



# 2021 Development Charges Update Study

Northumberland County

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For Public Circulation and Comment

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# 1. Introduction

## 1.1 Background

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Northumberland County (County) imposes development charges (D.C.s) to recover the increase in the needs for service arising from development. The basis for the calculation of the County's current residential and non-residential D.C.s are documented in the County's "2020 Development Charges Background Study" dated February 14, 2020. This D.C. Background Study provides the supporting documentation for the County's D.C. By-law 2020-36. The current D.C.s by municipal service and development type are summarized in Table 1-1. This table reflects the charges that are currently in force.



Table 1-1  
Northumberland County  
Current Schedule of D.C.s

Service	Residential Single and Semi- Detached Dwelling	Residential Apartments - 2 Bedrooms +	Residential Apartments - Bachelor and 1 Bedroom	Residential Other Multiples	Residential Special Care/Special Dwelling Units	Non- Residential (per sq.ft. of Gross Floor Area)
<b>Municipal Wide Services:</b>						
Roads and Related	2,100	1,394	1,061	1,640	892	1.16
Administration Studies	42	28	21	33	18	0.02
Homes for Aged	273	181	38	213	116	0.16
Provincial Offences Act	-	-	-	-	-	-
Paramedic Services	86	57	43	67	37	0.05
Community Housing	396	263	200	309	168	-
Waste Diversion Services - Facilities	34	23	17	27	14	0.02
<b>Total Municipal Wide Services</b>	<b>2,931</b>	<b>1,946</b>	<b>1,480</b>	<b>2,289</b>	<b>1,245</b>	<b>1.41</b>
<b>Area-Specific Services Excluding Port Hope Rural Ward II</b>						
Waste Diversion Services - Curbside Collection	63	42	32	49	27	0.04
<b>Total Area-Specific Services</b>	<b>63</b>	<b>42</b>	<b>32</b>	<b>49</b>	<b>27</b>	<b>0.04</b>
<b>Grand Total - Port Hope Rural Ward II</b>	<b>2,931</b>	<b>1,946</b>	<b>1,480</b>	<b>2,289</b>	<b>1,245</b>	<b>1.41</b>
<b>Grand Total - Outside of Port Hope Rural Ward II</b>	<b>2,994</b>	<b>1,988</b>	<b>1,512</b>	<b>2,338</b>	<b>1,272</b>	<b>1.45</b>

## 1.2 Existing Policies (Rules)

The following subsections set out the rules governing the calculation, payment, and collection of the D.C. as provided in By-law 2020-36, in accordance with the *Development Charges Act, 1997*, as amended (D.C.A.).

### 1.2.1 Payment in any Particular Case

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

- the passing of a zoning by-law or of an amendment to a zoning by-law under section 34 of the *Planning Act*,
- the approval of a minor variance under section 45 of the *Planning Act*,



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

### **1.2.2 Determination of the Amount of the Charge**

The following conventions were adopted:

- a) Costs allocated to residential uses will be assigned to different types of residential units based on the average occupancy for each housing type constructed during the previous 25 years. Costs allocated to non-residential uses will be assigned to industrial, commercial and institutional uses based on the gross floor area (G.F.A.) constructed.
- b) Costs allocated to residential and non-residential uses are based upon a number of conventions, as may be suited to each municipal circumstance. These are summarized in Chapter 5 of the 2020 D.C. Background Study.

### **1.2.3 Application to Redevelopment of Land (Demolition and Conversion)**

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

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

The demolition credit is allowed only if the land was improved by occupied structures, and if the demolition permit related to the site was issued, less than 60 months prior to the issuance of a building permit.



The credit can, in no case, exceed the amount of D.C.s that would otherwise be payable.

### **1.2.4 Exemptions (full or partial)**

#### **Statutory exemptions**

- Industrial building additions of up to and including 50% of the existing G.F.A. (defined in O. Reg. 82/98, s.1) of the building; for industrial building additions which exceed 50% of the existing G.F.A., only the portion of the addition in excess of 50% is subject to D.C.s (s. 4 (3));
- Buildings or structures owned by and used for the purposes of any Municipality, local board or Board of Education (s. 3); and
- Residential development that results in only the enlargement of an existing dwelling unit, or that results only in the creation of up to two additional dwelling units (based on prescribed limits set out in s. 2(1) and 2(2) of O. Reg. 82/98).
- The creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to dwellings, subject to the prescribed restrictions and limits set out in s. 2(3) of O.Reg. 82/98.

#### **Non-statutory exemptions**

- Bona fide farm uses;
- Places of Worship;
- Hospitals as governed by the *Public Hospitals Act*; and
- Municipal Housing Project Facilities under County By-law 2019-20.

### **1.2.5 Indexing**

All D.C.s will be subject to mandatory indexing annually on anniversary date of the by-law, in accordance with provisions under the D.C.A.

### **1.2.6 By-law Duration**

The by-law will expire at 12:01 AM on October 1, 2025 unless it is repealed by Council at an earlier date.



### **1.2.7 Date Charge Payable**

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. However, the County's D.C. by-law provides for the following statutory exceptions:

- D.C.s for rental housing and institutional developments are due and payable in 6 installments commencing with the first installment payable of the date of occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter;
- D.C. for non-profit housing developments are due and payable in 21 installments commencing with the first installment payable on the date of occupancy, and each subsequent installment, including interest, payable on the anniversary date each year thereafter; and
- Where development results from the approval of a Site Plan or Zoning By-law Amendment received on or after January 1, 2020, and the approval of the application occurred within 2 years of building permit issuances, the D.C. shall be calculated on the rates that were in effect on the day of the Site Plan or Zoning By-law Amendment application was received, including interest. Where both planning applications apply, the D.C. shall be calculated on the rates that were in effect on the day of the later planning application, including interest.

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

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

- A D.C. for rental housing and institutional developments will pay the charge in six equal annual installments, with the first payment commencing on the date of occupancy. A D.C. for non-profit housing developments will pay the charge in 21 equal annual installments. A municipality may charge interest on the





installments. Any unpaid D.C. amounts may be added to the property and collected as taxes.

- The determination of the D.C. for all developments occurring within two years of a Site Plan or Zoning By-law Amendment planning approval shall be determined based on the D.C.s in effect on the date the planning application was submitted. These provisions only apply to Site Plan and Zoning By-law Amendment planning applications received on or after January 1, 2020. Developments arising from planning application approvals not fitting these criteria, or if the building permit arising from these planning approvals is issued two-years or more after the planning application approval, the D.C. is determined based on the provisions of the D.C. by-law.

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

#### List of D.C. Eligible Services

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

- Water supply services, including distribution and treatment services;
- Wastewater services, including sewers and treatment services;
- Storm water drainage and control services;
- Services related to a highway;
- Electrical power services;
- Toronto-York subway extension, as defined in subsection 5.1 (1);
- Transit services other than the Toronto-York subway extension;
- Waste diversion services;
- Policing services;
- Fire protection services;
- Ambulance services;



- Library Services;
- Long-term care services;
- Parks and recreation services (excluding the acquisition of land for parks);
- Public health services;
- Childcare and early years services;
- Housing services;
- *Provincial Offences Act* services;
- Services related to emergency preparedness;
- Services related to airports, but only in the Regional Municipality of Waterloo;  
and
- Additional services as prescribed.

### Removal of 10% Statutory Deduction

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

### Classes of D.C. Services

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

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

### Statutory Exemptions



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

### Transition

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

## **1.4 Other Legislative Changes**

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

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

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

## **1.5 Purpose of this Document**

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This background study has been prepared pursuant to the requirements of the D.C.A. to amend the County’s D.C. by-law. The proposed amendments relate to the removal of the 10% deduction for soft services and to provide updates to the underlying D.C.

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eligible capital cost estimates. In addition, other proposed amendments relate to the timing and collection of D.C.s and statutory exemptions, as a result of recent changes to the D.C.A. (as summarized in Section 1.3 and 1.4 herein).

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

The following Chapters of this Study include:

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

It should be noted that this Study is provided as an update to the County's 2020 D.C. Background Study, and as such the calculations are denominated in 2020 dollars (the County's D.C. Background Study cost base).

The notice of the Public Meeting will be advertised in accordance with the requirements of the D.C.A., i.e. 20 clear-days prior to the public meeting. This background study document will be released for public review and posted on the County's website in accordance with provisions of the D.C.A. on June 22, 2021. The statutory public meeting will be held on July 6, 2021. A presentation will be made to the public regarding the recommendations of this study, and Council will receive oral and written comments on the matter.

It is anticipated that Council will consider for adoption the proposed amending by-law after the 60-day period from the release of the D.C. Background Study has been satisfied.



## 1.6 Summary of Proposed Amendments

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Other than the changes identified within this report, all other D.C. calculations and policies (i.e. rules) contained in By-law 2020-36 remain unchanged by this process.

The analysis provided herein will address the proposed amendments to the County's D.C. by-law arising from the recent amendments to the D.C.A., as outlined in Sections 1.3 and 1.4 above. In particular, Chapters 3 and 4 address changes to the D.C. eligible costs and calculation of the charges resulting from the removal of the 10% statutory deduction for 'soft' services, as well as the change in classification of Administration service to the class of service for Growth-Related Studies. Changes to the capital costs underlying the charge have been made for Administration Studies/Growth-Related Studies, Homes for the Aged, and Community Housing services. These changes are discussed in detail in Chapter 3 of this report.

Chapter 5 presents the changes to the D.C. by-law collection policies and statutory and non-statutory exemptions. Chapter 5 also includes updates to the County's policy regarding redevelopment credits.



## 2. Anticipated Development

It is a requirement of Section 5 (1) of the D.C.A. that “the anticipated amount, type and location of development, for which development charges can be imposed, must be estimated”. The growth forecast contained in Chapter 3 of the 2020 D.C. Background Study (with supplemental tables in Appendix A) provides for the anticipated development for which the County will be required to provide services over a 10-year (late-2019 to late-2029) and longer-term time horizons (late-2019 to mid-2031 and late-2019 to mid-2041).

The growth forecast contained in the 2020 D.C. Background Study is summarized in Table 2-1. For the purposes of this update study, the growth forecast as contained within the 2020 D.C. Background Study remains unchanged.

Table 2-1  
Northumberland County  
2020 D.C. Background Study – Growth Forecast Summary

Time Horizon	Residential Net Population	Residential Units	Non-Residential Employment <sup>1</sup>	Non-Residential Sq.ft. of GFA
Late 2019	88,035	37,253	23,236	
Late 2029	96,083	41,892	25,733	
Mid 2031	97,691	42,621	26,165	
Mid 2041	107,469	47,512	28,226	
Incremental Change				
10-year (2019-2029)	8,048	4,639	2,497	2,159,300
11-year (2019-2031)	9,656	5,368	2,929	2,470,200
21-year (2019-2041)	19,434	10,259	4,990	4,215,000

1. Industrial, Commercial, and Institutional Employment



### 3. Revisions to the Anticipated Capital Needs

The 2020 D.C. Background Study justified the maximum amount that could be charged for residential and non-residential development. The study and by-law identified anticipated capital needs for recovery through D.C.s for the following services:

- Roads and Related Services;
- Administration Studies (Growth-Related Studies);
- Homes for Aged;
- Paramedic Services;
- Community Housing;
- Waste Diversion Services – Facilities; and
- Waste Diversion Services – Curbside Collection.

The following sections summarize the amendments made to the D.C. eligible capital costs. In accordance with the amendments to the D.C.A., the 10% statutory deduction has been removed from the calculation of the D.C. eligible capital costs for Homes for Aged, Paramedic Services, Community Housing, Waste Diversion Services – Facilities, Waste Diversion Services – Curbside Collection and for specific studies under Administration Studies (Growth-Related Studies).

The changes to the D.C. eligible capital costs for Administration Studies (Growth-Related Studies), Homes for Aged and Community Housing comprising the D.C. amendment are also summarized. Other than the revisions included in this report, all other capital needs and the determination of D.C. recoverable costs contained in the County's 2020 D.C. Background Study remain unchanged.

#### 3.1 Homes for Aged

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The statutory 10% deduction that is no longer required for Homes for Aged services under the amended D.C.A was removed. In addition to the removal of the deduction, updates were required to the underlying capital cost estimates, anticipated financing costs, and the grants and other contributions relating to the Golden Plouge Lodge were required. These revisions increased the total gross capital costs by \$1.6 million when compared to the 2020 D.C. Background Study to \$18.8 million.

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In recognition of the benefit to existing development, \$16.8 million is deducted from the total gross capital costs. An additional \$378,000 has been deducted to account for the growth-related share of grants and other contributions, resulting in a total of \$1.6 million being included in the calculation of the charge.

The D.C. recoverable costs are allocated 76% to residential development and 24% to non-residential development based on the relationship of incremental population and employment growth over the forecast period. The detailed capital needs listing and calculation of D.C.-eligible costs are shown in Table 3-1.

## 3.2 Paramedic Services

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The only change required to Paramedic Services is the removal of the 10% deduction. This results in the total gross capital cost estimates remaining at \$2.8 million. From the total gross capital costs, a total of \$2.3 million is deducted from the calculation of the charge in acknowledgment to the benefits to existing development. This results in a total of \$493,500 being included in the calculation of the charge. The charges are then allocated to residential and non-residential development based on the ratio of incremental population and employment growth over the forecast period (i.e. 76% residential and 24% non-residential).

The detailed capital needs listing and calculation of D.C.-eligible costs is shown are Table 3-2.

## 3.3 Community Housing

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The County's 2020 D.C. Study identified \$21.6 million in gross capital costs (for a total of \$1.6 million in D.C.-eligible costs). This study proposes to remove the 10% deduction that was previously applied and include additional costs for the development of additional housing units at 473 Ontario Street (inclusive of anticipated financing costs). Furthermore, through this amendment process, the follow changes have been made to the capital funding program for the Elgin Park Redevelopment Project:

- Updates to capital cost estimates;
- Alterations to the anticipated grant funding and other contributions; and
- Updates to the anticipated financing costs.





In aggregate, these changes increase the gross capital costs to \$35.2 million and increase the D.C.-eligible costs to \$2.5 million (an increase of \$927,900).

These D.C.-eligible costs are then allocated 100% to residential development as residents of the County are the sole users of Community Housing. The capital needs listing has been presented in Table 3-3.

### **3.4 Waste Diversion Services – Facilities**

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In the County's 2020 D.C. Background Study, a total of \$1.6 million in gross capital costs relating to Waste Diversion Facilities were identified. This amendment process does not alter any of the identified needs from the previous study and is only intended to remove the 10% statutory deduction. The removal of the 10% deduction increases the total D.C.-eligible costs by \$19,400 to \$193,600. These eligible costs have been allocated 76% to residential development and 24% to non-residential development based on the relationship of incremental population and employment growth over the forecast period.

Table 3-4 contains the detailed capital listing for Waste Diversion Services – Facilities.

### **3.5 Waste Diversion Services – Curbside Collection**

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In addition to collecting D.C.s for Waste Diversion Facilities, the County collects D.C.s for the growth-related capital costs related to curbside collection of waste in all areas of the County except for Port Hope Rural Ward II. The gross capital cost estimate remains unchanged through this amendment process. The removal of the 10% statutory deduction serves to increase the D.C.-eligible costs included in the calculation of the charge by \$36,300 to a total of \$362,800.

These costs are then allocated to residential and non-residential development based on the relationship of population and employment growth over the forecast period (i.e. 76% residential and 24% non-residential). A detailed capital listing showing the complete calculation of the D.C.-eligible costs is shown in Table 3-5.



### 3.6 Administration (Growth-Related Studies Class of Service)

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The County's 2020 D.C. Background Study included growth-related studies under the Administration Studies service. Changes to Administration Studies are provided to conform with changes in the D.C. eligible services under the D.C.A. and the ability to include a separate class of services for growth-related studies (as summarized in Section 1.3). General growth-related studies included in the County's 2020 D.C. Background Study, as well as the additional costs of undertaking this D.C. by-law amendment process, have been included in the D.C. calculation under a separate class of service (i.e. Growth-Related Studies). The following provides a list of the projects included in the Growth-Related Studies class of service:

- Development Charges Background Studies (2020 and 2025);
- Development Charges Amendment Study (2021);
- Go Expansion Feasibility Study (2020-2029);
- Official Plan Update (2022); and
- GIS/Asset Management.

The gross capital costs for Growth-Related Studies total \$850,500 after adding \$10,500 for the costs of this D.C. by-law amendment process. A deduction of \$15,100 has been made to reflect the general benefits of these studies to other non-D.C. eligible services as well as \$598,700 for the benefit to existing development. This results in D.C. eligible costs of \$236,700 and which are presented in Table 3-6.

The costs for the growth-related studies have been allocated to the eligible services in the following manner based on the proportionate share of the D.C.-eligible costs:

- Roads and Related Services – 70.7%
- Paramedic Services – 2.8%
- Homes for Aged – 9.1%
- Community Housing – 14.2%
- Waste Diversion Services – Facilities – 1.1%
- Waste Diversion Services – Collection – 2.1%



As the forecast period for Roads and Related services extends beyond the 10-year forecast period utilized for Administration studies the growth-related studies capital cost estimates for this service have been increased by \$17,800 to reflect the need for further growth-related studies beyond the 10-year forecast period.

The D.C. recoverable costs included in the schedule of charges as a separate “class of service” total approximately \$236,700. The allocation of the net growth-related costs between residential and non-residential development is based on the residential and non-residential allocation for each service area and are presented in Table 3-7 below.



**Table 3-1  
Infrastructure Costs Covered in the D.C. Calculation – Homes for Aged**

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2020\$)	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
	2020-2029								76%	24%
1	Golden Plouge Lodge Redevelopment	2020-2023	18,392,171		18,392,171	16,813,710	377,968	1,200,493	912,375	288,118
2	NPV of Anticipated Interest Costs (Growth Related Share)	2020-2029	402,675	-	402,675			402,675	306,033	96,642
	<b>Total</b>		<b>18,794,846</b>	<b>-</b>	<b>18,794,846</b>	<b>16,813,710</b>	<b>377,968</b>	<b>1,603,168</b>	<b>1,218,408</b>	<b>384,760</b>



**Table 3-2  
Infrastructure Costs Covered in the D.C. Calculation – Paramedic Services**

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2020\$)	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
	2020-2029								76%	24%
1	Trent Hills ERC Base	2020	1,417,000	-	1,417,000	1,295,390		121,610	92,424	29,186
2	Brighton ERC Base (land acquisition, design and construction)	2020-2021	1,100,000	-	1,100,000	1,005,595		94,405	71,748	22,657
3	Ambulance	2020-2029	160,000	-	160,000	-		160,000	121,600	38,400
4	SUV	2020-2029	95,000	-	95,000	-		95,000	72,200	22,800
	<b>Studies</b>									
5	Paramedics/EMS Master Plan		30,000	-	30,000	7,500		22,500	17,100	5,400
	<b>Total</b>		<b>2,802,000</b>	<b>-</b>	<b>2,802,000</b>	<b>2,308,485</b>	<b>-</b>	<b>493,515</b>	<b>375,071</b>	<b>118,444</b>



**Table 3-3  
Infrastructure Costs Covered in the D.C. Calculation – Community Housing**

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2020\$)	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
	2020-2029								100%	0%
1	Elgin Park Redevelopment Project	2020-2021	18,424,699	-	18,424,699	16,843,446	641,051	940,202	940,202	-
2	Elgin Park Redevelopment Project (Construction Financing)	2020	531,448	-	531,448	485,838		45,610	45,610	-
3	Elgin Park Redevelopment Project (NPV of Interest Payments)	2020-2029	3,536,477	-	3,536,477	3,232,968		303,509	303,509	-
4	473 Ontario Street Project	2023	9,250,000	-	9,250,000	8,456,142		793,858	793,858	-
5	473 Ontario Street Project (NPV of Interest Payments)	2023-2029	3,088,181	-	3,088,181	2,823,146		265,035	265,035	-
6	473 Ontario Street Project (Land)	2021	161,667	-	161,667	147,792		13,875	13,875	-
	<b>Studies</b>									
7	Housing Master Plan	2020	50,000	-	50,000	12,500		37,500	37,500	-
8	Affordable Housing Strategy	2024	70,000	-	70,000	17,500		52,500	52,500	-
9	Housing & Homeless Plan	2024	25,000	-	25,000	6,250		18,750	18,750	-
10	Housing & Homeless Plan	2029	25,000	-	25,000	6,250		18,750	18,750	-
	<b>Total</b>		<b>35,162,473</b>	<b>-</b>	<b>35,162,473</b>	<b>32,031,833</b>	<b>641,051</b>	<b>2,489,589</b>	<b>2,489,589</b>	<b>-</b>



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

Prj .No	Increased Service Needs Attributable to Anticipated Development	Timin (year)	Gross Capital Cost Estimate (2020\$)	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
	2020-2029									76%	24%
1	Community Recycling Centres (design and construction)	2020-209	500,000	-	249,000	251,000	229,459		21,541	16,371	5,170
2	Organics Transfer Station (design and construction)	2020	500,000	-		500,000	457,089		42,911	32,613	10,299
3	Public Drop-off Area Upgrades	2020	483,800	-		483,800	442,279	24,913	16,608	12,622	3,986
	<b>Studies</b>			-							
4	Master Plan	2020	100,000	-		100,000	25,000		75,000	57,000	18,000
5	Master Plan update	2025	50,000	-		50,000	12,500		37,500	28,500	9,000
				-							
	<b>Total</b>		<b>1,633,800</b>	<b>-</b>	<b>249,000</b>	<b>1,384,800</b>	<b>1,166,326</b>	<b>24,913</b>	<b>193,561</b>	<b>147,106</b>	<b>46,455</b>

**Table 3-5**  
**Infrastructure Costs Covered in the D.C. Calculation – Waste Diversion Services – Collection**

Prj .No	Increased Service Needs Attributable to Anticipated Development	Timig (yea)	Gross Capital Cost Estimate (2020\$)	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
	2020-2029								76%	24%
1	Waste Diversion Contract Expansion	2020-2029	362,755	-	362,755			362,755	275,694	87,061
	<b>Total</b>		<b>362,755</b>	<b>-</b>	<b>362,755</b>			<b>362,755</b>	<b>275,694</b>	<b>87,061</b>



**Table 3-6  
Infrastructure Costs Covered in the D.C. Calculation – Growth-Related Studies (2020-2029)**

Prj.No	Increased Service Needs Attributable to Anticipated Development	Service to Which Project Relates	Timing (year)	Gross Capital Cost Estimate (2020\$)	Post Period Benefit	Other Deductions (to Recognize Benefit to Non-D.C. Services)	Net Capital Cost	Less:		Potential D.C. Recoverable Cost
								Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	
	<b>2020-2029</b>									
1	Development Charge Background Study									
1a	Development Charge Background Study	Roads and Related	2020	31,820			31,820	-		31,820
1b	Development Charge Background Study	Provincial Offences Act	2020	-			-	-		-
1c	Development Charge Background Study	Paramedic Services	2020	1,260			1,260	-		1,260
1d	Development Charge Background Study	Homes for Aged	2020	4,110			4,110	-		4,110
1e	Development Charge Background Study	Community Housing	2020	6,380			6,380	-		6,380
1f	Development Charge Background Study	Waste Diversion Services - Facilities	2020	500			500	-		500
1g	Development Charge Background Study	Waste Diversion Services - Curbside Collection	2020	930			930	-		930
	<b>Subtotal - Development Charge Background Study</b>			<b>45,000</b>	-	-	<b>45,000</b>	-	-	<b>45,000</b>
2	Development Charge Background Study									
2a	Development Charge Background Study	Roads and Related	2025	31,820			31,820	-		31,820
2b	Development Charge Background Study	Provincial Offences Act	2025	-			-	-		-
2c	Development Charge Background Study	Paramedic Services	2025	1,260			1,260	-		1,260
2d	Development Charge Background Study	Homes for Aged	2025	4,110			4,110	-		4,110
2e	Development Charge Background Study	Community Housing	2025	6,380			6,380	-		6,380
2f	Development Charge Background Study	Waste Diversion Services - Facilities	2025	500			500	-		500
2g	Development Charge Background Study	Waste Diversion Services - Curbside Collection	2025	930			930	-		930
	<b>Subtotal - Development Charge Background Study</b>			<b>45,000</b>	-	-	<b>45,000</b>	-	-	<b>45,000</b>
3	GO Expansion Feasibility Study									
3a	GO Expansion Feasibility Study	Roads and Related	2020-2029	35,350		303	35,047	32,316		2,730
3b	GO Expansion Feasibility Study	Provincial Offences Act	2020-2029	-		-	-	-		-
3c	GO Expansion Feasibility Study	Paramedic Services	2020-2029	1,410		12	1,398	1,289		109
3d	GO Expansion Feasibility Study	Homes for Aged	2020-2029	4,570		39	4,531	4,178		353
3e	GO Expansion Feasibility Study	Community Housing	2020-2029	7,090		61	7,029	6,482		548
3f	GO Expansion Feasibility Study	Waste Diversion Services - Facilities	2020-2029	550		5	545	503		42
3g	GO Expansion Feasibility Study	Waste Diversion Services - Curbside Collection	2020-2029	1,030		9	1,021	942		80
	<b>Subtotal - GO Expansion Feasibility Study</b>			<b>50,000</b>	-	<b>429</b>	<b>49,571</b>	<b>45,709</b>	-	<b>3,862</b>
4	Official Plan Update									
4a	Official Plan Update	Roads and Related	2022	148,489		7,424	141,065	74,245		66,820
4b	Official Plan Update	Provincial Offences Act	2022	-		-	-	-		-
4c	Official Plan Update	Paramedic Services	2022	5,903		295	5,608	2,952		2,656
4d	Official Plan Update	Homes for Aged	2022	19,176		959	18,217	9,588		8,629
4e	Official Plan Update	Community Housing	2022	29,778		1,489	28,289	14,889		13,400
4f	Official Plan Update	Waste Diversion Services - Facilities	2022	2,315		116	2,199	1,158		1,042
4g	Official Plan Update	Waste Diversion Services - Curbside Collection	2022	4,339		217	4,122	2,170		1,953
	<b>Subtotal - Official Plan Update</b>			<b>210,000</b>	-	<b>10,500</b>	<b>199,500</b>	<b>105,000</b>	-	<b>94,500</b>





**Table 3-6 (Cont'd)**  
**Infrastructure Costs Covered in the D.C. Calculation – Growth-Related Studies (2020-2029)**

Prj.No	Increased Service Needs Attributable to Anticipated Development  2020-2029	Service to Which Project Relates	Timing (year)	Gross Capital Cost Estimate (2020\$)	Post Period Benefit	Other Deductions (to Recognize Benefit to Non-D.C. Services)	Net Capital Cost	Less:		Potential D.C. Recoverable Cost
								Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	
5	GIS/Asset Management									
5a	GIS/Asset Management	Roads and Related	2020-2029	346,475		2,974	343,501	316,740		26,762
5b	GIS/Asset Management	Provincial Offences Act	2020-2029	-		-	-	-		-
5c	GIS/Asset Management	Paramedic Services	2020-2029	13,774		118	13,656	12,592		1,064
5d	GIS/Asset Management	Homes for Aged	2020-2029	44,743		384	44,359	40,903		3,456
5e	GIS/Asset Management	Community Housing	2020-2029	69,482		596	68,886	63,519		5,367
5f	GIS/Asset Management	Waste Diversion Services - Facilities	2020-2029	5,402		46	5,356	4,938		417
5g	GIS/Asset Management	Waste Diversion Services - Curbside Collection	2020-2029	10,124		87	10,037	9,255		782
	<b>Subtotal - GIS/Asset Management</b>			<b>490,000</b>	<b>-</b>	<b>4,205</b>	<b>485,795</b>	<b>447,947</b>	<b>-</b>	<b>37,848</b>
6	Development Charge Amendment Study									
6a	Development Charge Amendment Study	Roads and Related	2021	7,680			7,680	-		7,680
6b	Development Charge Amendment Study	Provincial Offences Act	2021	-			-	-		-
6c	Development Charge Amendment Study	Paramedic Services	2021	310			310	-		310
6d	Development Charge Amendment Study	Homes for Aged	2021	850			850	-		850
6e	Development Charge Amendment Study	Community Housing	2021	1,320			1,320	-		1,320
6f	Development Charge Amendment Study	Waste Diversion Services - Facilities	2021	120			120	-		120
6g	Development Charge Amendment Study	Waste Diversion Services - Curbside Collection	2021	220			220	-		220
	<b>Subtotal - Development Charge Amendment Study</b>			<b>10,500</b>	<b>-</b>	<b>-</b>	<b>10,500</b>	<b>-</b>	<b>-</b>	<b>10,500</b>
	<b>Total</b>			<b>850,500</b>	<b>-</b>	<b>15,134</b>	<b>835,366</b>	<b>598,656</b>	<b>-</b>	<b>236,710</b>



Table 3-7  
Infrastructure Costs Covered in the D.C. Calculation – Growth-Related Studies Class of Service (2020-2031)

Service	2020-2029	2020-2031	Total	Residential Share	Non-Residential Share
Roads and Related	67,632	16,763	84,396	41,985	42,411
Provincial Offences Act	-	-	-	-	-
Paramedic Services	6,659	-	6,659	5,061	1,598
Homes for Aged	21,508	-	21,508	16,346	5,162
Community Housing	33,395	-	33,395	33,395	-
Waste Diversion Services - Facilities	2,621	-	2,621	1,992	629
Waste Diversion Services - Curbside Collection	4,894	-	4,894	3,720	1,175
<b>Total</b>	<b>36,710</b>	<b>16,763</b>	<b>53,473</b>	<b>202,498</b>	<b>50,975</b>



## 3.7 Summary

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Table 3-8 summarizes the total change in D.C. eligible costs for all services and classes of service in comparison to the 2020 D.C. Background Study. In aggregate, D.C. eligible capital costs of \$1.2 million have been added to the calculation of the charge.

Table 3-8  
Northumberland County  
D.C.-eligible Cost Comparison

Service/Class	2020 D.C. Study	By-law Amendment	Change (\$)	Change (%)
Roads and Related	12,414,352	12,414,352	-	0%
Paramedic Services	444,164	493,515	49,352	11%
Homes for Aged	1,416,430	1,603,168	186,739	13%
Community Housing	1,561,672	2,489,589	927,917	59%
Waste Diversion Services - Facilities	174,205	193,561	19,356	11%
Waste Diversion Services - Curbside Collection	326,479	362,755	36,275	11%
Growth-Related Studies	217,210	253,473	36,263	17%
<b>Total</b>	<b>16,554,511</b>	<b>17,810,413</b>	<b>1,255,902</b>	<b>8%</b>



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

Based on the proposed amendments to the D.C. eligible costs included in the 2020 D.C. Background Study detailed in Chapter 3, Tables 4-1, 4-2, and 4-3 present the revised D.C. calculation for municipal-wide services over the 12-year planning period (2020-2031), the municipal-wide services over the 10-year planning period (2020-2029) and the area-specific services over the 10-year planning horizon (2020-2029), respectively.

The D.C. calculation has been undertaken on an average cost basis, whereby the calculated charge seeks to recover the total costs from the anticipated development over the planning period. The total D.C.-eligible costs in Tables 4-1 through 4-3 includes the attribution of growth-related studies by service area identified in Table 3-7. For the residential calculations, charges are calculated on a single detached unit equivalent basis and converted to five forms of housing types (single and semi-detached, apartments 2+ bedrooms, apartment's bachelor and 1 bedroom, other multiples and special care/special dwelling units). The non-residential D.C. has been calculated uniformly on a per sq.ft. of G.F.A. basis.

Table 4-1  
Municipal-Wide Services D.C. Calculation  
2020-2031

SERVICE/CLASS	2020\$ D.C.-Eligible Cost		2020\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
1. Roads and Related	\$ 9,559,051	\$ 2,855,301	\$ 2,131	\$ 1.17
<b>TOTAL</b>	<b>\$9,559,051</b>	<b>\$2,855,301</b>	<b>\$2,131</b>	<b>\$1.17</b>
Growth-Related Studies	\$141,985	\$42,411		
D.C.-Eligible Capital Cost	\$9,701,036	\$2,897,712		
11-Year Gross Population/GFA Growth (sq.ft.)	11,787	2,470,200		
<b>Cost Per Capita/Non-Residential GFA (sq.ft.)</b>	<b>\$823.03</b>	<b>\$1.17</b>		
<b>By Residential Unit Type</b>	<b>P.P.U.</b>			
Single and Semi-Detached Dwelling	2.589	\$2,131		
Apartments - 2 Bedrooms +	1.718	\$1,414		
Apartments - Bachelor and 1 Bedroom	1.308	\$1,077		
Other Multiples	2.022	\$1,664		
Special Care/Special Dwelling Units	1.100	\$905		



Table 4-2  
Municipal-Wide Services D.C. Calculation  
2020-2029

SERVICE/CLASS	2020\$ D.C.-Eligible Cost		2020\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
2. Homes for Aged	1,218,408	384,760	313	0.18
3. Provincial Offences Act	-	-	-	-
4. Paramedic Services	375,071	118,444	96	0.06
5. Community Housing	2,489,589	-	640	-
6. Waste Diversion Services - Facilities	147,106	46,455	38	0.02
<b>TOTAL</b>	<b>\$4,230,174</b>	<b>\$549,659</b>	<b>\$1,087</b>	<b>\$0.26</b>
Growth-Related Studies	\$56,794	\$7,389		
D.C.-Eligible Capital Cost	\$4,286,969	\$557,048		
10-Year Gross Population/GFA Growth (sq.ft.)	10,198	2,159,500		
<b>Cost Per Capita/Non-Residential GFA (sq.ft.)</b>	<b>\$420.37</b>	<b>\$0.26</b>		
<b>By Residential Unit Type</b>	<b>P.P.U.</b>			
Single and Semi-Detached Dwelling	2.589	\$1,088		
Apartments - 2 Bedrooms +	1.718	\$722		
Apartments - Bachelor and 1 Bedroom	1.308	\$550		
Other Multiples	2.022	\$850		
Special Care/Special Dwelling Units	1.100	\$462		

Table 4-3  
Area-Specific (Excluding Port Hope Rural Ward 2) Services D.C. Calculation  
2020-2029

SERVICE/CLASS	2020\$ D.C.-Eligible Cost		2020\$ D.C.-Eligible Cost	
	Residential	Non-Residential	S.D.U.	per sq.ft.
7. Waste Diversion Services - Curbside Collection	\$ 275,694	\$ 87,061	71	0.04
<b>TOTAL</b>	<b>\$275,694</b>	<b>\$87,061</b>	<b>\$71</b>	<b>\$0.04</b>
Growth-Related Studies	\$3,720	\$1,175		
D.C.-Eligible Capital Cost	\$279,413	\$88,236		
10-Year Gross Population/GFA Growth (sq.ft.)	10,030	2,013,000		
<b>Cost Per Capita/Non-Residential GFA (sq.ft.)</b>	<b>\$27.86</b>	<b>\$0.04</b>		
<b>By Residential Unit Type</b>	<b>P.P.U.</b>			
Single and Semi-Detached Dwelling	2.589	\$1,088		
Apartments - 2 Bedrooms +	1.718	\$722		
Apartments - Bachelor and 1 Bedroom	1.308	\$550		
Other Multiples	2.022	\$850		
Special Care/Special Dwelling Units	1.100	\$462		

Table 4-4 presents the revised calculated schedule of charges, denominated in 2020\$ consistent with the 2020 D.C. Background Study. In the schedule of charges, the charges for the Growth-Related Studies class of service are presented separately for the municipal-wide and area-specific services.



Table 4-4  
Schedule of Calculated D.C.s (2020\$)

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)
<b>Municipal Wide Services:</b>						
Roads and Related	2,131	1,414	1,077	1,664	905	1.17
Growth-Related Studies	-	-	-	-	-	-
Homes for Aged	313	208	158	244	133	0.18
Provincial Offences Act	-	-	-	-	-	-
Paramedic Services	96	64	49	75	41	0.06
Community Housing	640	425	323	500	272	-
Waste Diversion Services - Facilities	38	25	19	30	16	0.02
<b>Total Municipal Wide Services</b>	<b>3,218</b>	<b>2,136</b>	<b>1,626</b>	<b>2,513</b>	<b>1,367</b>	<b>1.43</b>
<b>Area-Specific Services</b>						
<b>Excluding Port Hope Rural Ward II</b>						
Waste Diversion Services - Curbside Collection	71	47	36	55	30	0.04
Growth-Related Studies	-	-	-	-	-	-
<b>Total Area-Specific Services</b>	<b>71</b>	<b>47</b>	<b>36</b>	<b>55</b>	<b>30</b>	<b>0.04</b>
<b>Grand Total - Port Hope Rural Ward II</b>	<b>3,218</b>	<b>2,136</b>	<b>1,626</b>	<b>2,513</b>	<b>1,367</b>	<b>1.43</b>
<b>Grand Total - Outside of Port Hope Rural Ward II</b>	<b>3,289</b>	<b>2,183</b>	<b>1,662</b>	<b>2,568</b>	<b>1,397</b>	<b>1.47</b>

A comparison of the amended charges with the County's current D.C.s are provided in Table 4-5 for residential (single detached dwelling units) development and Table 4-6 for non-residential development. In total, D.C.s for single detached dwelling units would increase by \$295 per unit (+9.9%) outside of Port Hope Rural Ward II and \$287 per unit (+9.8%) within Port Hop Rural Ward II. The non-residential charge per sq.ft. of G.F.A. would increase by \$0.02 (+1.4%) in all areas of the County.



Table 4-5  
Northumberland County  
Comparison of Current and Calculated Residential (Single Detached) D.C.s

Service/Class	Current	Calculated
<b>Municipal Wide Services/Classes of Services:</b>		
Roads and Related	2,100	2,100
Growth-Related Studies	42	45
Homes for Aged	273	309
Provincial Offences Act	-	-
Paramedic Services	86	95
Community Housing	396	632
Waste Diversion Services - Facilities	34	37
<b>Total Municipal Wide Services/Classes of Services</b>	<b>2,931</b>	<b>3,218</b>
<b>Area-Specific Services/Classes of Services: Excluding Port Hope Rural Ward II</b>		
Waste Diversion Services - Curbside Collection	63	70
Growth-Related Studies	-	1
<b>Total Area-Specific Services/Classes of Services</b>	<b>63</b>	<b>71</b>
<b>Grand Total - Port Hope Rural Ward II</b>	<b>2,931</b>	<b>3,218</b>
<b>Grand Total - Outside of Port Hope Rural Ward II</b>	<b>2,994</b>	<b>3,289</b>

Table 4-6  
Northumberland County  
Comparison of Current and Calculated Non-Residential D.C.s

Service/Class	Current	Calculated
<b>Municipal Wide Services/Classes of Services:</b>		
Roads and Related	1.16	1.16
Growth-Related Studies	0.02	0.03
Homes for Aged	0.16	0.17
Provincial Offences Act	-	-
Paramedic Services	0.05	0.05
Community Housing	-	-
Waste Diversion Services - Facilities	0.02	0.02
<b>Total Municipal Wide Services/Classes of Services</b>	<b>1.41</b>	<b>1.43</b>
<b>Area-Specific Services/Classes of Services: Excluding Port Hope Rural Ward II</b>		
Waste Diversion Services - Curbside Collection	0.04	0.04
Growth-Related Studies	-	-
<b>Total Area-Specific Services/Classes of Services</b>	<b>0.04</b>	<b>0.04</b>
<b>Grand Total - Port Hope Rural Ward II</b>	<b>1.41</b>	<b>1.43</b>
<b>Grand Total - Outside of Port Hope Rural Ward II</b>	<b>1.45</b>	<b>1.47</b>



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

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

Other than those policy revisions identified in Sections 5.1, 5.2 and 5.3, all other rules and polices contained within By-law 2020-36 remain unchanged. Notwithstanding the forgoing, the proposed amending D.C. by-law includes minor housekeeping edits.

### 5.1 D.C. Calculation and Collection Policies

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

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

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

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





The D.C.A. also provides that municipalities may charge interest on the installment payments, and charges calculated where the planning application is received in specific circumstances outlined above. The current interest charged on installment payments and charges calculated when the planning application is defined in the County's by-law as the prime rate less 0.85%. This definition is to be altered to include a clause that precludes the interest rate being less than 0%.

In addition to this clarification, a clause pertaining to the charge payable, including interest, shall be added to the by-law to ensure that the charge payable, including interest, shall not be greater than the charge that would otherwise be payable at the time of building permit issuance in relation to developments proceeding through Site Plan or Zoning By-law Amendment applications.

## 5.2 Statutory Exemptions

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

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

To provide additional clarity in interpreting the application of the exemptions under S.2(3)(b) of the D.C.A. it is proposed that an "existing residential building" is defined as:

- A residential building/dwelling, containing at least one dwelling unit, that existed on a parcel of land as of October 1, 2020 and which was not exempt from the payment of development charges pursuant to Section 2(3)(b) of the Act; or
- The first residential building/dwelling, containing at least one dwelling unit, constructed on a vacant parcel of land after October 1, 2020, and for which development charges were paid.



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

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

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

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



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

Item	Name of Class of Proposed New Residential Buildings	Description of Class of Proposed New Residential Buildings	Restrictions
1	Proposed new detached dwellings	Proposed new residential buildings that would not be attached to other buildings and that are permitted to contain a second dwelling unit, that being either of the two dwelling units, if the units have the same gross floor area, or the smaller of the dwelling units.	<p>The proposed new detached dwelling must only contain two dwelling units.</p> <p>The proposed new detached dwelling must be located on a parcel of land on which no other detached dwelling, semi-detached dwelling or row dwelling would be located.</p>
2	Proposed new semi-detached dwellings or row dwellings	Proposed new residential buildings that would have one or two vertical walls, but no other parts, attached to other buildings and that are permitted to contain a second dwelling unit, that being either of the two dwelling units, if the units have the same gross floor area, or the smaller of the dwelling units.	<p>The proposed new semi-detached dwelling or row dwelling must only contain two dwelling units.</p> <p>The proposed new semi-detached dwelling or row dwelling must be located on a parcel of land on which no other detached dwelling, semi-detached dwelling or row dwelling would be located.</p>
3	Proposed new residential buildings that would be ancillary to a proposed new detached dwelling, semi-detached dwelling or row dwelling	Proposed new residential buildings that would be ancillary to a proposed new detached dwelling, semi-detached dwelling or row dwelling and that are permitted to contain a single dwelling unit.	<p>The proposed new detached dwelling, semi-detached dwelling or row dwelling, to which the proposed new residential building would be ancillary, must only contain one dwelling unit.</p> <p>The gross floor area of the dwelling unit in the proposed new residential building must be equal to or less than the gross floor area of the detached dwelling, semi-detached dwelling or row dwelling to which the proposed new residential building is ancillary.</p>

Bill 213, An Act to Reduce Burdens on People and Businesses by Enacting, Amending and Repealing Various Acts and Revoking a Regulation received Royal Assent on



December 8, 2020. This Bill amended the *Ministry of Training, Colleges and Universities Act* to provide an exemption from the payment of D.C.s for universities. Specifically, the Act states:

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

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

In addition to these legislated changes, the exemption relating to municipal housing project facilities (exempt under By-law 2019-20) will be redefined as deferrals for which an agreement with the County must be entered into.

### **5.3 Redevelopment Credits**

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The County's policy regarding redevelopment credits is summarized in section 1.2.3 of this report. To provide additional clarity in interpreting the current policy, the by-law will be amended to reflect the following in relation to the calculation of the credit applied to an existing residential or mixed-use building:

“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 has been or will be demolished or converted to another principal use”



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

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

**The A.M.P. shall,**

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

The A.M.P. analysis included in the 2020 D.C. Background Study, which found that the capital plan was deemed to be financially sustainable, has been updated to account for the capital cost revisions described herein.

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

- \$8.5 million in total annualized expenditures; and
- Incremental operating revenues of \$7.3 million and existing operating revenues of \$114.3 million, totaling \$121.6 million by the end of the period.

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



Table 6-1  
Northumberland County  
Asset Management – Future Expenditures and Associated Revenues (2020\$)

Description	2031 (Total)
<b>Expenditures (Annualized)</b>	
Annual Debt Payment on Non-Growth Related Capital	4,804,192
Annual Debt Payment on Post Period Capital <sup>1</sup>	1,803,824
<b>Lifecycle:</b>	
Annual Lifecycle - County-Wide Services	561,898
<b>Sub-Total - Annual Lifecycle</b>	<b>561,898</b>
<b>Incremental Operating Costs (for D.C. Services)</b>	<b>1,280,824</b>
<b>Total Expenditures</b>	<b>8,450,738</b>
<b>Revenue (Annualized)</b>	
Total Existing Revenue <sup>2</sup>	14,306,845
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)	7,335,101
<b>Total Revenues</b>	<b>121,641,946</b>

<sup>1</sup> Interim Debt Financing for Post Period Benefit

<sup>2</sup> As per Sch. 10 of FIR

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

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



Table 6-2  
Northumberland County  
Operating and Capital Expenditure Impacts for Future Capital Expenditures

SERVICE/CLASS	ANNUAL LIFECYCLE EXPENDITURES	ANNUAL OPERATING EXPENDITURES	TOTAL ANNUAL EXPENDITURES
Roads and Related	420,876	39,014	459,890
Growth-Related Studies	-	-	-
Homes for Aged	36,426	39,724	76,149
Provincial Offences Act	-	-	-
Paramedic Services	49,521	1,178,208	1,227,729
Community Housing	52,615	17,549	70,164
Waste Diversion Services - Facilities	2,460	6,329	8,789
Waste Diversion Services - Curbside Collection	-	-	-
<b>TOTAL</b>	<b>561,898</b>	<b>1,280,824</b>	<b>1,842,722</b>



## 7. Process for Adoption of the Amending Development Charges By-law

If approved, the changes provided herein will form part of the 2020 D.C. Background Study, as amended. Appendix A to this D.C. Update Study includes the draft Amending D.C. By-law being presented for Council's consideration. The D.C. Update Study and draft Amending D.C. By-law will be presented to the public at a public meeting of Council to solicit public input on the proposed D.C. by-law.

It is anticipated that Council will consider for adoption the proposed amending by-law at a subsequent meeting of Council, witnessing the 60-day period between the release of the D.C. Background Study and the passage of the D.C. By-law. It is proposed that the Amending D.C. By-law will come into effect on the date of passage.

If Council is satisfied with the proposed changes to the D.C. Background Study and D.C. By-Law, it is recommended that Council:

“Approve the Development Charges Update Study dated June 22, 2021, subject to further annual review during the capital budget process;”

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

“Approve the Amending Development Charge By-law as set out herein.”





# Appendix A

## Draft Amending D.C. By-law

If you require this information in an alternate format, please contact the Accessibility Coordinator at [accessibility@northumberlandcounty.ca](mailto:accessibility@northumberlandcounty.ca) or 1-800-354-7050 ext 2327.



## By-law 2021-XX

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### By-law to Amend Development Charges By-law 2020-36 for the County of Northumberland

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**Whereas** the County of Northumberland will experience growth through development and re-development of lands within the County;

**And Whereas** development and re-development requires the provision of physical and social services by the County Northumberland;

**And Whereas** Council desires to ensure that the capital cost of meeting growth-related demands does not place an excessive financial burden on the County of Northumberland 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 services;

**And Whereas** the Development Charges Act, 1997 (the "Act") provides that the Council of a County may by by-law impose development charges against land to pay for increased capital costs required because of increased needs for services;

**And Whereas** Section 19 of the Development Charges Act, 1997, S.O. 1997, c27 (the "Act") provides for amendments to be made to development charges by-laws;

**And Whereas** the Council of the Corporation of the County of Northumberland (hereinafter called "the Council") has determined that certain amendments should be made to the Development Charge By-law of the Corporation of the County of Northumberland, being By-law 2020-36;

**And Whereas**, in accordance with the Act, a development charges background study has been completed in respect of the proposed amendment;

**And Whereas** the Council of The Corporation of the County of Northumberland has given notice of and held a public meeting on the 6<sup>th</sup> day of July 2021 in accordance with the Act and the regulations thereto;

**Now Therefore Be It Enacted** as a By-law of the Corporation of the County of Northumberland as follows:

**1. By-law 2020-36 is hereby amended as follows”**

1.1 The definition of “interest” as set out in Section 1 is deleted and replace with the following:

“interest” means the County’ short-term borrowing rate with their financial institutions, calculated as the prime rate less 0.85%. Notwithstanding the foregoing, the interest rate shall not be less than 0%;

1.2 Section 2.1 is deleted and replaced with the following:

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

- a) Paramedic Services
- b) Homes for the Ages Services
- c) Community Housing Services
- d) Waste Diversion Services – Facilities
- e) Waste Diversion Services – Curbside Collection
- f) Roads and Related Services

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

- a) Growth-Related Studies

1.3 Section 3.1 is deleted and replaced with the following:

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

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

1.4 Section 3.3 is deleted and replaced with the following:

Notwithstanding clause 3.2 above, this by-law shall not apply to lands that are owned by and used for the purposes of:

- a) the County of Northumberland or a local board thereof;
- b) a board of education;
- c) the Corporation of a local Municipality within the County of Northumberland or a local board thereof; or
- d) Land vested in or leased to a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education if the development is intended to be occupied and used by the university

1.5 Section 3.5 is deleted and replaced with the following:

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

- a) an enlargement to an existing dwelling unit;
- b) the creation of a maximum of two additional dwelling units in an existing single detached dwelling or structure ancillary to such dwelling. The total gross floor area of the additional dwelling unit or units must be less than or equal to the gross floor area of the dwelling unit already in the existing residential building/dwelling
- c) the creation of additional dwelling units equal to the greater of one or 1% of the existing dwelling units in an existing residential rental building containing four or more dwelling units or within a structure ancillary to such residential building;
- d) the creation of one additional dwelling unit in any other existing residential building/dwelling or within a structure ancillary to such residential building/dwelling. The gross floor area of the additional dwelling unit must be less than or equal to the gross floor area of the smallest dwelling unit already in the existing residential building/dwelling;

- e) the creation of a second dwelling unit in a proposed new Single Detached, Semi-Detached or Row Townhouse dwelling or in a building ancillary to such dwelling, subject to the following restrictions:

Item	Name of Class of Proposed New Residential Buildings	Description of Class of Proposed New Residential Buildings	Restrictions
1	Proposed new detached dwellings	Proposed new residential buildings that would not be attached to other buildings and that are permitted to contain a second dwelling unit, that being either of the two dwelling units, if the units have the same gross floor area, or the smaller of the dwelling units.	<p>The proposed new detached dwelling must only contain two dwelling units.</p> <p>The proposed new detached dwelling must be located on a parcel of land on which no other detached dwelling, semi-detached dwelling or row dwelling would be located.</p>
2	Proposed new semi-detached dwellings or row dwellings	Proposed new residential buildings that would have one or two vertical walls, but no other parts, attached to other buildings and that are permitted to contain a second dwelling unit, that being either of the two dwelling units, if the units have the same gross floor area, or the smaller of the dwelling units.	<p>The proposed new semi-detached dwelling or row dwelling must only contain two dwelling units.</p> <p>The proposed new semi-detached dwelling or row dwelling must be located on a parcel of land on which no other detached dwelling, semi-detached dwelling or row dwelling would be located.</p>
3	Proposed new residential buildings that would be ancillary to a proposed new detached dwelling, semi-detached dwelling or row dwelling	Proposed new residential buildings that would be ancillary to a proposed new detached dwelling, semi-detached dwelling or row dwelling and that are permitted to contain a single dwelling unit.	<p>The proposed new detached dwelling, semi-detached dwelling or row dwelling, to which the proposed new residential building would be ancillary, must only contain one dwelling unit.</p> <p>The gross floor area of the dwelling unit in the proposed new residential building must be equal to or less than the gross floor area of the detached dwelling, semi-detached dwelling or row dwelling to which the proposed new residential building is ancillary.</p>

1.6 Section 3.6 is deleted and replaced with the following:

For the purposes of section 3.5 “existing residential building/dwelling”, means:

- a) A residential building/dwelling, containing at least one dwelling unit, that existed on a parcel of land as of October 1, 2020 and which was not exempt from the payment of development charges pursuant to Section 2(3)(b) of the Act; or
- b) The first residential building/dwelling, containing at least one dwelling unit, constructed on a vacant parcel of land after October 1, 2020 and for which development charges were paid.

1.7 Section 3.7 is deleted and replaced with the following:

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

1.8 Section 3.8.2 is deleted and replaced with the following:

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:

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

1.9 Section 3.10 paragraphs d) and e) are deleted

1.10 Section 3.13 is deleted and replaced with the following:

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 60 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:

- a) 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 has been or will be demolished or converted to another principal use; and
- b) 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.

1.11 Section 3.18 is deleted and replaced with the following:

Where the development of land results from the approval of a Site Plan or Zoning By-law Amendment received on or after January 1, 2020, and the approval of the application occurred within 2 years of building permit issuance, the Development Charges under Subsections 3.14, 3.15, 3.16 and 3.17 shall be calculated on the rates set out in Schedule "A" on the date of the planning application, including interest. Where both planning applications apply Development Charges under Subsections 3.14, 3.15, 3.16 and 3.17 shall be calculated on the rates, including interest, set out in Schedule "A" on the date of the later planning application, including interest. Notwithstanding foregoing, the charge including interest shall not be greater than the charge that would otherwise be payable under 3.14

1.12 The following is added to Section 3 of the by-law:

Development Charge Deferrals

3.20 The full or partial deferral of development charges for municipal housing project facilities may be granted through agreement

1.13 Section 7.2 is deleted and replaced with the following:

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 a), 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.

**That** By-law No. 2021-XX be introduced and be deemed to be read a first, second and third time and passed, signed and sealed this \_\_\_\_ day of \_\_\_\_\_, 2021.

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**Warden**

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**Clerk**



## SCHEDULE A

### SCHEDULE OF DEVELOPMENT CHARGES FOR THE COUNTY OF NORTHUMBERLAND

Service/Class	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)
<b>Municipal Wide Services/Classes:</b>						
Roads and Related	2,100	1,394	1,061	1,640	892	1.16
Growth-Related Studies	45	30	23	35	19	0.03
Homes for Aged	309	205	156	241	131	0.17
Provincial Offences Act	-	-	-	-	-	-
Paramedic Services	95	63	48	74	40	0.05
Community Housing	632	419	319	494	269	-
Waste Diversion Services - Facilities	37	25	19	29	16	0.02
<b>Total Municipal Wide Services</b>	<b>3,218</b>	<b>2,136</b>	<b>1,626</b>	<b>2,513</b>	<b>1,367</b>	<b>1.43</b>
<b>Area-Specific Services/Classes</b>						
<b>Excluding Port Hope Rural Ward II</b>						
Waste Diversion Services - Curbside Collection	70	46	35	55	30	0.04
Growth-Related Studies	1	1	1	1	-	-
<b>Total Area-Specific Services</b>	<b>71</b>	<b>47</b>	<b>36</b>	<b>56</b>	<b>30</b>	<b>0.04</b>
<b>Grand Total - Port Hope Rural Ward II</b>	<b>3,218</b>	<b>2,136</b>	<b>1,626</b>	<b>2,513</b>	<b>1,367</b>	<b>1.43</b>
<b>Grand Total - Outside of Port Hope Rural Ward II</b>	<b>3,289</b>	<b>2,183</b>	<b>1,662</b>	<b>2,569</b>	<b>1,397</b>	<b>1.47</b>