the D.C. Calculation – Growth-Related Studies (2019-2029)**

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Service to Which Project Relates	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions (to recognize benefit to non-D.C. services)	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
								Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	2019-2029										64%	36%
1	Development Charges Study			32,200	-		32,200	-		32,200	20,608	11,592
1a	Development Charges Study	2019	Transportation Services	6,400	-		6,400	-		6,400	4,096	2,304
1b	Development Charges Study	2019	Fire Protection Services	1,300	-		1,300	-		1,300	832	468
1c	Development Charges Study	2019	Parks and Recreation	5,500	-		5,500	-		5,500	3,520	1,980
1d	Development Charges Study	2019	Library Services	600	-		600	-		600	384	216
1e	Development Charges Study	2019	Water Services	3,900	-		3,900	-		3,900	2,496	1,404
1f	Development Charges Study	2019	Wastewater Services	14,600	-		14,600	-		14,600	9,344	5,256
2	DC Amendment			12,000	-		12,000	-		12,000	7,680	4,320
2a	DC Amendment	2021	Transportation Services	2,400	-		2,400	-		2,400	1,536	864
2b	DC Amendment	2021	Fire Protection Services	500	-		500	-		500	320	180
2c	DC Amendment	2021	Parks and Recreation	2,000	-		2,000	-		2,000	1,280	720
2d	DC Amendment	2021	Library Services	200	-		200	-		200	128	72
2e	DC Amendment	2021	Water Services	1,400	-		1,400	-		1,400	896	504
2f	DC Amendment	2021	Wastewater Services	5,500	-		5,500	-		5,500	3,520	1,980
3	Development Charges Study			32,200	-		32,200	-		32,200	20,608	11,592
3a	Development Charges Study	2024	Transportation Services	6,400	-		6,400	-		6,400	4,096	2,304
3b	Development Charges Study	2024	Fire Protection Services	1,300	-		1,300	-		1,300	832	468
3c	Development Charges Study	2024	Parks and Recreation	5,500	-		5,500	-		5,500	3,520	1,980
3d	Development Charges Study	2024	Library Services	600	-		600	-		600	384	216
3e	Development Charges Study	2024	Water Services	3,900	-		3,900	-		3,900	2,496	1,404
3f	Development Charges Study	2024	Wastewater Services	14,600	-		14,600	-		14,600	9,344	5,256
4	Official Plan Update			30,000	-	1,500	28,500	15,000		13,500	8,640	4,860
4a	Official Plan Update	2020	Transportation Services	7,500	-	375	7,125	3,750		3,375	2,160	1,215
4b	Official Plan Update	2020	Fire Protection Services	3,000	-	150	2,850	1,500		1,350	864	486
4c	Official Plan Update	2020	Parks and Recreation	3,000	-	150	2,850	1,500		1,350	864	486
4d	Official Plan Update	2020	Library Services	1,500	-	75	1,425	750		675	432	243



Table 3-3 (continued)
Infrastructure Costs Covered in the D.C. Calculation – Growth-Related Studies (2019-2029)

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Service to Which Project Relates	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions (to recognize benefit to non-D.C. services)	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
								Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
2019-2029										64%	36%	
4e	Official Plan Update	2020	Water Services	7,500	-	375	7,125	3,750		3,375	2,160	1,215
4f	Official Plan Update	2020	Wastewater Services	7,500	-	375	7,125	3,750		3,375	2,160	1,215
5	Zoning By-law Update			20,000	-	1,000	19,000	10,000		9,000	5,760	3,240
5a	Zoning By-law Update	2021	Transportation Services	5,000	-	250	4,750	2,500		2,250	1,440	810
5b	Zoning By-law Update	2021	Fire Protection Services	2,000	-	100	1,900	1,000		900	576	324
5c	Zoning By-law Update	2021	Parks and Recreation	2,000	-	100	1,900	1,000		900	576	324
5d	Zoning By-law Update	2021	Library Services	1,000	-	50	950	500		450	288	162
5e	Zoning By-law Update	2021	Water Services	5,000	-	250	4,750	2,500		2,250	1,440	810
5f	Zoning By-law Update	2021	Wastewater Services	5,000	-	250	4,750	2,500		2,250	1,440	810
6	Infrastructure Study			60,000	-		60,000	24,000		36,000	23,040	12,960
6a	Infrastructure Study	2019	Transportation Services	20,000	-		20,000	8,000		12,000	7,680	4,320
6b	Infrastructure Study	2019	Water Services	20,000	-		20,000	8,000		12,000	7,680	4,320
6c	Infrastructure Study	2019	Wastewater Services	20,000	-		20,000	8,000		12,000	7,680	4,320
7	Infrastructure Study			60,000	-		60,000	24,000		36,000	23,040	12,960
7a	Infrastructure Study	2024	Transportation Services	20,000	-		20,000	8,000		12,000	7,680	4,320
7b	Infrastructure Study	2024	Water Services	20,000	-		20,000	8,000		12,000	7,680	4,320
7c	Infrastructure Study	2024	Wastewater Services	20,000	-		20,000	8,000		12,000	7,680	4,320
8	Parks and Recreation Master Plan	2021	Parks and Recreation	75,000	-		75,000	30,000		45,000	28,800	16,200
9	Fire Master Plan	2019	Fire Protection Services	70,000	-		70,000	28,000		42,000	26,880	15,120
10	Fire Master Plan	2024	Fire Protection Services	70,000	-		70,000	28,000		42,000	26,880	15,120
	Reserve Fund Adjustment			-	-		-	-		(77,068)	(49,324)	(27,745)
	Total			461,600	-	2,500	459,100	159,000	-	223,032	142,740	80,291



3.4 Wastewater Services

The Town's 2019 D.C. Background Study identified \$10.32 million in gross capital costs to meet the increase in need for service for Wastewater services. Through this update study, the following changes have been made:

- Updated gross capital cost estimates for Renfrew St. Pumping Station Expansion;
- Updated gross capital cost estimate for the Wastewater Treatment Plant Expansion and the related Environmental Assessment; and
- Inclusion of capital costs related to the addition of a third Pump at the Harry St. Pumping Station.

The changes outlined above increase the gross capital costs for Wastewater services to \$14.36 million. Approximately \$9.68 million has been deducted to recognize the benefit to existing development. An additional deduction of approximately \$294,000 has been made to reflect the balance of the Wastewater D.C. reserve fund. The net capital costs identified for inclusion in the calculation totals approximately \$4.38 million.

Consistent with the 2019 D.C. Background Study, these costs have been allocated 73% residential and 27% non-residential, based on the incremental growth in population to employment in the wastewater serviced area for the 17-year forecast period.

The revised capital needs listing and calculation of D.C.-eligible costs are shown in Table 3-4 below.



**Table 3-4
Infrastructure Costs Covered in the D.C. Calculation – Wastewater Services**

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2019\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential D.C. Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	2019-2036									73%	27%
1	Renfrew St. Pumping Station Expansion - Controls and Building	2023-2024	716,000	-		716,000	-		716,000	522,680	193,320
2	Renfrew St. Pumping Station Expansion - Pumps and Additional Wet Well	2023-2024	390,000	-		390,000	-		390,000	284,700	105,300
3	Wastewater Treatment Plant Expansion - EA	2022-2023	323,000	-		323,000	-		323,000	235,790	87,210
4	Wastewater Treatment Plant Expansion	2024-2026	12,907,000	-		12,907,000	9,680,250		3,226,750	2,355,528	871,223
5	3rd Pump for Harry Street Pumping Station	2022	23,000	-		23,000	-		23,000	16,790	6,210
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
				-		-	-		-	-	-
	Reserve Fund Adjustment		-	-		-	-		(294,010)	(214,627)	(79,383)
				-		-	-		-	-	-
	Total		14,359,000	-	-	14,359,000	9,680,250	-	4,384,740	3,200,860	1,183,880



3.5 Water Services

The Town's 2019 D.C. Background Study identified \$1.19 million in gross capital costs to meet the increase in need for service for Water services. Through this update study, the following changes have been made:

- Inclusion of capital costs related to the Water Treatment Plant Expansion and related Environmental Assessment; and
- Inclusion of capital costs related to watermain looping (connection from Dustin Drive to Sammy Drive).

The changes outlined above increase the gross capital costs for Water services to \$5.86 million. Approximately \$4.00 million has been deducted as post period benefit reflecting the oversized capacity of the water treatment plant expansion relative to the growth forecast estimates for water services. Deductions of approximately \$616,200 for benefit to existing development and \$7,100 for the reserve fund balance have been observed. The net capital costs identified for inclusion in the calculation total approximately \$1.25 million.

Consistent with the 2019 D.C. Background Study, these costs have been allocated 72% residential and 28% non-residential, based on the incremental growth in population to employment in the water serviced area for the 17-year forecast period.

The revised capital needs listing and calculation of D.C.-eligible costs are shown in Table 3-5 below.



3.6 Summary

Table 3-6 summarizes the total change in D.C. eligible costs for all services and classes of service in comparison to the 2019 D.C. Background Study. In aggregate, D.C. eligible capital costs of approximately \$1.59 million have been added to the calculation of the charge.

Table 3-6
Town of Petawawa
D.C.-eligible Cost Comparison

Service/Class	D.C.-eligible Costs (2019\$)		
	2019 D.C. Background Study	2021 Update Study	Change (\$)
Municipal Wide Services:			
Transportation Services	\$ 1,795,221	\$ 1,795,221	\$ -
Fire Protection Services	\$ 205,896	\$ 205,896	\$ -
Parks and Recreation	\$ 1,124,424	\$ 1,301,435	\$ 177,011
Library Services	\$ 189,525	\$ 205,443	\$ 15,919
Growth-related Studies	\$ 199,892	\$ 223,032	\$ 23,140
Total Municipal Wide Services	\$ 3,514,957	\$ 3,731,027	\$ 216,070
Urban Services			
Wastewater Services	\$ 3,408,590	\$ 4,384,740	\$ 976,150
Water Services	\$ 844,692	\$ 1,246,452	\$ 401,760
Total Urban Services	\$ 4,253,282	\$ 5,631,192	\$ 1,377,910
Grand Total	\$ 7,768,239	\$ 9,362,219	\$ 1,593,980



4. Revised D.C. Calculation and Schedule of Charges

Based on the proposed amendments to the D.C. eligible costs included in the 2019 D.C. Background Study detailed in Chapter 3 herein, Table 4-1 presents the revised D.C. calculation for Water Services over the 17-year period (i.e., 2019-2036), Table 4-2 presents the revised D.C. calculation for Wastewater Services over the 17-year period (i.e., 2019-2036), and Table 4-3 presents the calculations for municipal-wide services over the 10-year (i.e., 2019-2029) planning horizon.

The D.C. calculation has been undertaken on an average cost basis, whereby the calculated charge seeks to recover the total costs from the anticipated development over the planning period. For the residential calculations, charges are calculated on a single detached unit equivalent basis and converted to four forms of housing types (single and semi-detached, apartments 2+ bedrooms, apartments bachelor and 1 bedroom, and all other multiples). The non-residential D.C. has been calculated on a per sq.ft. of G.F.A. basis.

Table 4-1
Water Serviced Area D.C. Calculation
2019-2036

SERVICE	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
1. <u>Water Services</u>	\$ 897,445	\$ 349,007	\$ 690	\$ 0.46
TOTAL	\$ 897,445	\$ 349,007	\$ 690	\$ 0.46
17-Year Gross Population/GFA Growth (sq.ft.)	3,810	764,500		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$ 235.55	\$ 0.46		
<u>By Residential Unit Type</u>	<u>P.P.U.</u>			
Single and Semi-Detached Dwelling	2.930	\$ 690		
Apartments - 2 Bedrooms +	1.578	\$ 372		
Apartments - Bachelor and 1 Bedroom	1.100	\$ 259		
Other Multiples and Mobile Homes	2.275	\$ 536		



Table 4-2
Water Serviced Area D.C. Calculation
2019-2036

SERVICE	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
2. <u>Wastewater Services</u>	\$ 3,200,860	\$ 1,183,880	\$ 2,462	\$ 1.71
TOTAL	\$ 3,200,860	\$ 1,183,880	\$ 2,462	\$ 1.71
17-Year Gross Population/GFA Growth (sq.ft.)	3,810	694,000		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$ 840.12	\$ 1.71		
<u>By Residential Unit Type</u>	<u>P.P.U.</u>			
Single and Semi-Detached Dwelling	2.930	\$ 2,462		
Apartments - 2 Bedrooms +	1.578	\$ 1,326		
Apartments - Bachelor and 1 Bedroom	1.100	\$ 924		
Other Multiples and Mobile Homes	2.275	\$ 1,911		

Table 4-3
Municipal-Wide Services D.C. Calculation
2019-2029

SERVICE	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
3. <u>Transportation Services</u>	\$ 1,148,941	\$ 646,279	\$ 1,359	\$ 1.17
4. <u>Fire Protection Services</u>	\$ 131,774	\$ 74,123	\$ 156	\$ 0.13
5. <u>Parks and Recreation</u>	\$ 1,236,363	\$ 65,072	\$ 1,462	\$ 0.12
6. <u>Library Services</u>	\$ 195,171	\$ 10,272	\$ 231	\$ 0.02
7. <u>Growth-related Studies</u>			\$ 169	\$ 0.15
7.1 Water Services	\$ 18,467	\$ 10,388		
7.2 Wastewater Services	\$ 30,596	\$ 17,210		
7.3 Transportation Services	\$ 21,321	\$ 11,993		
7.4 Fire Protection Services	\$ 42,499	\$ 23,905		
7.5 Parks and Recreation	\$ 28,657	\$ 16,120		
7.6 Library Services	\$ 1,201	\$ 676		
TOTAL	\$ 2,854,989	\$ 876,037	\$ 3,377	\$ 1.59
10-Year Gross Population/GFA Growth (sq.ft.)	2,477	550,900		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$ 1,152.60	\$ 1.59		
<u>By Residential Unit Type</u>	<u>P.P.U.</u>			
Single and Semi-Detached Dwelling	2.930	\$ 3,377		
Apartments - 2 Bedrooms +	1.578	\$ 1,819		
Apartments - Bachelor and 1 Bedroom	1.100	\$ 1,268		
Other Multiples and Mobile Homes	2.275	\$ 2,622		



Table 4-4 presents the revised calculated schedule of charges, denominated in 2019\$ consistent with the 2019 D.C. Background Study. Table 4-5 provides the amended schedule of charges adjusted to reflect indexing as of 2021.



Table 4-4
Schedule of Calculated D.C.s (2019\$)

Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples and Mobile Homes	(per sq.ft. of Gross Floor Area)
Municipal Wide Services:					
Transportation Services	\$ 1,359	\$ 732	\$ 510	\$ 1,055	\$ 1.17
Fire Protection Services	\$ 156	\$ 84	\$ 59	\$ 121	\$ 0.13
Parks and Recreation	\$ 1,462	\$ 787	\$ 549	\$ 1,135	\$ 0.12
Library Services	\$ 231	\$ 124	\$ 87	\$ 179	\$ 0.02
Growth-related Studies	\$ 169	\$ 91	\$ 63	\$ 131	\$ 0.15
Total Municipal Wide Services	\$ 3,377	\$ 1,818	\$ 1,268	\$ 2,621	\$ 1.59
Urban Services					
Wastewater Services	\$ 2,462	\$ 1,326	\$ 924	\$ 1,912	\$ 1.71
Water Services	\$ 690	\$ 372	\$ 259	\$ 536	\$ 0.46
Total Urban Services	\$ 3,152	\$ 1,698	\$ 1,183	\$ 2,448	\$ 2.17
GRAND TOTAL RURAL AREA	\$ 3,377	\$ 1,818	\$ 1,268	\$ 2,621	\$ 1.59
GRAND TOTAL URBAN AREA	\$ 6,529	\$ 3,516	\$ 2,451	\$ 5,069	\$ 3.76



Table 4-5
Schedule of Calculated D.C.s (Indexed to 2021\$)

Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples and Mobile Homes	(per sq.ft. of Gross Floor Area)
Municipal Wide Services:					
Transportation Services	\$ 1,474	\$ 794	\$ 553	\$ 1,144	\$ 1.27
Fire Protection Services	\$ 169	\$ 91	\$ 63	\$ 131	\$ 0.14
Parks and Recreation	\$ 1,586	\$ 854	\$ 595	\$ 1,231	\$ 0.13
Library Services	\$ 251	\$ 135	\$ 94	\$ 195	\$ 0.02
Growth-related Studies	\$ 183	\$ 99	\$ 69	\$ 142	\$ 0.16
Total Municipal Wide Services	\$ 3,663	\$ 1,973	\$ 1,374	\$ 2,843	\$ 1.72
Urban Services					
Wastewater Services	\$ 2,671	\$ 1,439	\$ 1,003	\$ 2,074	\$ 1.85
Water Services	\$ 748	\$ 403	\$ 281	\$ 581	\$ 0.50
Total Urban Services	\$ 3,419	\$ 1,842	\$ 1,284	\$ 2,655	\$ 2.35
GRAND TOTAL RURAL AREA	\$ 3,663	\$ 1,973	\$ 1,374	\$ 2,843	\$ 1.72
GRAND TOTAL URBAN AREA	\$ 7,082	\$ 3,815	\$ 2,658	\$ 5,498	\$ 4.07



A comparison of the amended charges (indexed to 2021\$) with the Town's current D.C.s are provided in Table 4-6. In total within the urban area, D.C.s for a single detached dwelling unit would increase by \$1,089 per unit (+18.2%). The non-residential charge per sq.ft. of G.F.A. would increase by \$0.60 (+17.3%).

Table 4-6
Comparison of Current and Calculated D.C.s (Indexed to 2021\$)

Service	Residential (Single Detached)		Non-Residential (per sq.ft. of Gross Floor)	
	Current	Calculated	Current	Calculated
Municipal Wide Services:				
Transportation Services	\$ 1,474	\$ 1,474	\$ 1.27	\$ 1.27
Fire Protection Services	\$ 169	\$ 169	\$ 0.14	\$ 0.14
Parks and Recreation	\$ 1,371	\$ 1,586	\$ 0.11	\$ 0.13
Library Services	\$ 231	\$ 251	\$ 0.02	\$ 0.02
Growth-related Studies	\$ 164	\$ 183	\$ 0.14	\$ 0.16
Total Municipal Wide Services	\$ 3,409	\$ 3,663	\$ 1.68	\$ 1.72
Urban Services:				
Wastewater Services	\$ 2,076	\$ 2,671	\$ 1.45	\$ 1.85
Water Services	\$ 508	\$ 748	\$ 0.34	\$ 0.50
Total Area Specific Services	\$ 2,584	\$ 3,419	\$ 1.79	\$ 2.35
Grand Total - Rural Area	\$ 3,409	\$ 3,663	\$ 1.68	\$ 1.72
Grand Total - Urban Area	\$ 5,993	\$ 7,082	\$ 3.47	\$ 4.07



5. D.C. Policy Recommendations and D.C. By-law Rules

The Town's current D.C. by-law provides for the uniform Municipal-wide and area-specific recovery of growth-related costs. D.C.s are imposed for all services though one by-law. The intent of the amendment does not alter the Town's policy for the imposition of Municipal-wide and area-specific D.C.s.

Other than those policy revisions identified in Sections 5.1 and 5.2, all other rules and polices contained within By-law 1280/19 remain unchanged.

5.1 D.C. Calculation and Collection Policies

The recent amendments to the D.C.A. provide for mandatory installments payments of D.C.s for rental housing, non-profit housing, and institutional development as follows:

- Rental housing and institutional developments will pay D.C.s in six equal annual installments, with the first payment commencing at the date of occupancy. Non-profit housing developments will pay D.C.s in 21 equal annual installments. Interest may be charged on the installments, and any unpaid amounts may be added to the property and collected as taxes.

Furthermore, the D.C.s for development proceeding through the site plan or zoning by-law amendment planning approvals processes will be calculated on the date the planning application is made and will be payable at building permit issuance (or as required by S.26.1 of the D.C.A.).

- The D.C. amount for all developments occurring within two years of a Site Plan or Zoning By-law Amendment planning approval (for applications submitted on or after January 1, 2020) shall be determined based on the D.C. charge in effect on the date of Site Plan or Zoning By-law Amendment planning application. If the development is not proceeding via these planning approvals, or if the building permit is issued after the two-year period of application approval, then the amount is determined at building permit issuance.

The D.C.A. also provides that municipalities may charge interest on the installment payments, and charges calculated where the planning application is received in specific



circumstances outlined above. The interest charged on installment payments and charges calculated when the planning application is made will be governed by the Town's Council approved Development Charges Interest Policy.

5.2 Statutory Exemptions

The amendments to the D.C.A. provide for the following additional statutory exemptions to the payment of D.C.s.

Residential intensification exemptions have been expanded to allow for the creation of additional dwelling units within ancillary structures to existing residential dwellings without the payment of D.C.s. Section 2 (3) (b) of the D.C.A. provides that D.C.s are not payable for residential development that results only in the creation of up to two additional dwelling units in prescribed classes of existing residential buildings or prescribed structures ancillary to existing residential buildings, subject to the prescribed restrictions set out in section 2 (1) of O. Reg. 82/98 (see Table 5-1).

Table 5-1
Prescribed Classes of Existing Residential Buildings, Prescribed Additional Dwelling Units, and Restrictions

Item	Name of Class of Existing Residential Building	Description of Class of Existing Residential Buildings	Maximum Number of Additional Dwelling Units	Restrictions
1	Existing single detached dwellings	Existing residential buildings, each of which contains a single dwelling unit, that are not attached to other buildings.	Two	The total gross floor area of the additional dwelling unit or units must be less than or equal to the gross floor area of the dwelling unit already in the building.
2	Existing semi-detached dwellings or row dwellings	Existing residential buildings, each of which contains a single dwelling unit, that have one or two vertical walls, but no other parts, attached to other buildings.	One	The gross floor area of the additional dwelling unit must be less than or equal to the gross floor area of the dwelling unit already in the building.
3	Existing rental residential buildings	Existing residential rental buildings, each of which contains four or more dwelling units.	Greater of one and 1% of the existing units in the building	None
4	Other existing residential buildings	An existing residential building not in another class of residential building described in this table	One	The gross floor area of the additional dwelling unit must be less than or equal to the gross floor area of the smallest dwelling unit already in the building.

The creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to dwellings are now also exempt from the payment of D.C.s, subject to the prescribed restrictions set out in section 2 (3) of O. Reg. 82/98 (see Table 5-2).



To provide additional clarity in interpreting the application of the exemption for a second dwelling that would be ancillary to a proposed new detached dwelling, semi-detached dwelling, or row dwelling, the proposed new principal dwelling and one ancillary dwelling unit must be located on a parcel of land on which no other detached dwelling, semi-detached dwelling, or row dwelling would be located.

Table 5-2
Prescribed Classes of Proposed New Residential Buildings, and Restrictions

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.	<p>The proposed new detached dwelling must only contain two dwelling units.</p> <p>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.</p>
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.	<p>The proposed new semi-detached dwelling or row dwelling must only contain two dwelling units.</p> <p>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.</p>
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.	<p>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.</p> <p>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.</p>

Bill 213 (Better for People, Smarter for Business Act) received Royal Assent on December 8, 2020. This Bill amended the *Ministry of Training, Colleges and Universities Act* to provide an exemption from the payment of D.C.s for universities. Specifically, the Act states:

Land vested in or leased to a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education is exempt from development charges imposed under the *Development Charges Act, 1997* if the development in respect of which development charges would otherwise be payable is intended to be occupied and used by the university.

The Town's D.C. By-law will be updated through this process to include this statutory exemption which came into force on December 8, 2020.



6. Asset Management Plan and Long-Term Capital and Operating Costs

The D.C.A. requires the background study to include an Asset Management Plan (A.M.P) related to new infrastructure. Section 10 (3) of the D.C.A. provides:

The A.M.P. shall,

- (a) deal with all assets whose capital costs are proposed to be funded under the development charge by-law;**
- (b) demonstrate that all the assets mentioned in clause (a) are financially sustainable over their full life cycle;**
- (c) contain any other information that is prescribed; and**
- (d) be prepared in the prescribed manner.**

The A.M.P. analysis included in the 2019 D.C. Background Study, which found that the capital plan was deemed to be financially sustainable, has been updated to account for the capital cost revisions described herein.

The updated A.M.P. analysis contained in Table 6-1 identifies:

- \$1.77 million in total annualized expenditures; and
- Incremental operating revenues of \$1.67 million and existing operating revenues of \$22.36 million, totaling \$24.03 million by the end of the period.

In consideration of the above changes, the capital plan is still deemed to be financially sustainable.



Table 6-1
Town of Petawawa
Asset Management – Future Expenditures and Associated Revenues (2019\$)

	2036 (Total)
Expenditures (Annualized)	
Annual Debt Payment on Non-Growth Related Capital ¹	975,698
Annual Debt Payment on Post Period Capital ²	293,959
Annual Lifecycle - Town Wide Services	198,201
Annual Lifecycle - Area Specific Services	134,895
Incremental Operating Costs (for D.C. Services)	\$164,956
Total Expenditures	\$1,767,709
Revenue (Annualized)	
Total Existing Revenue ³	\$22,356,480
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)	\$1,669,091
Total Revenues	\$24,025,571

¹ Non-Growth Related component of Projects including 10% mandatory deduction on soft services

² Interim Debt Financing for Post Period Benefit

³ As per Sch. 10 of FIR

As a requirement of the D.C.A., under subsection 10 (2) (c), an analysis must be undertaken to assess the long-term capital and operating cost impacts for the capital infrastructure projects identified within the D.C.

Table 6-2 summarizes the changes to the incremental annual operating costs associated with the D.C. eligible costs at full emplacement.



Table 6-2
Town of Petawawa
Operating and Capital Expenditure Impacts for Future Capital Expenditures (2019\$)

SERVICE	ANNUAL LIFECYCLE EXPENDITURES	ANNUAL OPERATING EXPENDITURES	TOTAL ANNUAL EXPENDITURES
Transportation Services	72,621	19,705	92,326
Fire Protection Services	11,569	6,638	18,207
Parks and Recreation	97,221	51,195	148,416
Library Services	16,790	2,745	19,534
Growth-related Studies	-	-	-
Wastewater Services	110,622	67,633	178,255
Water Services	24,273	17,040	41,314
Total	333,096	164,956	498,052



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, as amended. 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 on January 17, 2022, witnessing the 60-day period between the release of the D.C. Background Study and the passage of the D.C. By-law. It is proposed that the Amending D.C. By-law will come into effect on the date of passage.

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 November 17, 2021, 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.”



Appendix A

Draft Amending D.C. By-law



**Town of Petawawa
By-Law __/22**

Being a by-law to amend development charges by-law 1280/19

WHEREAS Section 19 of the *Development Charges Act, 1997 S.O. 1997, c.27*, as amended (“the Act”) provides for amendments to be made to development charges by-laws;

AND WHEREAS the Council of the Corporation of the Town of Petawawa (hereinafter called “the Council”) has determined that certain amendments should be made to the Development Charge By-law of the Corporation of the Town of Petawawa, being By-law 1280/19;

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 Petawawa 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 PETAWAWA ENACTS AS FOLLOWS:

1. By-law 1280/19 is hereby amended as follows:

a. The following definitions are added to Section 1 of the By-law:

“non-profit housing development”, for the purposes of subsection 3.16, 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*;

“rental housing”, for the purposes of subsection 3.15, means development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises;

- b. Subsection 1(17) is deleted and replaced with the following:

“institutional”, means land, building, structures or any part thereof used by any organization, group or association for promotion of charitable, educational or benevolent objectives and not for profit or gain

- (a) for the purposes of subsection 3.15, means development of a building or structure intended for use:

- (i) as a long-term care home within the meaning of Subsection 2 (1) of the *Long-Term Care Homes Act, 2007*;
- (ii) as a retirement home within the meaning of Subsection 2(1) of the *Retirement Homes Act, 2010*.
- (iii) By any institution of the following post-secondary institutions for the objects of the institution:
 - (a) a university in Ontario that receives direct, regular and ongoing operation funding from the Government of Ontario;
 - (b) a college or university federated or affiliated with a university described in subclause (a); or
 - (c) an Indigenous Institute prescribed for the purposes of section 6 of the *Indigenous Institute Act, 2017*;



- (iv) as a memorial home, clubhouse or athletic grounds by an Ontario branch of the Royal Canadian Legion; or
 - (v) as a hospice to provide end of life care;
- c. Subsection 3.3 is deleted and replaced with the following:
 - 3.3 Notwithstanding clause 3.2 above, this by-law shall not apply to lands that are owned by and used for the purposes of:
 - (a) the municipality or a local board thereof;
 - (b) the County of Renfrew or any local board thereof;
 - (c) a board of education;
 - (d) Garrison Petawawa; or
 - (e) a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education.
- d. Subsection 3.5 is deleted and replaced with the following:
 - 3.5 This by-law shall not apply to that category of exempt development described in subsection 2(3) of the Act and Section 2 of O.Reg. 82/98, namely:
 - (a) the enlargement to an existing residential dwelling unit;
 - (b) the creation of a maximum of two additional dwelling units in an existing single detached dwelling or structure ancillary to such dwelling. The total gross floor area of the additional dwelling unit or units must be less than or equal to the gross floor area of the dwelling unit already in the existing residential building/dwelling;
 - (c) the creation of additional dwelling units equal to the greater of one or 1% of the existing dwelling units in an existing



residential rental building containing four or more dwelling units or within a structure ancillary to such residential building;

- (d) the creation of one additional dwelling unit in any other existing residential building/dwelling or within a structure ancillary to such residential building/dwelling. The gross floor area of the additional dwelling unit must be less than or equal to the gross floor area of the smallest dwelling unit already in the existing residential building/dwelling; or
- (e) the creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to dwellings, subject to the following restrictions:



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.	<p>The proposed new detached dwelling must only contain two dwelling units.</p> <p>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.</p>
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.	<p>The proposed new semi-detached dwelling or row dwelling must only contain two dwelling units.</p> <p>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.</p>
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.	<p>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.</p> <p>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.</p>

e. The following Subsections are added to Section 3:

3.5.1 In addition to the restrictions outlined in Subsection 3.5, for the purposes of the exemption for an additional residential unit in a building ancillary to a proposed new Single Detached, Semi-Detached or Row Townhouse Dwelling, the proposed new Single Detached, Semi-Detached or Row Townhouse Dwelling must be located on a parcel of land on which no other Single Detached, Semi-Detached or Row Townhouse dwelling is or would be located.

3.15 Notwithstanding Subsections 3.13 and 3.14, 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 as provided in the Town's Council approved Development Charge Interest Policy, payable on the anniversary date each year thereafter.

- 3.16 Notwithstanding Subsections 3.13 and 3.14, 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 as provided in the Town's Council approved Development Charge Interest Policy, payable on the anniversary date each year thereafter.
- 3.17 Where the development of land results from the approval of a Site Plan or Zoning Bylaw Amendment made 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 3.13, 3.15, and 3.16 shall be calculated based on the rates set out in Schedule "B" on the date the planning application was made, including interest as provided in the Town's Council approved Development Charge Interest Policy. Where both planning applications apply, Development Charges under Subsections 3.13, 3.15, and 3.16 shall be calculated based on the rates, including interest as provided in the Town's Council approved Development Charge Interest Policy, set out in Schedule "B" on the date of the later planning application.
- 3.13.4 Despite Subsections 3.13, 3.15, 3.16, and 3.17, Council from time to time, and at any time, may enter into agreements providing for all or any part of a development charge to be paid before or after it would otherwise be payable, in accordance with section 27 of the Act.
- f. Schedules "A" and "B" are deleted and replaced with the attached.



2. **This By-law shall come into effect on the date of passage.**

Read a first, second, third time and passed in open Council this January 17, 2022.

Mayor

Clerk



SCHEDULE “A”

To By-law 1280/19

Designated Municipal Services Under This By-law

Municipal-Wide Services

- Transportation
- Fire Protection
- Parks and Recreation
- Library

Area-Specific Services

- Water
- Wastewater

Classes of Service

- Growth-Relates Studies
 - Transportation
 - Fire Protection
 - Parks and Recreation
 - Library
 - Water
 - Wastewater



**SCHEDULE “B”
To BY-LAW 1280/19
SCHEDULE OF DEVELOPMENT CHARGES**

Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples and Mobile Homes	(per sq.ft. of Gross Floor Area)
Municipal Wide Services:					
Transportation Services	\$ 1,359	\$ 732	\$ 510	\$ 1,055	\$ 1.17
Fire Protection Services	\$ 156	\$ 84	\$ 59	\$ 121	\$ 0.13
Parks and Recreation	\$ 1,462	\$ 787	\$ 549	\$ 1,135	\$ 0.12
Library Services	\$ 231	\$ 124	\$ 87	\$ 179	\$ 0.02
Growth-related Studies	\$ 169	\$ 91	\$ 63	\$ 131	\$ 0.15
Total Municipal Wide Services	\$ 3,377	\$ 1,818	\$ 1,268	\$ 2,621	\$ 1.59
Urban Services					
Wastewater Services	\$ 2,462	\$ 1,326	\$ 924	\$ 1,912	\$ 1.71
Water Services	\$ 690	\$ 372	\$ 259	\$ 536	\$ 0.46
Total Urban Services	\$ 3,152	\$ 1,698	\$ 1,183	\$ 2,448	\$ 2.17
GRAND TOTAL RURAL AREA	\$ 3,377	\$ 1,818	\$ 1,268	\$ 2,621	\$ 1.59
GRAND TOTAL URBAN AREA	\$ 6,529	\$ 3,516	\$ 2,451	\$ 5,069	\$ 3.76