

**ADDENDUM REPORT TO
TOWNSHIP OF
GUELPH/ERAMOSA**

**DEVELOPMENT CHARGE
BACKGROUND STUDY**

FOR PUBLIC CIRCULATION

JUNE 26, 2014



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 **Planning for growth**

ADDENDUM REPORT

1. BACKGROUND

In the latter part of 2013, commensurate with the provisions of the *Development Charges Act, 1997*, the Township undertook, a Background Study (dated September 20, 2013), held the statutory public meeting on October 7, 2013. Subsequently Council passed on October 21, 2013 Development Charges By-law 59/2013 which imposed the following rates for various services provided by the municipality:

BY-LAW 59 / 2013
SCHEDULE OF DEVELOPMENT CHARGES

Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per ft ² of Gross Floor Area)
Municipal Wide Services:					
Roads and Related	729	415	281	534	0.00
Fire Protection Services	833	475	321	611	0.00
Outdoor Recreation Services	2,899	1,652	1,118	2,125	0.00
Indoor Recreation Services	2,148	1,224	829	1,574	0.00
Administration	473	269	182	347	0.00
Total Municipal Wide Services	7,082	4,035	2,731	5,191	0.00
Urban Services					
Wastewater Services	10,831	6,171	4,178	7,938	4.60
Water Services	2,905	1,655	1,121	2,129	1.23
Total Urban Services	13,736	7,826	5,299	10,067	5.83
GRAND TOTAL RURAL AREA	7,082	4,035	2,731	5,191	0.00
GRAND TOTAL URBAN AREA	20,818	11,861	8,030	15,258	5.83

Subsequent to the passage of By-law 59/2013, the Township has proceeded to tender one of the Wastewater projects which has increased in cost significantly higher than estimated for the purposes of the 2013 study. This addendum provides for an update to the calculation of the charge based on the most recent project costs.

2. DISCUSSION

2.1 Process for Updating the Development Charges By-law

As noted earlier, the Background Study was prepared on September 20, 2013 to which the by-law was subsequently passed on October 23, 2013. Section 11 of the DCA provides that by-laws may be passed within one year of the preparation of the Background Study which provides the opportunity to update the charges based on an addendum report. This report provides for the update of the charges.

The process to be followed in this update is as follows:

1. Data collection	June, 2014
2. Public meeting advertisement placed in newspaper(s)	July 20, 2014
3. Background study and proposed by-law available to public	June 27, 2013
4. Public meeting of Council	July 14, 2014
5. Council considers adoption of background study and passage of by-law	Subsequent to Public Meeting
6. Newspaper notice given of by-law passage	By 20 days after passage
7. Last day for by-law appeal	40 days after passage
8. Township makes pamphlet available (where by-law not appealed)	By 60 days after in force date

2.2 Wastewater Calculations

The Township's DC study, dated September 20, 2013, reflected the growth related capital infrastructure requirements for the Township for the build-out of the urban area of Rockwood. Growth related capital requirements for wastewater services were outlined within the DC study. This addendum has provided for the recalculation of the wastewater service (only) portion of the DC to account for changes identified in the capital cost estimate of the Skyway Monitoring Station, as described below:

- The 2013 Development Charges Background Study included an estimated cost of \$313,000 for works to the Rockwood Wastewater System associated with the required upgrades of the Skyway Monitoring Station. During the final design and planning of the project, additional site investigations were completed and extensive consultations were held with the Ministry of Transportation (MTO) due to the close proximity of the monitoring station to the provincial highway and construction within the highway right of way (ROW). Due to the findings during the site investigations and in order to comply with MTO permitting requirements, considerable changes and additions to the design were required, which increased the overall project cost. The Skyway Monitoring Station Upgrades project has been tendered and awarded and the actual capital costs are now known. Based on the actual construction costs and a revised engineering budget, the total project cost should be carried as \$805,000.

The above changes have been incorporated into the calculations. Table 1 to this report provides for the update of the capital cost sheet provide on page 5-19 of the aforementioned DC study (modified project highlighted). Table 2 to this report provides for the update of the calculation of the DC for wastewater services as presented on page 6-2 of the prior report (modified calculation highlighted). The summary below outlines the current charges vs the charges as calculated in the DC report dated October 21, 2013 and the charges calculated in this addendum report.

Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per ft ² of Gross Floor Area)
Wastewater Services as per By-law 59 / 2013	10,831	6,171	4,178	7,938	4.60
Wastewater Services as per Update Study	11,605	6,611	4,476	8,505	4.92
Change (increase)	774	440	298	567	0.32

The result of the update is an overall increase in the wastewater charge from the amount calculated in the September 20, 2013 background study.

The Proposed Amending By-law provides for the updated charge as described above (contained in Schedule "C" of by-law 59/2013).

TABLE 1
INFRASTRUCTURE COSTS COVERED IN THE DC CALCULATION

Township of Guelph/Eramosa
 Service: Wastewater Treatment

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate 2013\$	Post Period Benefit	Other Deductions	Net Capital Cost	Benefit to Existing Development	Less:		Total		
								Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share	
1	2013-Urban Build Out Skyway Monitoring Station	2013-2015	805,000	-		805,000	-	63,337	805,000	741,663	63,337	8%
2	Twinning Pipe - Highway 7 Forcemain Replacement/Redundancy	2020-2025	5,863,000	-		5,863,000	4,162,730	133,775	1,700,270	1,566,495	133,775	
3	Reserve Adjustment			-		-	53,958	(4,245)	(53,958)	(49,713)	(4,245)	
Total			6,668,000	0	0	6,668,000	4,216,688	0	2,451,312	2,258,445	192,867	

TABLE 2
TOWNSHIP OF GUELPH/ERAMOSA
DEVELOPMENT CHARGE CALCULATION
Area Specific Services
2013-Urban Build Out

SERVICE	2013 \$ DC Eligible Cost		2013 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft ²
	\$	\$	\$	\$
1. Wastewater Services				
1.1 Treatment plants	2,258,445	192,867	3,850	1.63
1.2 Sewers	4,549,249	388,497	7,755	3.29
	6,807,695	581,363	11,605	4.92
2. Water Services				
2.1 Distribution systems	1,704,344	145,548	2,905	1.23
	1,704,344	145,548	2,905	1.23
TOTAL	\$8,512,039	\$726,911	\$14,510	\$6.15
DC ELIGIBLE CAPITAL COST	\$8,512,039	\$726,911		
Build out Gross Population / GFA Growth (ft ² .)	1,977	118,079		
Cost Per Capita / Non-Residential GFA (ft ² .)	\$4,305.53	\$6.15		
By Residential Unit Type	p.p.u			
Single and Semi-Detached Dwelling	3.37	\$14,510		
Apartments - 2 Bedrooms +	1.92	\$8,267		
Apartments - Bachelor and 1 Bedroom	1.30	\$5,597		
Other Multiples	2.47	\$10,635		

3. PROCESS FOR THE ADOPTION OF THE DEVELOPMENT CHARGES BY-LAW

The changes herein form the basis for the amending by-law being presented to Council. If Council is satisfied with the above changes to the original 2013 Background Study, and based on the public submissions made at the public meeting, this addendum report and the amended by-law, including the amending schedule "C" to the by-law, will be considered for approval by Council.

AMENDING BY-LAW

THE CORPORATION OF THE TOWNSHIP OF GUELPH/ERAMOSIA
BY-LAW NO. ____-2014
A BY-LAW TO AMEND BY-LAW No. 59-2013, TO ESTABLISH UPDATED
WASTEWATER DEVELOPMENT CHARGES FOR ROCKWOOD

WHEREAS subsection 2(1) of the *Development Charges Act, 1997 c. 27* (hereinafter called “the Act”) provides that the council of a municipality may pass By-laws for the imposition of development charges against land for increased capital costs required because of the need for services arising from development in the area to which the by-law applies;

AND WHEREAS the Council of The Corporation of the Township of Guelph/Eramosa has given Notice on _____, 2014 according to section 12 of the *Development Charges Act, 1997*, of its intention to pass a by-law under Section 2 of the said Act;

AND WHEREAS the Council of the Township of Guelph/Eramosa has heard all persons who applied to be heard no matter whether in objection to, or in support of, the development charge proposal at a public meeting held on July 14, 2014;

AND WHEREAS the Council of the Township of Guelph/Eramosa had before it a report entitled Addendum Development Charge Background Study dated June 26, 2014 prepared by Watson & Associates Economists Ltd., wherein it is indicated that the development of any land within the community of Stayner within the Township of Guelph/Eramosa will increase the need for services as defined herein;

AND WHEREAS the Council of the Township of Guelph/Eramosa on _____, 2014 determined that no additional public meeting was required to be held as part of the approval process.

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWNSHIP OF GUELPH/ERAMOSIA ENACTS AS FOLLOWS:

1. This by-law may be known and cited for all purposes as the “Township of Guelph/Eramosa Development Charges Amendment By-law No. _____”.

2. That Schedule 'C' to this by-law be included in by-law Number 59-2103 as Schedule 'C'.

BY-LAW ____ READ A FIRST, SECOND AND THIRD TIME AND FINALLY PASSED
THIS ____ DAY OF _____, 2014.

Mayor

Clerk

**SCHEDULE C
TO BY-LAW NO. 59-2103
TOWNSHIP OF GUELPH/ERAMOSIA
SCHEDULE OF DEVELOPMENT CHARGES**

Service	RESIDENTIAL				NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per ft ² of Gross Floor Area)
Area Specific (Rockwood) Services					
Wastewater Services	11,605	6,612	4,477	8,506	4.92
Water Services	2,905	1,655	1,121	2,129	1.23
Total Area Specific (Rockwood) Services	14,510	8,267	5,598	10,635	6.15