



# 2024 Development Charges Background Study and By-law

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Public Meeting – January 14, 2025

# Introduction

## Public Meeting Purpose



- This meeting is a mandatory requirement under the *Development Charges Act* (D.C.A.)
- Prior to Council's consideration of a development charges (D.C.) by-law, a background study must be prepared and available to the public (December 18, 2024) a minimum of 2 weeks prior to a public meeting and provided on the Town's website 60 days prior to by-law passage
- This public meeting is to provide a review of the D.C. proposal and to receive public input on the proposed policies and charges

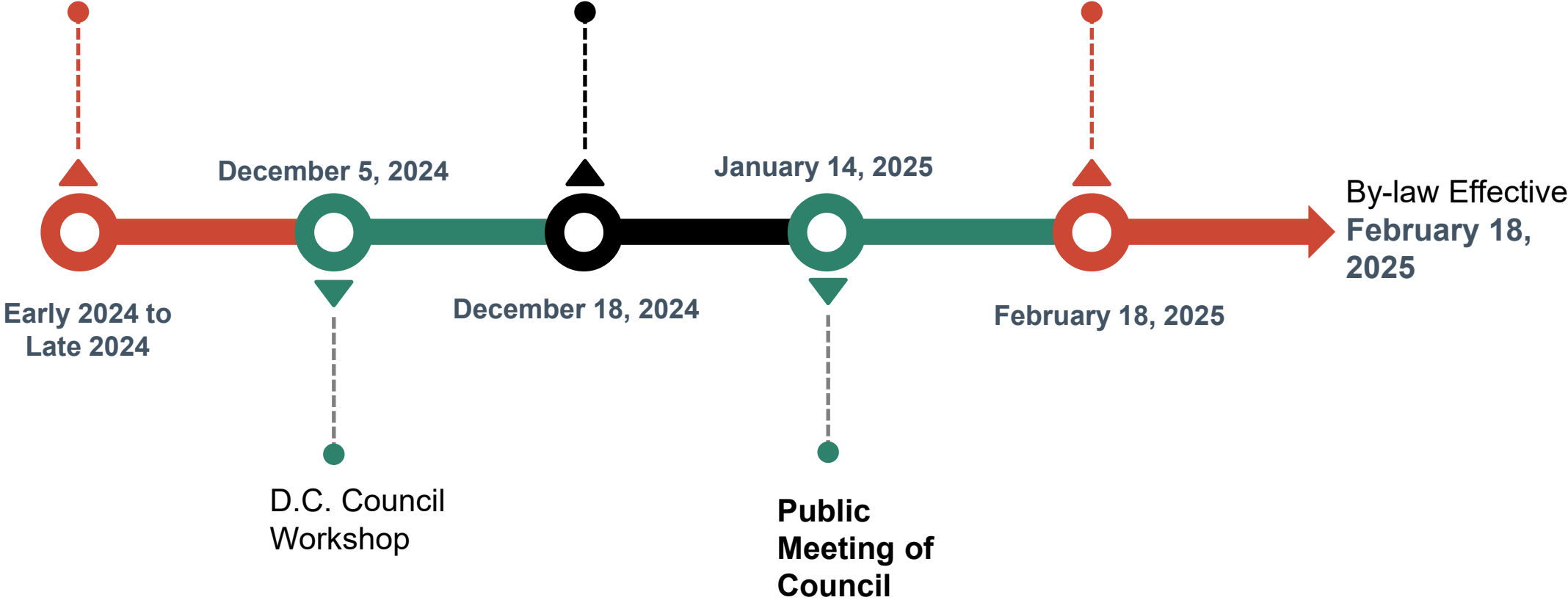
# Study Process



Detailed Discussion  
of Anticipated  
Development and  
Growth-Related  
Needs with Staff

Release D.C. Study  
on Town Website  
(at least 60 days  
before by-law  
passage)

By-Law  
Passage



# Introduction

## Development Charges



- Purpose of D.C.s is to recover the capital costs associated with residential and non-residential development within a municipality
- Municipalities are empowered to impose these charges via the D.C.A.
- The capital costs are in addition to the cost of assets that would normally be constructed as part of a subdivision (i.e., internal roads, watermains, sidewalks, streetlights, etc.)

# Growth Forecast – Residential Population and Housing



Forecast Population and Housing Growth	10 Year - Town-Wide (2024 – 2034)	20 Year - Town-Wide (2024 – 2044)	Urban Buildout (2024 – Urban Buildout)
Net Population Increase	3,820	7,093	9,770
Residential Unit Increase			
Low Density <sup>[2]</sup>	903	1,378	1,586
Medium Density <sup>[3]</sup>	321	705	1,181
High Density <sup>[4]</sup>	443	1,156	1,736
Institutional Residential Units	195	285	544

<sup>[1]</sup> Net Population Increase Including Permanent and Institutional Population

<sup>[2]</sup> Singles and semi-detached

<sup>[3]</sup> Townhouses and apartments in duplexes.

<sup>[4]</sup> Bachelor, 1-bedroom and 2-bedroom+ apartments.

Note: Numbers may not add up due to rounding.

# Growth Forecast – Non-Residential Employment and Associated New Gross Floor Area



Forecast Incremental Non-Residential Employment and Gross Floor Area (G.F.A.) Increase (ft <sup>2</sup> )	10 Year - Town-Wide (2024 – 2034)		20 Year - Town-Wide (2024 – 2044)		Urban Buildout (2024 – Urban Buildout)	
	Employment	G.F.A. (ft. <sup>2</sup> )	Employment	G.F.A. (ft. <sup>2</sup> )	Employment	G.F.A. (ft. <sup>2</sup> )
Primary	2	6,000	2	6,000	3	9,000
Industrial	150	195,000	243	315,900	263	341,900
Commercial/Population-Related	425	191,300	638	287,100	1,461	657,500
Institutional	150	98,600	255	174,300	476	323,700
<b>Total Non-Residential Gross Floor Area (G.F.A.) Increase (ft<sup>2</sup>)</b>	<b>727</b>	<b>490,900</b>	<b>1,138</b>	<b>783,300</b>	<b>2,203</b>	<b>1,332,100</b>

# Overview: D.C. Eligible Services and Class of Services Considered in the Study



## Town-wide Services

1. Services related to a highway
2. Fire protection services
3. Policing Services
4. Parks and Recreation Services
5. Library Services
6. Provincial Offences Act, incl. By-law Enforcement
7. Child Care and Early Years Programs Services
8. Waste Diversion Services
9. Growth-Related Studies (Class of Services)

## Urban Services

1. Wastewater Services
2. Water Services

# Capital Infrastructure Costs Included in the D.C. Calculations



Increased Service Needs Attributable to Anticipated Development	Forecast Period	Gross Capital Cost Estimate (2024\$)	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
Services Related to a Highway	2024 to 2043	35,000,000	-	-	35,000,000	7,710,771	163,451	27,125,778	23,027,169	4,098,609
Fire Protection Services	2024 to 2043	10,496,400	-	-	10,496,400	4,078,442	-	6,417,958	5,519,444	898,514
Policing Services	2024 to 2043	15,785,000	5,270,200	-	10,514,800	6,319,000	-	4,195,800	3,608,388	587,412
Parks and Recreation Services	2024 to 2033	30,405,171	8,264,800	-	22,140,371	4,035,910	90,000	18,014,461	17,113,738	900,723
Library Services	2024 to 2033	2,888,000	969,000	-	1,919,000	81,092	-	1,837,908	1,746,012	91,895
P.O.A. including By-law Enforcement	2024 to 2033	1,095,270	685,000	-	410,270	201,300	-	208,970	175,535	33,435
Child Care and Early Years Programs Services	2024 to 2033	5,036,871	-	-	5,036,871	3,130,500	-	1,906,371	1,906,371	-
Waste Diversion Services	2024 to 2033	500,000	161,500	-	338,500	239,000	-	99,500	83,580	15,920
Wastewater Services	2024 to System Buildout - Wastewater	84,029,000	8,497,400	-	75,531,600	8,018,906	35,877,000	31,635,694	25,941,269	5,694,425
Water Services	2024 to System Buildout - Water	48,328,800	4,518,000	-	43,810,800	5,023,021	4,625,000	34,162,779	28,013,479	6,149,300
Growth-Related Studies	2024 to 2033	1,993,188	-	83,800	1,909,388	448,300	-	1,461,088	1,283,288	177,800
<b>Total</b>		<b>\$235,557,700</b>	<b>\$28,365,900</b>	<b>\$83,800</b>	<b>\$207,108,000</b>	<b>\$39,286,243</b>	<b>\$40,755,451</b>	<b>\$127,066,306</b>	<b>\$108,418,272</b>	<b>\$18,648,034</b>
<b>Proportion of Gross Capital Cost Estimate</b>		<b>100%</b>	<b>12%</b>	<b>0%</b>		<b>17%</b>	<b>17%</b>	<b>54%</b>		

- Post Period Benefit relates to growth-costs to be recover in future D.C. Studies. These costs will need to be cash flowed by the Town.
- Other Deductions are costs related to D.C.-ineligible services.
- Benefit to Existing relates to the portion of projects that include replacement of existing infrastructure, where assets are being replaced and upgraded/expanded to service growth, this amount must be funded from other Town sources (i.e., taxes/rates). Existing D.C. reserve fund balances are also included here as they have been recovered from past growth that is now considered existing growth.



# D.C. Calculations



Service/Class of Service	RESIDENTIAL					NON-RESIDENTIAL	NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Special Care Units	(per sq.ft. of Gross Floor Area)	(per sq.m. of Gross Floor Area)
<b>Municipal Wide Services/Class of Service:</b>							
Services Related to a Highway	8,580	7,446	4,893	3,555	3,393	5.24	56.40
Fire Protection Services	2,056	1,784	1,172	852	813	1.15	12.38
Policing Services	1,411	1,224	805	585	558	0.78	8.40
Parks and Recreation Services	11,509	9,987	6,563	4,768	4,552	1.83	19.70
Library Services	1,174	1,019	669	486	464	0.19	2.04
Child Care and Early Years Programs	1,317	1,143	751	546	521	-	0.00
P.O.A. including By-law Enforcement	118	102	67	49	47	0.05	0.54
Waste Diversion	59	51	34	24	23	0.03	0.32
Growth-Related Studies	872	757	497	361	345	0.39	4.20
<b>Total Municipal Wide Services/Class of Services</b>	<b>\$27,096</b>	<b>\$23,513</b>	<b>\$15,451</b>	<b>\$11,226</b>	<b>\$10,716</b>	<b>\$9.66</b>	<b>\$103.98</b>
<b>Urban Services</b>							
Wastewater Services	8,112	7,040	4,626	3,361	3,208	5.09	54.79
Water Services	8,772	7,612	5,002	3,634	3,469	5.50	59.20
<b>Total Urban Services</b>	<b>\$16,884</b>	<b>\$14,652</b>	<b>\$9,628</b>	<b>\$6,995</b>	<b>\$6,677</b>	<b>\$10.59</b>	<b>\$113.99</b>
<b>GRAND TOTAL RURAL AREA</b>	<b>\$27,096</b>	<b>\$23,513</b>	<b>\$15,451</b>	<b>\$11,226</b>	<b>\$10,716</b>	<b>\$9.66</b>	<b>\$103.98</b>
<b>GRAND TOTAL URBAN AREA</b>	<b>\$43,980</b>	<b>\$38,165</b>	<b>\$25,079</b>	<b>\$18,221</b>	<b>\$17,393</b>	<b>\$20.25</b>	<b>\$217.97</b>

# D.C. Comparison – Current vs. Calculated Rates



**Residential (Single Detached) Comparison**

Service/Class of Service	Current	Calculated
<b>Municipal Wide Services/Classes:</b>		
Services Related to a Highway	2,733	8,580
Fire Protection Services	819	2,056
Policing Services	-	1,411
Parks and Recreation Services	4,618	11,509
Library Services	223	1,174
Child Care and Early Years Programs	460	1,317
P.O.A. including By-Law Enforcement	-	118
Waste Diversion	-	59
Growth-Related Studies	159	872
<b>Total Municipal Wide Services/Classes</b>	<b>\$9,012</b>	<b>\$27,096</b>
<b>Urban Services:</b>		
Wastewater Services	4,386	8,112
Water Services	3,659	8,772
<b>Total Urban Services</b>	<b>\$8,045</b>	<b>\$16,884</b>
<b>Grand Total</b>	<b>\$17,057</b>	<b>\$43,980</b>

**Non-Residential (per sq.ft.) Comparison**

Service/Class of Service	Current	Calculated
<b>Municipal Wide Services/Classes:</b>		
Services Related to a Highway	1.81	5.24
Fire Protection Services	0.51	1.15
Policing Services	-	0.78
Parks and Recreation Services	0.56	1.83
Library Services	0.03	0.19
Child Care and Early Years Programs	-	-
P.O.A. including By-Law Enforcement	-	0.05
Waste Diversion	-	0.03
Growth-Related Studies	0.10	0.39
<b>Total Municipal Wide Services/Classes</b>	<b>\$3.01</b>	<b>\$9.66</b>
<b>Urban Services:</b>		
Wastewater Services	2.74	5.09
Water Services	2.43	5.50
<b>Total Urban Services</b>	<b>\$5.17</b>	<b>\$10.59</b>
<b>Grand Total</b>	<b>\$8.18</b>	<b>\$20.25</b>

# Municipal Comparison – Single Detached Dwelling Unit



Single & Semi Detached Dwelling						
Municipality	Upper Tier Charges	Lower Tier Charges		Total Development Charges	Rank	Upper Tier
		Water & Wastewater	Other Services			
Ottawa (Outside the Greenbelt)	\$0	\$14,050	\$49,138	63,188	1	Separate City
Clarence Rockland (Proposed)	\$0	\$22,680	\$36,509	59,189	2	Prescott & Russel
Ottawa (Inside the Greenbelt)	\$0	\$8,320	\$47,533	55,853	3	Separate City
Ottawa (Rural Serviced)	\$0	\$3,212	\$43,952	47,164	4	Separate City
Carleton Place (Calculated)	\$1,036	\$16,884	\$27,096	45,016	5	Lanark County
Clarence Rockland (Current)	\$0	\$9,067	\$22,997	32,064	6	Prescott & Russel
Arnprior	\$0	\$18,309	\$12,403	30,712	7	Renfrew County
Greater Napanee	\$0	\$16,563	\$9,846	26,409	8	Lennox and Addington
North Grenville*	\$0	\$15,157	\$11,009	26,166	9	Leeds & Grenville
Mississippi Mills*	\$1,036	\$12,062	\$11,939	25,037	10	Lanark County
Aylmer	\$0	\$7,133	\$12,875	20,008	11	Separate Town
Carleton Place (Current)	\$1,036	\$8,045	\$9,012	18,093	12	Lanark County
Renfrew	\$0	\$5,689	\$8,211	13,900	13	Renfrew County
Smith Falls	\$1,036	\$2,997	\$8,280	12,313	14	Lanark County
Tay Valley	\$1,036	\$0	\$8,575	9,611	15	Lanark County
Pembroke	\$0	\$1,239	\$2,769	4,008	16	Separate City

\* D.C. By-law currently under review

# Municipal Comparison – Commercial Retail

## Cost per Square Foot Gross Floor Area



Commercial (Retail) - per sq.ft.						
Municipality	Upper Tier Charges	Lower Tier Charges		Total Development Charges	Rank	Upper Tier
		Water & Wastewater	Other Services			
Ottawa	\$0.00	\$4.97	\$33.22	\$38.19	1	Separate City
Clarence Rockland (Proposed)	\$0.00	\$14.01	\$16.81	\$30.82	2	Prescott & Russel
Carleton Place (Calculated)	\$0.53	\$10.59	\$9.66	\$20.78	3	Lanark County
Clarence Rockland (Current)	\$0.00	\$5.93	\$9.83	\$15.75	4	Prescott & Russel
Greater Napanee	\$0.00	\$8.34	\$4.41	\$12.75	5	Lennox and Addington
Arnprior	\$0.00	\$6.46	\$5.05	\$11.51	6	Renfrew County
North Grenville*	\$0.00	\$5.70	\$4.05	\$9.75	7	Leeds & Grenville
Carleton Place (Current)	\$0.53	\$5.17	\$3.01	\$8.71	8	Lanark County
Aylmer	\$0.00	\$3.88	\$4.81	\$8.69	9	Separate Town
Mississippi Mills*	\$0.53	\$2.54	\$4.23	\$7.30	10	Lanark County
Smith Falls	\$0.53	\$2.26	\$4.31	\$7.10	11	Lanark County
Renfrew**	\$0.00	\$3.27	\$2.73	\$6.00	12	Renfrew County
Tay Valley	\$0.53	\$0.00	\$4.43	\$4.96	13	Lanark County
Pembroke	\$0.00	\$0.16	\$0.80	\$0.96	14	Separate City

\* D.C. By-law currently under review

\*\* Rates apply to developments exceeding 5,000 sq. ft. (50% reduction for developments up to 5,000 sq. ft.)

# Municipal Comparison - Industrial

## Cost per Square Foot Gross Floor Area



Industrial - per sq.ft.						
Municipality	Upper Tier Charges	Lower Tier Charges		Total Development Charges	Rank	Upper Tier
		Water & Wastewater	Other Services			
Clarence Rockland (Proposed)	\$0.00	\$14.01	\$16.81	\$30.82	1	Prescott & Russel
Carleton Place (Calculated)	\$0.53	\$10.59	\$9.66	\$20.78	2	Lanark County
Ottawa	\$0.00	\$2.87	\$14.29	\$17.16	3	Separate City
Clarence Rockland (Current)	\$0.00	\$5.93	\$9.83	\$15.75	4	Prescott & Russel
Greater Napanee	\$0.00	\$8.04	\$4.25	\$12.29	5	Lennox and Addington
Arnprior	\$0.00	\$6.46	\$5.05	\$11.51	6	Renfrew County
North Grenville*	\$0.00	\$5.70	\$4.05	\$9.75	7	Leeds & Grenville
Carleton Place (Current)	\$0.53	\$5.17	\$3.01	\$8.71	8	Lanark County
Aylmer	\$0.00	\$3.88	\$4.81	\$8.69	9	Separate Town
Smith Falls	\$0.53	\$2.26	\$4.31	\$7.10	10	Lanark County
Renfrew**	\$0.00	\$3.27	\$2.73	\$6.00	11	Renfrew County
Tay Valley	\$0.53	\$0.00	\$4.43	\$4.96	12	Lanark County
Pembroke	\$0.00	\$0.16	\$0.80	\$0.96	13	Separate City
Mississippi Mills*	\$0.53	\$0.00	\$0.00	\$0.53	14	Lanark County

\* D.C. By-law currently under review

\*\* Rates apply to developments exceeding 5,000 sq. ft. (50% reduction for developments up to 5,000 sq. ft.)

# D.C. Policies Contained in Draft D.C. By-law



Mandatory (Statutory)	Discretionary (Non-Statutory)
<ul style="list-style-type: none"> <li>• Industrial Building Expansion (one time up to 50%)</li> <li>• Residential Intensification</li> <li>• Municipalities, County, and School Boards</li> <li>• Additional Residential Units (2, can be in ancillary dwelling unit)</li> <li>• Affordable and Attainable Units</li> <li>• Affordable Inclusionary Zoning Units</li> <li>• Non-Profit Housing</li> <li>• Universities receiving ongoing funding from Province</li> <li>• Rental Housing Discount (based on number of bedrooms: 15% to 25%)</li> <li>• Rate Freeze at Site Plan/Rezoning Application for 2 years after approval for applications received and approved between Jan. 1, 2020, and Jun. 5, 2024, plus interest</li> <li>• Rate Freeze at Site Plan/Rezoning Application for 18 months after approval for applications received on or after Jan. 1, 2020, where approval has not been received prior to Jun. 6, 2024, plus interest</li> <li>• Instalment Payments for Rental and Institutional Developments, plus interest (6 instalments beginning at occupancy permit)</li> </ul>	<ul style="list-style-type: none"> <li>• The D.C. Draft By-law does not include any discretionary exemptions or discounts</li> <li>• A Redevelopment/Conversion Credit is available where a building permit is issued within 5 years of a demolition permit, on the same site</li> </ul>

# Next Steps



- Receive public comment and refine proposed by-law, if required
- By-law Passage, February 18, 2025
- By-law Effective Date Anticipated for February 18, 2025
- Notice of By-law Passage to be provided within 20 days of by-law passage
- Last Day for appeal of the by-law is 40 days after by-law passage
- A new D.C. pamphlet highlighting the policies and rates in the by-law to be made available within 60 days of the by-law enforcement date, where the by-law has not been appealed



Discussion/  
Questions