

Addendum to:

**Municipality of
Mississippi Mills
2018 Development Charges
Background Study**

September 7, 2018



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 **Planning for growth**

Summary of Revisions made to the June 11, 2018 Development Charges Background Study

1. Background

Commensurate with the provisions of the *Development Charges Act* (D.C.A.), 1997, the Municipality of Mississippi Mills (Municipality) has undertaken a Development Charges Background Study (D.C.B.S.) and has distributed the study and draft by-law to the public. The following provides a summary of the key dates in the development charges (D.C.) by-law process:

- June 11, 2018 – Release of the D.C. Background Study;
- June 26, 2018 – Statutory Public Meeting; and
- September 18, 2018 – Anticipated passage of D.C. by-law

The purpose of the addendum to the June 11, 2018 D.C.B.S. is to provide for revisions to the calculation of the charges to reflect changes in the capital program for Services Related to Highways and Parks and Recreation Services, as well as changes to the proposed D.C. By-Law policies. These refinements are detailed in the subsequent sections of this report, and will form part of the D.C.B.S. for Council's consideration and approval prior to adoption of the D.C. By-Law.

2. Discussion

Subsequent to the issuance of the June 11, 2018 D.C.B.S., and statutory public meeting on June 26, 2018, further review and feedback by Municipal staff and Council identified revisions to the D.C. Background Study, and draft D.C. by-law. These refinements include:

- Inclusion of an additional project in Services Related to Highways capital program for the Ottawa Street Landscape Plan (Project Number 1a);
- Removal of the South Collector Road project (Project Numbers 3 and 5) from the Services Related to Highways capital program;
- Revisions to the benefit to existing deduction for the North Collector Road (Project Numbers 2 and 4) within the Services Related to Highways capital program;

- Revision to the gross capital cost estimate for the White Trail Ridge Park project (Project Number 3) within the Parks and Recreation Services capital program;
- Removal of the Ottawa Valley Recreation Trail project (Project Number 7) within the Parks and Recreation Services capital program;
- Regarding D.C. exemptions, the following revisions:
 - Maintain the existing D.C. By-Law definition for industrial, i.e. continues to include marijuana and distillery production facilities within the definition;
 - Include in the D.C. By-Law definitions and exemptions for non-residential farm buildings;
 - Include in the D.C. By-Law partial exemptions (i.e. exemption from payment for all services except Water Services and Wastewater Services) for 1 additional dwelling unit being constructed on a lot with an existing single detached dwelling unit; and
 - Include in the D.C. By-Law partial exemptions (i.e. exemption from payment for all services except Water Services and Wastewater Services) for 1 additional dwelling unit being constructed on a lot within a single detached dwelling unit.
- Establishing an effective date for the new D.C. of January 1, 2019.

The following subsections summarize the necessary changes.

2.1 Services Related to a Highway

2.1.1 Ottawa Street

Discussions with Municipal staff after the D.C. Public Meeting identified an additional project for the Services Related to a Highway capital program. The Ottawa Street Reconstruction – Landscape Plan has been added to capital program at a gross capital cost of \$186,579. Approximately \$119,000 of this project is eligible for D.C. recovery and included in the calculation of the charge.

2.1.2 South Collector Road

The D.C.B.S. identified two projects for a future South Collector Road. Within the Services Related to a Highway capital program, Project 1 (i.e. South Collector Schedule C EA Study and Preliminary Design – Spring Street to Appleton Side Road) and Project 5 (i.e. South Collector Detailed Design and Construction – Spring Street to Appleton Side Road) had a total capital cost estimate of approximately \$6.2 million. Based on further review by Municipal staff, it has been recommended that these projects be removed from the capital program.

2.1.3 North Collector Street

The D.C.B.S. identified two projects for a future North Collector Road. Within the Services Related to a Highway capital program, Project 2 (i.e. North Collector Schedule C EA Study and Preliminary Design – Martin Street North to Ramsay Conc 11) and Project 4 (i.e. North Collector Detailed Design and Construction – Martin Street North to Ramsay Conc 11), had a total capital cost estimate of approximately \$6.2 million. The benefit to existing deduction for Project 4 totaled approximately \$3.9 million, based on the incremental growth to existing development at the end of the forecast period. Further discussion and review with Municipal staff have revised this benefit to existing deduction to reflect a greater attribution to future growth. As such, the benefit to existing cost share has been decreased to approximately \$2.0 million and included for both the construction and study projects.

2.1.4 Services Related to a Highway Summary

The combined impact of the revisions identified in subsections 2.1.1 to 2.1.3 above decrease the D.C. recoverable costs for Services Related to a Highway by approximately \$6,000. The impact of these revisions on the Services Related to a Highway D.C. for a single detached residential dwelling unit, decreases from \$3,671 to \$3,669. A decrease of approximately \$2 per unit.

2.2 *Parks and Recreation Services*

2.2.1 White Trail Ridge Park

The D.C.B.S. capital program for Parks and Recreation Services identified the need to develop 10.6 acres of White Tail Ridge Park (Project 3) over the 10-year forecast period, at a capital cost estimate of approximately \$1.2 million. Further discussion and review with Municipal staff determined that approximately $\frac{1}{4}$ (2.65 acres) of the park would be developed during the 10-year forecast period. As such, the capital program was modified to reduce the capital cost estimate for this project to \$359,300.

2.2.2 Ottawa Valley Recreation Trail

The D.C.B.S. capital program for Parks and Recreation Services identified a contribution towards the Ottawa Valley Recreation Trail (Project 7) at a capital cost estimate of \$400,000. Upon further review, the Municipality has removed this project from the Parks and Recreation Services capital program.

2.2.3 Parks and Recreation Services Summary

The combined impact of the revisions identified in subsections 2.2.1 and 2.2.2 above decrease the D.C. recoverable costs for Parks and Recreation Services by approximately \$763,000. The impact of these revisions on the Parks and Recreation Services D.C. for single detached residential dwelling units, decreases from \$2,476 to \$1,774, a decrease of \$702/unit.

2.3 D.C. Exemption Policy

Subsection 5(1), paragraph 9, of the D.C.A. allows a municipality to provide full or partial exemptions of D.C.s for types of development, bases on the rules for the D.C. by-law. After consultation with Municipal Council and staff refinements to the rules included in the D.C.B.S. are required. These refinements include:

- Maintaining the existing D.C. By-Law definition for industrial, i.e. continues to include marijuana and distillery production facilities within the definition;
- Including D.C. By-Law definitions for non-residential farm buildings;
- Including partial exemptions (i.e. exemptions from payment for all services except Water Services and Wastewater Services) for 1 additional dwelling unit being constructed on a lot with an existing single detached dwelling unit; and
- Include in the D.C. By-Law partial exemptions (i.e. exemption from the payment for all services except Water Services and Wastewater Services) for 1 additional dwelling unit being constructed on a lot within a single detached dwelling unit.
- Establishing an effective date for the new D.C. of January 1, 2019.

Based on the foregoing the draft D.C. By-Law has been amended and included herein.

2.4 Impacts on the Calculated Development Charge

The refinements presented in sections 2.1 and 2.2 have impacts on the calculated charges in the D.C.B.S. Table 2-1 compares the calculated charges within the June 11, 2018 D.C.B.S. and the amended D.C. rates contained herein. The comparison is provided for a single detached residential dwelling unit, and per square foot of non-residential gross floor area.

In total the amended charge per single detached residential dwelling unit decreases by \$704, from a total of \$15,234 to \$14,530 within the municipally serviced urban area. The charge per square foot of non-residential gross floor area decreases by \$0.10, from \$5.05 to \$4.95 2.69 within the municipally serviced urban area.

**Table 2-1
Comparison of Calculated D.C.s**

Residential (Single Detached) Comparison

Service	June 11, 2018	Addendum
Municipal Wide Services:		
Services Related to a Highway	\$3,671	\$3,669
Fire Protection Services	\$90	\$90
Parks and Recreation Services	\$2,476	\$1,774
Library Services	\$1,005	\$1,005
Administration	\$66	\$66
Child Care	\$198	\$198
Total Municipal Wide Services	\$7,506	\$6,802
Rural Services:		
Septage Services	\$77	\$77
Total Area Specific Services - Rural	\$77	\$77
Urban Services:		
Wastewater Services	\$3,274	\$3,274
Water Services	\$4,454	\$4,454
Total Area Specific Services - Urban	\$7,728	\$7,728
Grand Total - Rural Area	\$7,583	\$6,879
Grand Total - Urban Area	\$15,234	\$14,530

Non-Residential (per ft²) Comparison

Service	June 11, 2018	Addendum
Municipal Wide Services:		
Services Related to a Highway	\$2.21	\$2.21
Fire Protection Services	\$0.05	\$0.05
Parks and Recreation Services	\$0.35	\$0.25
Library Services	\$0.14	\$0.14
Administration	\$0.04	\$0.04
Child Care	\$0.00	\$0.00
Total Municipal Wide Services	\$2.79	\$2.69
Rural Services:		
Septage Services	\$0.05	\$0.05
Total Area Specific Services - Rural	\$0.05	\$0.05
Urban Services:		
Wastewater Services	\$1.23	\$1.23
Water Services	\$1.03	\$1.03
Total Area Specific Services - Urban	\$2.26	\$2.26
Grand Total - Rural Area	\$2.84	\$2.74
Grand Total - Urban Area	\$5.05	\$4.95

3. Changes to the Background Report

Based on the foregoing, the following revisions are made to the pages within the June 11, 2018 Background Study. Accordingly, the revised pages are appended to this report:

- Page 1-3 – Revised to reflect this addendum;
- Pages 5-1, 5-2, and 5-4 – Reissued to reflect changes described in section 2.2;
- Page 5-7 – Added to include capital program for Administration Services;
- Pages 5-8 and 5-10 – Reissued to reflect changes described in section 2.1;
- Pages 5-8 to 5-16 – Updated page numbering;
- Page 6-2 – Revised numbering of services;
- Pages 6-3, 6-4, and 6-5 – Updated reflective of impacts of changes in section 2.1 and 2.2;
- Page 7-4 – Revised to reflect changes to exemptions detailed in section 2.3;
- Page 7-5 – Revised to reflect changes to date by-law comes into force, to reflect this addendum, and to correct a reference to Appendix D;
- Pages 8-3 and 8-4 – Revised to reflect changes described in section 2.1 and 2.2;
- Page C-2 – Revised to reflect changes described in section 2.1 and 2.2; and
- Appendix D – Revised draft D.C. By-law.

4. Process for Adoption of the Development Charges By-law

The revisions provided herein form the basis for the D.C. By-Law and will be incorporated into the D.C. Background Study to be provided to Council and the general public prior to Council's consideration and adoption of the proposed D.C. By-Law on September 18, 2018.

If Council is satisfied with the above noted changes to the D.C. Background Study and D.C. By-Law, then prior to By-Law passage Council must:

- Approve the D.C. Background Study, as amended;
- Determine that no further public meetings are required on the matter; and
- Adopt the new D.C. By-Law.

Appendix A – Amended Pages

**Figure 1-1
Schedule of Key D.C. Process Dates**

Process Steps	Dates
1. Project initiation meetings with Municipality staff	March 6, 2018
2. Data collection, staff interviews, preparation of D.C. calculations	March – April, 2018
3. Preparation of draft D.C. background study and review of draft findings with staff	Early May, 2018
4. Statutory notice of Public Meeting advertisement placed in newspaper(s)	June 5, 2018
5. D.C. background study and proposed D.C. by-law available to public	May 18, 2018
6. Council Workshop Presentation	June 5, 2018
7. Public Meeting of Council	June 26, 2018
8. Council meeting to discuss finalization of the D.C. background study	August 14, 2018
9. Addendum to June 11, 2018 D.C. Background Study	September 7, 2018
10. Council considers adoption of D.C. background study and passage of by-law	September 18, 2018
11. Newspaper notice given of by-law passage	By 20 days after passage
12. Last day for by-law appeal	40 days after passage
13. Municipality makes available D.C. pamphlet	Within 60 days after in force date

Table 4-2
Municipality of Mississippi Mills
D.C. Reserve Funds Balances (as at December 31, 2017)

Service	Total
Roads and Related Services	(266,612)
Fire Protection Services	174,783
Parks and Recreation Services	237,068
Library Services	(14,579)
Administration	62,284
Homes for the Aged	-
Child Care	6,566
Stormwater	-
Septage	(62,494)
Wastewater Services	(118,544)
Water Services	1,034,021
Total	1,052,493

4.7 Deductions

The D.C.A., 1997 potentially requires that five deductions be made to the increase in the need for service. These relate to:

- the level of service ceiling;
- uncommitted excess capacity;
- benefit to existing development;
- anticipated grants, subsidies and other contributions; and
- a 10% reduction for certain services.

The requirements behind each of these reductions are addressed as follows:

4.7.1 Reduction Required by Level of Service Ceiling

This is designed to ensure that the increase in need included in 4.2 does "...not include an increase that would result in the level of service (for the additional development increment) exceeding the average level of the service provided in the Municipality over the 10-year period immediately preceding the preparation of the background study..." O.Reg. 82.98 (s.4) goes further to indicate that, "...both the quantity and quality of a service shall be taken into account in determining the level of service and the average level of service."

In many cases, this can be done by establishing a quantity measure in terms of units as floor area, land area or road length per capita, and a quality measure in terms of the average cost of providing such units based on replacement costs, engineering

5. D.C. Eligible Cost Analysis by Service

This chapter outlines the basis for calculating D.C. eligible costs for charges to be applied on a Municipal-wide uniform basis, and for septage, stormwater, water, and wastewater services which will be applied on an area-specific basis. The required calculation process set out in s.5(1) paragraphs 2 to 8 in the D.C.A., 1997, and described in Chapter 4, was followed in determining D.C. eligible costs.

The nature of the capital projects and timing identified in this chapter reflects Council's current intention. However, over time, municipal projects and Council priorities change and, accordingly, Council's intentions may alter and different capital projects (and timing) may be required to meet the need for services required by new growth.

5.1 Service Levels and 10-Year Capital Costs for Municipal-wide D.C. Calculation

This section evaluates the development-related capital requirements for select services over the 10-year planning period (2018-2028). Each service component is evaluated on two format sheets: the average historical 10-year level of service calculation (see Appendix B), which "caps" the D.C. amounts; and the infrastructure cost calculation, which determines the potential D.C. recoverable cost.

5.1.1 Parks and Recreation Services

The Municipality currently maintains approximately 142 acres of developed parkland and 3,000 linear metres of recreation pathways within its jurisdiction. Furthermore, the Municipality provides a variety of amenities in its parks and operates 102,490 square feet of indoor recreation facility space. The Municipality utilizes an inventory of 134 structures, pieces of equipment, and vehicles in maintaining parks and recreation facilities. The Municipality's level of service over the historical 10-year period averaged \$3,085 per capita plus 0.01 acres per capita of parkland. In total, the maximum DC-eligible amount for parks and recreation services over the 10-year forecast period is \$6.6 million based on the established level of service standards.

The 10-year capital needs for parks and recreation services to accommodate growth have a total gross capital cost of approximately \$2.5 million. These capital needs include additional parkland and trail development, new equipment, as well as recovery of outstanding debt servicing costs associated with previously completed recreation facilities. A reduction of \$237,068 have been provided to reflect existing reserve fund

balances. Grant funding of 50% has been assumed for the splashpad at Augusta Park. The statutory 10% deduction applicable for parks and recreation services totals \$239,330 resulting in net growth-related capital costs for inclusion in the calculation of \$1,931,902.

As the predominant users of parks and recreation services tend to be residents of the Municipality, the forecast growth-related costs have been allocated 95% to residential and 5% to non-residential

5.1.2 Library Services

The Municipality provides library services through the Almonte and Pakenham Branches. The library facility space totals 12,530 square feet and contains approximately 188,803 circulation items available to the Municipality's residents. The historical level of service for library averages \$565 per capita over the past 10-year period. Based on this service standard, the Municipality would be eligible to collect approximately \$1.21 million from DCs for library facility space and collection materials over the ten-year forecast period.

The Municipality is planning an expansion of the Almonte Library value at \$1.2 million. After observing a deduction for post period benefit and the 10% statutory deduction, the net DC recoverable cost is \$701,547. The need for a new strategic plan and a space needs study have been identified at a combined cost of \$27,000. To maintain the Municipality's historical level of service for collection materials, additional items valued at approximately \$393,504 would need to be purchased during the forecast period. Out of this amount, \$14,579 has been deducted in recognition of the current reserve fund balance, and \$119,988 has been deducted for the statutory 10% requirement. A benefit to existing development of \$625 has been applied to the strategic plan update. On a net cost basis, a total of \$1.1 million has been included in the D.C. calculation for library services based on the 10-year growth projections.

Similar to parks and recreation services, library usage is predominately residential-based with some use of the facility and materials by non-residential users, for the purposes of research and training. To acknowledge this usage pattern, the growth-related capital costs have been allocated 95% residential and 5% non-residential.

5.1.3 Child Care Services

The Municipality operates the Almonte Daycare Centre, and also provides child care services out of three school sites. The combined floor area totals 11,021 square feet of

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 (2018\$)	Post Period Benefit	Net Capital Cost	Less:		Subtotal	Less:	Potential D.C. Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development		Other (e.g. 10% Statutory Deduction)	Total	Residential Share	Non-Residential Share
	2018-2028									95%	5%	
	Parkland Development											
1	Riverfront Estates Parks - 2.5 ac.	2018-2020	330,000	-	330,000	-		330,000	33,000	297,000	282,150	14,850
2	Mill Run Park - 1.0 ac.	2019-2021	444,200	-	444,200	-		444,200	44,420	399,780	379,791	19,989
3	White Trail Ridge Park - 2.65 ac.	2017-2020	359,300	-	359,300	-		359,300	35,930	323,370	307,202	16,169
4	Splashpad at Augusta St. Park	2018	80,000	-	80,000	-	40,000	40,000	4,000	36,000	34,200	1,800
5	Gemmill Park	2023	853,000	-	853,000	-		853,000	85,300	767,700	729,315	38,385
	Trails & Pathways											
6	Trails & Pathways Development	2018-2021	249,900	-	249,900	-		249,900	24,990	224,910	213,665	11,246
	Park Vehicles											
7	Trailer	2020	5,600	-	5,600	-		5,600	560	5,040	4,788	252
	Recreation Facilities											
8	SCC Future Debt Payments - Principal (growth share only)		12,300	-	12,300	-		12,300	-	12,300	11,685	615
9	SCC Future Debt Payments - Interest (growth share only)							2,700	-	2,700	2,565	135
10	Portable Sound System	2018	3,300	-	3,300	-		3,300	330	2,970	2,822	149
11	Parks and Recreation Master Plan Review	2023	67,000	-	67,000	-		67,000	6,700	60,300	57,285	3,015
12	Lawn Bowling Club Expansion/Renovation	2022	82,000	-	82,000	41,000		41,000	4,100	36,900	35,055	1,845
	Reserve Fund Adjustment				(237,068)			(237,068)	-	(237,068)	(225,215)	(11,853)
	Total		2,486,600	-	2,249,532	41,000	40,000	2,171,232	239,330	1,931,902	1,835,307	96,595

Infrastructure Costs Covered in the D.C. Calculation – Administration

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Net Capital Cost	Less:		Subtotal	Less: Other (e.g. 10% Statutory Deduction)	Potential D.C. Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development			Total	Residential Share	Non-Residential Share
	2018-2028										82%	18%
1	Development Charges Study	2018	30,000	-	30,000	-		30,000	3,000	27,000	22,140	4,860
2	Development Charges Study	2023	30,000	-	30,000	-		30,000	3,000	27,000	22,140	4,860
3	Official Plan Review	2020	60,000	-	60,000	30,000		30,000	3,000	27,000	22,140	4,860
4	Zoning Bylaw Review	2018	40,000	-	40,000	20,000		20,000	2,000	18,000	14,760	3,240
5	Zoning Bylaw Review	2022	40,000	-	40,000	20,000		20,000	2,000	18,000	14,760	3,240
6	CIP Study		60,000	-	60,000	30,000		30,000	3,000	27,000	22,140	4,860
8	Asset Management Plan	2019	60,000	-	60,000	51,681	6,656	1,664	166	1,498	1,228	270
	Reserve Fund Adjustment				(62,284)			(62,284)		(62,284)	(51,073)	(11,211)
	Total		320,000	-	257,716	151,681	6,656	99,380	16,166	83,214	68,235	14,978

5.2 Service Levels and 19-Year Capital Costs for Municipal-wide D.C. Calculation

This section evaluates the development-related capital requirements for select services over the long-term planning period (2018-2037).

5.2.1 Services Related to a Highway

The Municipality has a current inventory of 366 lane kilometres of roads, excluding internal local roads. This historic level of infrastructure investment equates to a \$14,787 per capita level of service. In addition to roads, the Municipality's public works department utilizes 35,586 square feet of facility space, and operates 39 pieces of equipment and machinery, including vehicles. When applied to the forecast population growth to 2037, a maximum D.C.-eligible cost of \$67.98 million could be expected to meet the future increase in needs for service.

Review of the Municipality's roads needs and capital plan for the forecast period identified \$14.8 million in gross capital costs. These capital needs include road reconstruction, urbanization, studies, a 6-bay garage expansion, and additional vehicles. Recognizing the benefit to existing development through the resurfacing and replacement of existing infrastructure at the time of addressing growth needs, \$5.7 million has been deducted. Another \$908,057 has been deducted to account for the benefit to growth that will occur after the forecast period (i.e. post period benefit). The reserve fund deficit, \$266,612, and capital needs identified result in a D.C.-eligible amount of approximately \$8.5 million.

The net growth-related costs for roads and related services have been allocated between future residential and non-residential development on the basis of incremental population to employment growth over the 19-year forecast period (i.e. 81% residential/19% non-residential).

5.2.2 Fire Protection Services

The Municipality currently has two fire stations, a training centre and a storage unit, which provide a combined total of 16,024 square feet of floor space. The fire department also has a current inventory which includes 15 vehicles, 2 portable pumps, and 4 gas monitors, 1 gas calibration machine, 1 set of extraction tools, a skid unit, and provides 47 sets of equipment for firefighter outfitting. In total, the inventory of fire protection assets provides a historic average level of service of \$553 per capita. The

historical level of investment in fire services provides for a D.C.-eligible amount over the forecast period of approximately \$2.2 million.

Based on the department's capital plan and discussions with staff, the Municipality will require funds for a training facility, 2 dry hydrants, office space, Fire Mast Plan study, various equipment and a fire prevention vehicle. The Municipality will also continue repaying outstanding debt associated with the additional fire hall space. In total, gross capital costs over the forecast period are approximately \$0.39 million. After deducting \$18,394 for the benefit to existing development and \$174,783 for the existing reserve fund balance, the net capital costs are \$208,605.

The allocation of net growth-related costs for fire protection services between residential and non-residential development is 81% residential and 19% non-residential, based on population to employment growth over the 19-year forecast period.

Infrastructure Costs Covered in the D.C. Calculation – Roads and Related Services

Prj .No	TMP Project ID	Increased Service Needs Attributable to Anticipated Development 2018-2037	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	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 81%	Non-Residential Share 19%
		Roads									
1		Ottawa Street Reconstruction - Principal (growth share only)	2014-2025	491,000	30,167	460,833	-		460,833	373,275	87,558
		Ottawa Street Reconstruction - Interest (growth share only)							105,500	85,455	20,045
1a		Ottawa Street Reconstruction - Landscape Plan		186,579	11,463	175,116	55,974		119,142	96,505	22,637
2	TMP-1	North Collector Schedule C EA Study and Preliminary Design - Martin Street North to Ramsay Conc 11 (1.5km)		378,800	23,273	355,527	125,004		230,523	186,723	43,799
		Construction									
3	TMP-13	North Collector Detailed Design and Construction - Martin Street North to Ramsay Conc 11 (1.5km)	2035	5,844,800	359,105	5,485,695	1,928,784		3,556,911	2,881,098	675,813
4	TMP-20	Ramsay Conc 11A Reconstruction - Ottawa Street to North Collector (600m)	2019-2020	681,900	41,896	640,004	68,190		571,814	463,169	108,645
5	TMP-22	4th Conc. Pakenham Reconstruction - Campbell Side Road (CR24) to Mississippi Mills North Limit (1km)	2035	595,300	36,575	558,725	-		558,725	452,567	106,158
6	TMP-23	Ramsay Conc. 8 Reconstruction - Wolf Grove Road to Clayton Road (3.1km)	2028	1,840,000	113,050	1,726,950	1,288,000		438,950	355,550	83,401
7	TMP-24	Ramsay Conc. 7A Reconstruction - Rae Road to Mississippi Mills South Limit (5.5km)	2035	3,247,100	199,502	3,047,598	2,272,970		774,628	627,449	147,179
8	TMP-26	Menzie Street Construction - Ottawa Street to Maude Street (300m)	2018	409,100	25,135	383,965	-		383,965	311,012	72,953
		Public Works New Facilities									
9		6 Bay Garage Expansion	2028	700,000	43,008	656,992	-		656,992	532,164	124,828
		Public Works New Fleet									
11		Sidewalk Plow	2025	135,000	8,294	126,706	-		126,706	102,632	24,074
12		Half Ton	2021	30,000	1,843	28,157	-		28,157	22,807	5,350
13		Plow Truck	2028	240,000	14,746	225,254	-		225,254	182,456	42,798
		Unfunded Capital			-	266,612	-		266,612	215,956	50,656
		Total		14,779,579	908,057	14,138,134	5,738,922	-	8,504,712	6,888,817	1,615,895

Infrastructure Costs Covered in the D.C. Calculation – Fire Protection Services

Prj .No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	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
	2018-2037								81%	19%
	Fire Facilities									
1	Future Debt Payments for Firehalls - Principal (growth share only)	2018-2023	180,900	-	180,900			180,900	146,529	34,371
	Future Debt Payments for Firehalls - Interest (growth share only)	2018-2023						15,300	12,393	2,907
	Fire Equipment									
2	2 Dry Hydrants (10th Line Pakenham & Head Pond Rd.)		13,400	-	13,400	-		13,400	10,854	2,546
3	Training Facility Equipment		67,000	-	67,000	-		67,000	54,270	12,730
4	Additional Vehicle		29,000	-	29,000	-		29,000	23,490	5,510
5	Provision for Firefighter Equipment		20,600	-	20,600	-		20,600	16,686	3,914
6	Office Space (360 sq.ft.)		55,182	-	55,182	18,394		36,788	29,798	6,990
7	Fire Master Plan	2018/2023	20,400	-	20,400	-		20,400	16,524	3,876
	Reserve Fund Adjustment				(174,783)			(174,783)	(141,574)	(33,209)
	Total		386,482	-	211,699	18,394	-	208,605	168,970	39,635

5.3 Service Levels and 19-Year Capital Costs for Area-Specific D.C. Calculation

This D.C. Background Study provides for the uniform application of wastewater and water charges within the municipally serviced urban area, and septage treatment charges within the rural area. The anticipated development-related capital requirements for these services have been considered over the 2018-2037 forecast period, consistent with the Municipality's Official Plan, and in respect of the Municipality's 2018 Master Plan Update Report.

5.3.1 Wastewater Services

The wastewater capital projects identified include the outstanding growth share of debt payments for the Wastewater Treatment Plant, which has already been constructed and financed. In addition to these debt payments, the Municipality anticipates the expansions to the Spring Street and Gemmill's Bay pumping stations, a number of sewer upgrades to accommodate future growth, as well as periodic updates to the Master Plan.

In total, the gross capital cost estimates amount to approximately \$9.0 million. Approximately \$3.3 million has been deducted to reflect post-period capacity for growth in the urban serviced area beyond 2037, and a further \$2.1 million to reflect benefit to the existing population. Furthermore, a reserve fund adjustment of \$118,544 has been added, for committed funds to address part of the growth-related needs.

The net capital costs identified for inclusion in the calculation total \$3.7 million. These costs have been allocated to residential (79%) and non-residential (21%) based on forecast design flow assumptions underlying the Municipality's 2018 Master Plan Update Report, and the anticipated development to 2037.

5.3.2 Water Services

Capital requirements for water services have been established based on The Municipality's 2018 Master Plan Update Report, which identified the long-term infrastructure requirements for the municipal water and wastewater systems. Some of the works identified include in this D.C. background study include the following:

- Medium and long-term water supply and treatment improvements to Wells 7 & 8 to address future demands;

- Construction of a new storage reservoir to provide additional capacity for future growth; and
- Transmission watermains and pressure zone development required to convey water to ensure adequate service in the short, medium and long term.

The gross capital costs for the forecast period total \$16.5 million. Approximately \$8.3 million of capital costs have been deducted as a post period benefit. The benefit to existing deductions total \$2.6 million in recognition of upgrades and improvements to the system. As a result of these deductions and the reserve fund adjustment (\$1.03 million), the net growth-related capital costs total \$4.6 million.

The growth-related capital costs have been allocated between future growth, 86% residential and 14% non-residential based on forecast design flow assumptions underlying the Municipality's 2018 Master Plan Update Report, and the anticipated development to 2037.

5.3.3. Septage Services

The Municipality has identified the need for construction of a containment area. The gross capital costs for this project are \$70,000 with the benefit to existing development amounting to \$50,633. In addition, the Municipality will continue to recover unfunded growth-related capital costs related to previously completed projects. This unfunded amount totals \$62,494.

The D.C.-eligible costs for septage services over the forecast period total \$81,862. These net capital costs have been allocated 94% to residential and 6% to non-residential development, based on population to employment growth over the 19-year forecast period.

Infrastructure Costs Covered in the D.C. Calculation – Wastewater Services

Prj.No	MP Project ID #	Increased Service Needs Attributable to Anticipated Development 2018-2037	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	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 79%	Non-Residential Share 21%
1		WWTP Debt Payments - Principal (growth share only)	2018-2037	1,662,700	402,287	1,260,413	-		1,260,413	995,726	264,687
2		WWTP Debt Payments - Interest (growth share only)	2018-2037	1,699,000	411,070	1,287,930	-		1,287,930	1,017,465	270,465
3	I5.1	Gemmill's Bay SPS Expansion (Design)	2019	130,000	95,221	34,779	-		34,779	27,475	7,303
4		Gemmill's Bay SPS Expansion (Construction)	2020	300,000	219,742	80,258	-		80,258	63,404	16,854
5	S4.2	Collection System - Victoria Street Upgrades, from Martin Street North to Ottawa Street	2019	2,105,000	891,116	1,213,884	888,414		325,470	257,121	68,349
6		Union Street North Upgrades	2024	2,000,000	846,666	1,153,334	844,099		309,235	244,296	64,939
7		Water/Sewer Master Plan Updates (5 year cycle)	2023/28/33	82,500	-	82,500	20,625		61,875	48,881	12,994
8	S3.1	Spring Street SPS - Expand SPS to meet long-term needs	2019	140,000	102,546	37,454	-		37,454	29,589	7,865
9	S4.1	Collection System - Easement and State Street Upgrades	2018	235,000	99,483	135,517	99,182		36,335	28,705	7,630
10	S4.3	Collection System - Industrial Park Sewer	2022	615,000	260,350	354,650	259,560		95,090	75,121	19,969
11	S4.4	Collection System - Martin Street North at Victoria Street	2019	25,000	10,583	14,417	10,551		3,865	3,054	812
		Unfunded Capital				118,544	-		118,544	93,650	24,894
		Total		8,994,200	3,339,065	5,773,680	2,122,430	-	3,651,249	2,884,487	766,762

Infrastructure Costs Covered in the D.C. Calculation – Water Services

Prj.No	MP Project No.	Increased Service Needs Attributable to Anticipated Development 2018-2037	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	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 86%	Non-Residential Share 14%
1	M4.1	Mid-Term Supply Option (wells 7 & 8) - Increase capacity to demonstrated yield	2021-2023	2,800,000	588,689	2,211,311	-		2,211,311	1,901,728	309,584
2	S3.1	Mid-Term Storage Option - Construct a Reservoir at a new site	2018-2020	4,700,000	3,442,621	1,257,379	-		1,257,379	1,081,346	176,033
3	S4.2	County Road 29 Looping Wylie to Dunn Street Upgrades	2021	125,000	52,917	72,083	52,756		19,327	16,621	2,706
4		Ottawa Street and Mill Run Looping	2019	352,000	149,013	202,987	148,561		54,425	46,806	7,620
5	S4.1	Victoria Street Watermain	2018-2019	410,000	173,567	236,433	173,040		63,393	54,518	8,875
6		Ottawa Street and Industrial Street Looping	2022	799,000	338,243	460,757	337,217		123,540	106,244	17,296
7	L4.2	Create Pressure Zone 3	2028-2037	125,000	52,917	72,083	52,756		19,327	16,621	2,706
8	M5.2	Modify Pressure Zone 2/Pressure Zone 2 Optimization	2024	190,000	80,433	109,567	80,189		29,377	25,265	4,113
9		Water/Sewer Master Plan Updates (5 year cycle)	2023/28/33	82,500	-	82,500	20,625		61,875	53,213	8,663
10	M5.1	County Road 29 Well 6 to Wylie Street Upgrade	2027	795,000	336,550	458,450	335,529		122,921	105,712	17,209
11	M5.3	Martin Street North, from Teskey Street to Carss Street	2026	575,000	243,417	331,583	242,678		88,905	76,458	12,447
12	M5.4	Princess Street and Martin Street North Upgrades	2023	170,000	71,967	98,033	71,748		26,285	22,605	3,680
13	M5.5	Union Street North, from Princess Street to Carss Street	2024	425,000	179,917	245,083	179,371		65,713	56,513	9,200
14	M5.6	Adelaide and Brookdale Street Looping	2026	260,000	110,067	149,933	109,733		40,201	34,573	5,628
15	M5.7	Carss Street, from Mitcheson Street to Union Street North	2024	125,000	91,559	33,441	-		33,441	28,759	4,682
16	M5.8	Carss Street, from Union Street North to Mississippi River	2025	220,000	161,144	58,856	-		58,856	50,616	8,240
17	M5.9	Mississippi River Third Crossing	2025	2,540,000	1,860,480	679,520	-		679,520	584,387	95,133
18	L1.1	Well 3 rehabilitation to demonstrated yield	2028-2037	600,000	72,907	527,093	253,230		273,863	235,523	38,341
19	L2.1	Well 5 rehabilitation to demonstrated yield	2028-2037	600,000	72,907	527,093	253,230		273,863	235,523	38,341
20	L4.1	Appleton Side Road Looping	2028-2037	610,000	258,233	351,767	257,450		94,317	81,112	13,204
		Reserve Fund Adjustment				(1,034,021)	-		(1,034,021)	(889,258)	(144,763)
		Total		16,503,500	8,337,546	7,131,933	2,568,114	-	4,563,818	3,924,884	638,935

Infrastructure Costs Covered in the D.C. Calculation – Septage Services

Prj.No	Increased Service Needs Attributable to Anticipated Development 2018-2037	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	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 94%	Non-Residential Share 6%
1	Containment Area	2019	70,000	-	70,000	50,633		19,367	18,112	1,255
	Unfunded Capital				62,494	-		62,494	58,445	4,050
	Total		70,000	-	132,494	50,633	-	81,862	76,557	5,305

**Table 6-1
D.C. Calculation
Urban Area-Specific Services
2018-2037**

SERVICE	2018\$ D.C.-Eligible Cost		2018\$ D.C.-Eligible Cost	
	Residential	Non-Residential	SDU	per ft²
	\$	\$	\$	\$
1. Wastewater Services	2,884,487	766,762	3,274	1.23
	2,884,487	766,762	3,274	1.23
2. Water Services	3,924,884	638,935	4,454	1.03
	3,924,884	638,935	4,454	1.03
TOTAL	\$6,809,371	\$1,405,697	\$7,728	\$2.26
D.C.-Eligible Capital Cost	\$6,809,371	\$1,405,697		
19-Year Urban Gross Population/GFA Growth (sq.ft.)	2,371	622,700		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$2,871.94	\$2.26		
<u>By Residential Unit Type</u>	<u>P.P.U.</u>			
Single and Semi-Detached Dwelling	2.691	\$7,728		
Apartments - 2 Bedrooms +	1.520	\$4,365		
Apartments - Bachelor and 1 Bedroom	1.434	\$4,118		
Other Multiples	2.159	\$6,201		
Special Care/Special Dwelling Units	1.100	\$3,159		

**Table 6-2
D.C. Calculation
Rural Area-Specific Services
2018-2037**

SERVICE	2018\$ D.C.-Eligible Cost		2018\$ D.C.-Eligible Cost	
	Residential	Non-Residential	SDU	per ft²
3. Septage Services	\$ 76,557	\$ 5,305	\$ 77	\$ 0.05
TOTAL	\$76,557	\$5,305	\$77	\$0.05
D.C.-Eligible Capital Cost	\$76,557	\$5,305		
19-Year Rural Gross Population/GFA Growth (sq.ft.)	2,682	109,900		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$28.54	\$0.05		
<u>By Residential Unit Type</u>	<u>P.P.U.</u>			
Single and Semi-Detached Dwelling	2.691	\$77		
Apartments - 2 Bedrooms +	1.520	\$43		
Apartments - Bachelor and 1 Bedroom	1.434	\$41		
Other Multiples	2.159	\$62		
Special Care/Special Dwelling Units	1.100	\$31		

**Table 6-3
D.C. Calculation
Municipal-wide Services
2018-2037**

SERVICE	2018\$ D.C.-Eligible Cost		2018\$ D.C.-Eligible Cost	
	Residential	Non-Residential	SDU	per ft ²
	\$	\$	\$	\$
4. Services Related to a Highway	6,888,817	1,615,895	3,669	2.21
	6,888,817	1,615,895	3,669	2.21
5. Fire Protection Services	168,970	39,635	90	0.05
	168,970	39,635	90	0.05
TOTAL	\$7,057,787	\$1,655,530	\$3,759	\$2.26
D.C.-Eligible Capital Cost	\$7,057,787	\$1,655,530		
19-Year Gross Population/GFA Growth (sq.ft.)	5,053	732,600		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$1,396.75	\$2.26		
<u>By Residential Unit Type</u>	<u>P.P.U.</u>			
Single and Semi-Detached Dwelling	2.691	\$3,759		
Apartments - 2 Bedrooms +	1.520	\$2,123		
Apartments - Bachelor and 1 Bedroom	1.434	\$2,003		
Other Multiples	2.159	\$3,016		
Special Care/Special Dwelling Units	1.100	\$1,536		

**Table 6-4
D.C. Calculation
Municipal-wide Services
2018-2028**

SERVICE	2018\$ D.C.-Eligible Cost		2018\$ D.C.-Eligible Cost	
	Residential	Non-Residential	SDU	per ft ²
	\$	\$	\$	\$
6. Parks and Recreation Services	1,835,307	96,595	1,774	0.25
	1,835,307	96,595	1,774	0.25
7. Library Services	1,039,744	54,723	1,005	0.14
	1,039,744	54,723	1,005	0.14
8. Administration	68,235	14,978	66	0.04
9. Child Care	205,184	-	198	-
	205,184	-	198	-
TOTAL	\$3,148,469	\$166,297	\$3,043	\$0.43
D.C.-Eligible Capital Cost	\$3,148,469	\$166,297		
10-Year Gross Population/GFA Growth (sq.ft.)	2,783	388,400		
Cost Per Capita/Non-Residential GFA (sq.ft.)	\$1,131.32	\$0.43		
<u>By Residential Unit Type</u>	<u>P.P.U.</u>			
Single and Semi-Detached Dwelling	2.691	\$3,044		
Apartments - 2 Bedrooms +	1.520	\$1,720		
Apartments - Bachelor and 1 Bedroom	1.434	\$1,622		
Other Multiples	2.159	\$2,443		
Special Care/Special Dwelling Units	1.100	\$1,244		

**Table 6-5
Calculated Schedule of D.C.s**

Service	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)
Municipal Wide Services:						
Roads and Related Services	3,669	2,072	1,955	2,944	1,500	2.21
Fire Protection Services	90	51	48	72	37	0.05
Parks and Recreation Services	1,774	1,002	945	1,423	725	0.25
Library Services	1,005	568	536	806	411	0.14
Administration	66	37	35	53	27	0.04
Child Care	198	112	106	159	81	0.00
Total Municipal Wide Services	6,802	3,842	3,625	5,457	2,781	2.69
Rural Services						
Septage Services	77	43	41	62	31	0.05
Total Rural Services	77	43	41	62	31	0.05
Urban Services						
Wastewater Services	3,274	1,849	1,745	2,627	1,338	1.23
Water Services	4,454	2,516	2,373	3,573	1,821	1.03
Total Urban Services	7,728	4,365	4,118	6,200	3,159	2.26
GRAND TOTAL RURAL AREA	6,879	3,885	3,666	5,519	2,812	2.74
GRAND TOTAL URBAN AREA	14,530	8,207	7,743	11,657	5,940	4.95

**Table 6-6
Comparison of Current and Calculated D.C.s**

Service	Residential (Single Detached Unit) Comparison		Non-Residential (per Sq.Ft. of GFA) Comparison	
	Current	Calculated	Current	Calculated
Municipal Wide Services:				
Roads and Related Services	\$2,208	\$3,669	\$1.38	\$2.21
Fire Protection Services	\$499	\$90	\$0.24	\$0.05
Parks and Recreation Services	\$1,269	\$1,774	\$0.17	\$0.25
Library Services	\$796	\$1,005	\$0.09	\$0.14
Administration	\$52	\$66	\$0.03	\$0.04
Child Care	\$130	\$198	\$0.00	\$0.00
Total Municipal Wide Services	\$4,954	\$6,802	\$1.91	\$2.69
Rural Services:				
Septage Services	\$102	\$77	\$0.05	\$0.05
Total Area Specific Services - Rural	\$102	\$77	\$0.05	\$0.05
Urban Services:				
Stormwater Services	\$135	\$0	\$0.06	\$0.00
Wastewater Services	\$2,600	\$3,274	\$0.86	\$1.23
Water Services	\$2,863	\$4,454	\$0.95	\$1.03
Total Area Specific Services - Urban	\$5,598	\$7,728	\$1.87	\$2.26
Grand Total - Rural Area	\$5,056	\$6,879	\$1.96	\$2.74
Grand Total - Urban Area	\$10,552	\$14,530	\$3.78	\$4.95

- Buildings used as hospitals as governed by the Public Hospitals Act;
- Partial exemption requiring the payment of only the water, wastewater and storm sewer components of the charge for the first two apartment units constructed above a commercial use within the downtown core of the Almonte Ward;
- Partial exemption from payment of 50% of the Municipal-wide service components of the charge (i.e. roads and related, fire protection, parks and recreation, library, administration, and child care) for rental apartment development of 5 dwelling units or greater;
- Partial exemption requiring the payment of only the water, wastewater and storm sewer components of the charge for all residential unit types constructed by or for charitable organizations, non-profit organizations and publicly funded non-profit housing and used for residential purposes;
- Non-residential farm buildings; and
- Partial exemption requiring the payment of only the water and wastewater components of the charge for additional dwelling units, located on a residential lot, containing an existing single detached dwelling.
- Partial exemption requiring the payment of only the water and wastewater components of the charge for additional dwelling units, located on a residential lot, constructed simultaneously to a single detached dwelling.

7.2.5 Phasing in

No provisions for phasing in the D.C. are provided in the proposed D.C. by-law.

7.2.6 Timing of Collection

The D.C.s for all services are payable upon issuance of a building permit for each dwelling unit, building or structure, subject to early or late payment agreements entered into by the Municipality and an owner under s.27 of the D.C.A., 1997.

7.2.7 Indexing

All D.C.s will be subject to mandatory indexing annually on January 1st of each year, in accordance with provisions under the D.C.A.

7.2.8 D.C. Spatial Applicability

In accordance with the D.C.A., the Municipality gave consideration to the imposition of D.C.s on an area-specific basis and is maintaining its current approach of imposing uniform Municipal-wide D.C.s for all services excluding water, wastewater, and septage

services. Water and wastewater services D.C.s will continue to be imposed on area-specific basis for development in the urban area. D.C.s Septage services will be imposed on development in the rural area of the Municipality.

7.3 Other D.C. By-law Provisions

It is recommended that:

7.3.1 Categories of Services for Reserve Fund and Credit Purposes

It is recommended that the Municipality's D.C. collections be contributed into nine (9) separate reserve funds, including: Services Related to a Highway (Roads and Related); Fire Protection Services; Parks and Recreation Services; Library Services; Administration Services; Child Care Services; Water Services; Wastewater Services and Septage Services.

7.3.2 By-law In-force Date

The proposed by-law under D.C.A., 1997 will come into force on January 1, 2019.

7.3.3 Minimum Interest Rate Paid on Refunds and Charged for Inter-Reserve Fund Borrowing

The minimum interest rate is the Bank of Canada rate on the day on which the by-law comes into force (as per s.11 of O.Reg. 82/98)

7.4 Other Recommendations

It is recommended that Council:

“Approve the capital project listing set out in Chapter 5 of the D.C.s Background Study dated June 11, 2018 as amended, subject to further annual review during the capital budget process”;

“Approve the D.C.s Background Study dated June 11, 2018, as amended”;

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

“Approve the D.C. By-law as set out in Appendix D.”

1. The non-D.C. recoverable portion of the projects which will require financing from Municipality's financial resources (i.e. taxation, rates, fees, etc.). This amount has been presented on an annual debt charge amount based on 20-year financing.
2. Lifecycle costs for the 2018 D.C. capital works have been presented based on a sinking fund basis. The assets have been considered over their estimated useful lives.
3. Incremental operating costs for the D.C. services (only) have been included.
4. The resultant total annualized expenditures are \$3.4 million.
5. Consideration was given to the potential new taxation and user fee revenues which will be generated as a result of new growth. These revenues will be available to finance the expenditures above. The new operating revenues are \$4.3 million. This amount, totalled with the existing operating revenues of \$24.4 million, provide annual revenues of \$28.7 million by the end of the period.
6. In consideration of the above, the capital plan is deemed to be financially sustainable.

Table 8-1
Municipality of Mississippi Mills
Asset Management – Future Expenditures and Associated Revenues (2018\$)

	Sub-Total	2037 (Total)
Expenditures (Annualized)		
Annual Debt Payment on Non-Growth Related Capital ¹		797,000
Annual Debt Payment on Post Period Capital ²		892,008
Lifecycle:		
Annual Lifecycle - Town Wide Services	\$583,113	
Annual Lifecycle - Area Specific Tax-Supported Services	\$366	
Annual Lifecycle - Area Specific W/WW Services	\$423,000	
Sub-Total - Annual Lifecycle	\$1,006,480	\$1,006,480
Incremental Operating Costs (for D.C. Services)		\$691,387
Total Expenditures		\$3,386,875
Revenue (Annualized)		
Total Existing Revenue ⁴		\$24,423,724
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)		\$4,304,366
Total Revenues		\$28,728,090
Net		\$25,341,215

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

² Interim Debt Financing for Post Period Benefit

³ All infrastructure costs included in Area Specific by-laws have been included

⁴ As per Sch. 10 of FIR

Appendix C – Long-term Capital and Operating Cost Examination

As a requirement of the D.C.A., 1997 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. As part of this analysis, it was deemed necessary to isolate the incremental operating expenditures directly associated with these capital projects, factor in cost savings attributable to economies of scale or cost sharing where applicable, and prorate the cost on a per unit basis (i.e. square foot of building space, per vehicle, etc.). This was undertaken through a review of the Municipality's 2017 Financial Information Return.

Table C-1 depicts the annual operating impact resulting from the proposed gross capital projects at the time they are all in place. It is important to note that, while municipal program expenditures will increase with growth in population, the costs associated with the new infrastructure (i.e. facilities) would be delayed until the time these works are in place.

Table C-1
Operating and Capital Expenditure Impacts for Future Capital Expenditures

SERVICE	NET GROWTH-RELATED EXPENDITURES	ANNUAL OPERATING EXPENDITURES
1. Roads and Related Services	9,040,657	54,686
2. Fire Protection Services	368,088	13,059
3. Parks and Recreation Services	2,445,600	17,129
4. Library Services	1,592,879	21,354
5. Administration	168,319	-
6. Child Care	235,278	32,938
7. Septage Services	19,367	686
8. Wastewater Services	6,871,770	373,831
9. Water Services	13,935,386	177,704
Total	34,677,344	691,387

Appendix D – Proposed D.C. By-law

Appendix D – Proposed D.C. By-law

THE CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

BY-LAW NUMBER 2018-____

A BY-LAW FOR THE IMPOSITION OF DEVELOPMENT CHARGE

WHEREAS the Municipality of Mississippi Mills will experience growth through development and re-development;

AND WHEREAS development and re-development requires the provision of physical and social services by the Municipality of Mississippi Mills;

AND WHEREAS Council desires to ensure that the capital cost of meeting growth-related demands for or burden on municipal services does not place an excessive financial burden on the Municipality of Mississippi Mills or its existing taxpayers while at the same time ensuring new taxpayers contribute no more than the net capital cost attributable to providing the current level of municipal services;

AND WHEREAS the *Development Charges Act, 1997* (the “Act”) provides that the council of a Municipality may by by-law impose development charges against land to pay for increased capital costs required because of increased needs for services;

AND WHEREAS a development charge background study has been completed in accordance with the Act;

AND WHEREAS the Council of The Corporation of the Municipality of Mississippi Mills has given notice of and held a public meeting on the 26th day of June 2018 in accordance with the Act and the regulations thereto;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE Municipality OF MISSISSIPPI MILLS ENACTS AS FOLLOWS:

1. INTERPRETATION

1.1 In this By-law the following items shall have the corresponding meanings:

“Act” means the *Development Charges Act*, as amended, or any successor thereof;

“accessory use” means where used to describe a use, building, or structure that the use, building or structure is naturally and normally incidental, subordinate in purpose of floor area or both, and exclusively devoted to a principal use, building or structure;

“Agricultural”, when used to describe a use or development that is a bona fide farming operation including, notwithstanding the generality of the foregoing, greenhouses which are not connected to water and wastewater services, sod farms and breeding and boarding of horses including barns, silos and other ancillary development to such agricultural development but excluding any residential or commercial;

“apartment unit” means any residential unit within a building containing three or more dwelling units where access to each residential unit is obtained through a common entrance or entrances from the street level and the residential units are connected by an interior corridor;

“bedroom” means a habitable room larger than seven square metres, including a den, study or other similar area, but does not include a bathroom, living room, dining room or kitchen;

“benefiting area” means an area defined by map, plan or legal description in a front-ending agreement as an area that will receive a benefit from the construction of a service;

“board of education” has the same meaning as set out in the *Education Act*, R.S.O. 1990, Chap. E.2, as amended, or any successor thereof;

“Building Code Act” means the *Building Code Act*, S.O. 1992, as amended, or any successor thereof;

“capital cost” means costs incurred or proposed to be incurred by the Municipality or a local board thereof directly or by others on behalf of and as authorized by the Municipality or local board,

- (1) to acquire land or an interest in land, including a leasehold interest,
- (2) to improve land,
- (3) to acquire, lease, construct or improve buildings and structures,
- (4) to acquire, construct or improve facilities including,
 - (1) furniture and equipment other than computer equipment, and
 - (2) material acquired for circulation, reference or information purposes by a library board as defined in the *Public Libraries Act*, R.S.O. 1990, Chap. P.44, as amended, or any successor thereof; and
 - (3) rolling stock with an estimated useful life of seven years or more, and
- (5) to undertake studies in connection with any matter under the Act and any of the matters in clauses (1) to (4) above, including the development charge background study

required for the provision of services designated in this by-law within or outside the Municipality, including interest on borrowing for those expenditures under clauses (1) to (5) above that are growth-related;

“commercial” means any use of land, structures or buildings for the purposes of buying or selling commodities and services, but does not include industrial or

agricultural uses, but does include hotels, motels, motor inns and boarding, lodging and rooming houses;

“Council” means the Council of the Municipality;

“development” means the construction, erection or placing of one or more buildings or structures on land or the making of an addition or alteration to a building or structure that the effect of increasing the size of usability thereof, and includes redevelopment;

“development charge” means a charge imposed with respect to this by-law;

“dwelling unit” means any part of a building or structure used, designed or intended to be used as a domestic establishment in which one or more persons may sleep and are provided with culinary and sanitary facilities for their exclusive use;

“existing” means the number, use and size that existed as of the date this by-law was passed;

“farm Building” means that part of a farming operation encompassing barns, silos and other accessory use to a bona fide agricultural use or “value add” buildings of a commercial or retail nature for the farming operation or farm help quarters for the farming operation workers but excluding a Residential use;

“gross floor area” means:

- (1) in the case of a residential building or structure, the total area of all floors above grade of a dwelling unit measured between the outside surfaces of exterior walls or between the outside surfaces of exterior walls and the centre line of party walls dividing the dwelling unit from any other dwelling unit or other portion of a building; and
- (2) in the case of a non-residential building or structure, or in the case of a mixed-use building or structure in respect of the non-residential portion thereof, the total area of all building floors above or below grade measured between the outside surfaces of the exterior walls, or between the outside

surfaces of exterior walls and the centre line of party walls dividing a non-residential use and a residential use, except for:

- (1) a room or enclosed area within the building or structure above or below that is used exclusively for the accommodation of heating, cooling, ventilating, electrical, mechanical or telecommunications equipment that service the building;
- (2) loading facilities above or below grade; and
- (3) a part of the building or structure below grade that is used for the parking of motor vehicles or for storage or other accessory use;

“industrial” means lands, buildings or structures used or designed or intended for use for manufacturing, processing, fabricating or assembly of raw goods, warehousing or bulk storage of goods, and includes office uses and the sale of commodities to the general public where such uses are accessory to an industrial use, but does not include the sale of commodities to the general public through a warehouse club;

“institutional” means land, buildings, 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;

“Local Board” means a school board, public utility, commission, transportation commission, public library board, board of park management, local board of health, board of commissioners of police, planning board, or any other board, commission, committee, body or local authority established or exercising any power or authority under any general or special Act with respect to any of the affairs or purposes, including school purposes, of the Municipality of Mississippi Mills or any part or parts thereof;

“local services” means those services, facilities or things which are under the jurisdiction of the Municipality and are related to a plan of subdivision or within the area to which the plan relates in respect of the lands under Sections 41, 51 or 53

of the *Planning Act*, R.S.O. 1990, Chap. P.13, as amended, or any successor thereof;

“multiple dwellings” means all dwellings other than single-detached, semi-detached and apartment unit dwellings;

“municipal water and sewer serviced area” means all lands within the Community of Almonte or developments outside the Community of Almonte connecting into the municipal water and sewer system;

“Municipality” means the Corporation of the Municipality of Mississippi Mills;

“non-residential use” means a building or structure of any kind whatsoever used, designed or intended to be used for other than a residential use;

“Official Plan” means the Official Plan adopted for the Municipality, as amended and approved;

“owner” means the owner of land or a person who has made application for an approval for the development of land upon which a development charge is imposed’

“place of worship” means that part of a building or structure that is exempt from taxation as a place of worship under the *Assessment Act*, R.S.O. 1990, Chap. A.31, as amended, or any successor thereof;

“rate” means the interest rate established weekly by the Bank of Canada based on Treasury Bills having a term of 91 days;

“regulation” means any regulation made pursuant to the Act;

“residential dwelling” means a building, occupied or capable of being occupied as a home, residence or sleeping place by one or more persons, containing one or more dwelling units but not including motels, hotels, tents, truck campers, tourist trailers, mobile camper trailers or boarding, lodging or rooming houses;

“residential use” means the use of a building or structure or portion thereof for one or more dwelling units. This also includes a dwelling unit on land that is used for an agricultural use;

“row dwelling” means a building containing three or more attached dwelling units in a single row, each of which dwelling units has an independent entrance from the outside and is vertically separated from any abutting dwelling unit;

“semi-detached dwelling” means a dwelling unit in a residential building consisting of two dwelling units having one vertical wall or one horizontal wall, but not other parts, attached or another dwelling unit where the residential unit are not connected by an interior corridor;

“service” means a service designed in Schedule “A” to this by-law, and “services” shall have a corresponding meaning;

“servicing agreement” means an agreement between a landowner and the Municipality relative to the provision of municipal services to specified land within the Municipality;

“single detached dwelling unit” means a residential building consisting of one dwelling unit and not attached to another structure; and

“Town” means the area within the geographic limits of the Municipality of Mississippi Mills.

2. DESIGNATION OF SERVICES

2.1 The categories of services for which development charges are imposed under this by-law are as follows:

- (1) Services Related to a Highway;
- (2) Fire Protection Services;
- (3) Parks & Recreation Services;
- (4) Library Services;

- (5) Administration Services;
- (6) Child Care Services;
- (7) Wastewater Services;
- (8) Water Services;
- (9) Septage Services

2.2 The components of the services designated in section 2.1 are described in Schedule A.

3. APPLICATION OF BY-LAW RULES

3.1 Development charges shall be payable in the amounts set out in this by-law where:

- (1) the lands are located in the area described in section 3.2; and
- (2) the development of the lands requires any of the approvals set out in subsection 3.4(1).

Area to Which By-law Applies

3.2 Subject to section 3.3, this by-law applies to all lands in the Municipality of Mississippi Mills whether or not the land or use thereof is exempt from taxation under s.13 or the *Assessment Act*.

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:

- (1) the Municipality or a local board thereof;
- (2) a board of education; or
- (3) the Corporation of the County of Lanark or a local board thereof;

Approvals for Development

- 3.4 (1) Development charges shall be imposed on all lands, buildings or structures that are developed for residential or non-residential uses if the development requires:
- (1) the passing of a zoning by-law or of an amendment to a zoning by-law under section 34 of the *Planning Act*;
 - (2) the approval of a minor variance under section 45 of the *Planning Act*;
 - (3) a conveyance of land to which a by-law passed under subsection 50(7) of the *Planning Act* applies;
 - (4) the approval of a plan of subdivision under section 51 of the *Planning Act*;
 - (5) a consent under section 53 of the *Planning Act*;
 - (6) the approval of a description under section 50 of the *Condominium Act*, R.S.O. 1990, Chap. C.26, as amended, or any successor thereof; or
 - (7) the issuing of a permit under the *Building Code Act* in relation to a building or structure.
- (2) No more than one development charge for each service designated in subsection 2.1 shall be imposed upon any lands, buildings or structures to which this by-law applies even though two or more of the actions described in subsection 3.4(1) are required before the lands, buildings or structures can be developed.
- (3) Despite subsection 3.4(2), if two or more of the actions described in subsection 3.4(1) occur at different times, additional development charges shall be imposed if the subsequent action has the effect of increasing the need for services.

Exemptions

3.5 Notwithstanding the provisions of this by-law, development charges shall not be imposed with respect to:

- (1) an enlargement to an existing dwelling unit;
- (2) one or two additional dwelling units in an existing single detached dwelling;
or
- (3) one additional dwelling unit in any other existing residential building;

3.6 Notwithstanding section 3.5(2), development charges shall be imposed if the total gross floor area of the additional one or two units exceeds the gross floor area of the existing dwelling unit.

3.7 Notwithstanding section 3.5, development charges shall be imposed if the additional unit has a gross floor area greater than

- (1) in the case of a semi-detached or row dwelling, the gross floor area of the existing dwelling unit; and
- (2) in the case of any other residential building, the gross floor area of the smallest dwelling unit contained in the residential building.

3.8 Exemption for Industrial Development:

3.8.1 Notwithstanding any other provision of this by-law, no development charge is payable with respect to an enlargement of the gross floor area of an existing industrial building where the gross floor area is enlarged by 50 percent or less.

3.8.2 If the gross floor area of an existing industrial building is enlarged by greater than 50 percent, the amount of the development charge payable in respect of the enlargement is the amount of the development charge that would otherwise be payable multiplied by the fraction determined as follows:

- (1) determine the amount by which the enlargement exceeds 50 percent of the gross floor area before the enlargement;
- (2) divide the amount determined under subsection (1) by the amount of the enlargement

3.9 For the purpose of section 3.8 herein, “existing industrial building” is used as defined in the Regulation made pursuant to the Act.

3.10 Other Exemptions:

Notwithstanding the provision of this by-law, development charges shall not be imposed with respect to:

- (1) Industrial development;
- (2) Partial exemption from payment of 50% of the Municipal-wide service components of the charge (i.e. roads and related, fire protection, parks and recreation, library, administration, and child care) for commercial and institutional development;
- (3) Buildings used as hospitals as governed by the *Public Hospitals Act*;
- (4) Partial exemption requiring the payment of only the water, wastewater and storm sewer components of the charge for the first two apartment units constructed above a commercial use within the downtown core of the Almonte Ward;
- (5) Partial exemption from payment of 50% of the Municipal-wide service components charge (i.e. roads and related, fire protection, parks and recreation, library, administration, and child care) for rental apartment development of 5 dwelling units or greater;
- (6) Partial exemption requiring the payment of only the water, wastewater and storm sewer components of the charge for all residential unit types constructed by or for charitable organizations, non-profit organizations and publicly funded non-profit housing and used for residential purposes;
- (7) Non-residential farm building used for a bona fide agricultural use; and
- (8) Partial exemption requiring the payment of only the water and wastewater components of the charge for one (1) additional dwelling unit, located on a residential lot, containing an existing single detached dwelling.
- (9) Partial exemption requiring the payment of only the water and wastewater components of the charge for one (1) additional dwelling unit, located on a residential lot, within or separated from a single detached dwelling.

Amount of Charges

Residential

3.11 The development charges set out in Schedule B shall be imposed on residential uses of lands, buildings or structures, including a dwelling unit accessory to a non-residential use and, in the case of a mixed use building or structure, on the residential uses in the mixed use building or structure, according to the type of residential unit, and calculated with respect to each of the services according to the type of residential use.

Non-Residential

3.12 The development charges described in Schedule B to this by-law shall be imposed on non-residential uses of lands, buildings or structures, and, in the case of a mixed use building or structure, on the non-residential uses in the mixed use building or structure, and calculated with respect to each of the services according to the total floor area of the non-residential use.

Reduction of Development Charges for Redevelopment

3.13 Despite any other provisions of this by-law, where, as a result of the redevelopment of land, a building or structure existing on the same land within 24 months prior to the date of payment of development charges in regard to such redevelopment was, or is to be demolished, in whole or in part, or converted from one principal use to another principal use on the same land, in order to facilitate the redevelopment, the development charges otherwise payable with respect to such redevelopment shall be reduced by the following amounts:

- (1) in the case of a residential building or structure, or in the case of a mixed-use building or structure, the residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charge under subsection 3.11 by the number, according to type, of dwelling units that have been or will be demolished or converted to another principal use; and

- (2) in the case of a non-residential building or structure or, in the case of mixed-use building or structure, the non-residential uses in the mixed-use building or structure, an amount calculated by multiplying the applicable development charges under subsection 3.12, by the gross floor area that has been or will be demolished or converted to another principal use;

provided that such amounts shall not exceed, in total, the amount of the development charges otherwise payable with respect to the redevelopment.

- (3) the credits provided under this section do not apply based upon an existing or previously existing development, which is exempt under the provisions of this by-law.

- 3.14 If an owner or former owner has before September 29, 1999 paid all or any portion of a charge related to development pursuant to an agreement under Section 51 or 53 of the *Planning Act, 1990* or a predecessor thereof, with respect to land within the area to which the Bylaw applies, a credit for the amount of the charge already paid shall be granted within the calculation of the development charge applied, provided a receipt of prior payment has been produced by the owner.

Time of Payment of Development Charges

- 3.15 Development charges imposed under this by-law are calculated, payable, and collected upon issuance of a building permit with respect to each dwelling unit, building or structure.
- 3.16 Despite section 3.15, 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.

4. PAYMENT BY SERVICES

- 4.1 Despite the payment required under subsections 3.11 and 3.12, Council may, by agreement, give a credit towards a development charge in exchange for works for services to which a development charge relates under this by-law.

5. INDEXING

- 5.1 Development charges imposed pursuant to this by-law shall be adjusted annually, without amendment to this by-law, on January 1st of each year, in accordance with the prescribed index in the Act.

6. SCHEDULES

- 6.1 The following schedules shall form part of this by-law:

Schedule A - Components of Services Designated in section 2.1

Schedule B - Residential and Non-Residential Development Charges

Schedule C - Downtown Core Area within Almonte Ward

7. CONFLICTS

- 7.1 Where the Municipality and an owner or former owner have entered into an agreement with respect to land within the area to which this by-law applies, and a conflict exists between the provisions of this by-law and such agreement, the provisions of the agreement shall prevail to the extent that there is a conflict.

- 7.2 Notwithstanding section 7.1, where a development which is the subject of an agreement to which section 7.1 applies, is subsequently the subject of one or more of the actions described in subsection 3.4(1), an additional development charge in respect of the development permitted by the action shall be calculated, payable and collected in accordance with the provisions of this by-law if the development has the effect of increasing the need for services, unless such agreement provides otherwise.

8. SEVERABILITY

- 8.1 If, for any reason, any provision of this by-law is held to be invalid, it is hereby declared to be the intention of Council that all the remainder of this by-law shall continue in full force and effect until repealed, re-enacted, amended or modified.

9. DATE BY-LAW IN FORCE

9.1 This by-law shall come into effect at 12:01 AM on January 1, 2019.

10. DATE BY-LAW EXPIRES

10.1 This by-law will expire at 12:01 AM on January 1, 2024 unless it is repealed by Council at an earlier date.

11. EXISTING BY-LAW REPEALED

11.1 By-law No. 14-65 is hereby repealed as of the date and time of this by-law coming into effect.

ENACTED AND PASSED this 18th day of September, 2018.

Mayor

Clerk

SCHEDULE "A" TO BY-LAW 2014-
COMPONENTS OF SERVICES DESIGNATED IN SUBSECTION 2.1

100% Eligible Services

Services Related to a Highway

Fire Protection Services

90% Eligible Services

Administration Services

Parks and Recreation Services

Library Services

Child Care Services

Municipal Water and Sewer Urban Serviced Area

Water Services

Wastewater Services

Municipal Rural Service Area

Septage Services

SCHEDULE "B"
BY-LAW NO. 2018 - _____
SCHEDULE OF DEVELOPMENT CHARGES

Service	RESIDENTIAL					NON-RESIDENTIAL
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	Special Care/Special Dwelling Units	(per sq.ft. of Gross Floor Area)
Municipal Wide Services:						
Roads and Related Services	3,669	2,072	1,955	2,944	1,500	2.21
Fire Protection Services	90	51	48	72	37	0.05
Parks and Recreation Services	1,774	1,002	945	1,423	725	0.25
Library Services	1,005	568	536	806	411	0.14
Administration	66	37	35	53	27	0.04
Child Care	198	112	106	159	81	0.00
Total Municipal Wide Services	6,802	3,842	3,625	5,457	2,781	2.69
Rural Services						
Septage Services	77	43	41	62	31	0.05
Total Rural Services	77	43	41	62	31	0.05
Urban Services						
Wastewater Services	3,274	1,849	1,745	2,627	1,338	1.23
Water Services	4,454	2,516	2,373	3,573	1,821	1.03
Total Urban Services	7,728	4,365	4,118	6,200	3,159	2.26
GRAND TOTAL RURAL AREA	6,879	3,885	3,666	5,519	2,812	2.74
GRAND TOTAL URBAN AREA	14,530	8,207	7,743	11,657	5,940	4.95

SCHEDULE C TO BY-LAW NO. 2018-
DOWNTOWN CORE AREA WITHIN ALMONTE WARD

