



# 2021 Development Charges Update

TOWN OF PLYMPTON-WYOMING

AUGUST 23, 2021

# Agenda

2

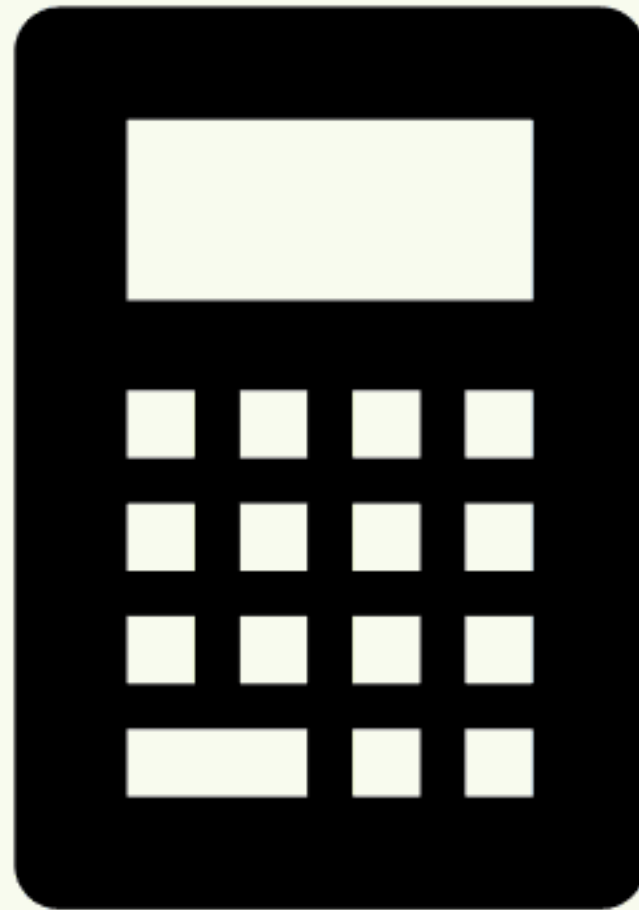
Overview of Development Charges (DCs)

Past DCs in Plympton-Wyoming

2021 DC Background Study and  
Calculated Charges

# What are Development Charges (DCs)?

3



- ▶ A tool available to allow municipalities to recover **capital costs** associated with infrastructure and services put in place that benefit growth. This includes:
  - ▶ New infrastructure and services that support growth; and
  - ▶ Pay down existing debt for past growth works or services;
- ▶ General idea is that 'growth pays for its share' so that the existing tax-payers are not bearing the cost of servicing growth
- ▶ **Development charges can not be collected for operating or maintenance costs.**

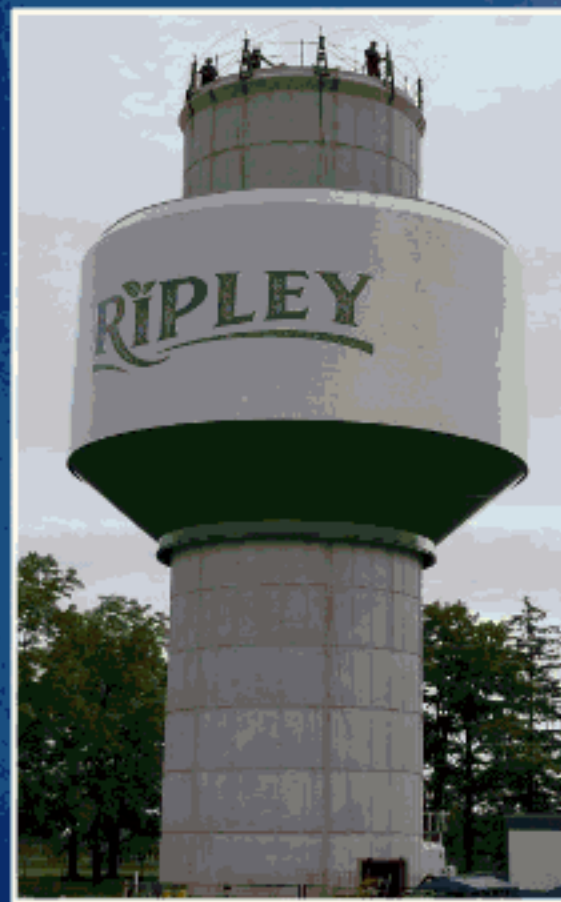
# Development Charges

- ▶ DCs are collected from **new** residential and non-residential development.
- ▶ DCs are calculated based on a capital works plan that sets out what projects are being paid for through DCs.
  - ▶ Lots of rules around DCs – especially how they are calculated, what can be collected for
  - ▶ Calculating DCs is a mix of accounting, planning and engineering
  - ▶ DC money must go towards DC projects.
- ▶ DCs are ultimately set by Council.

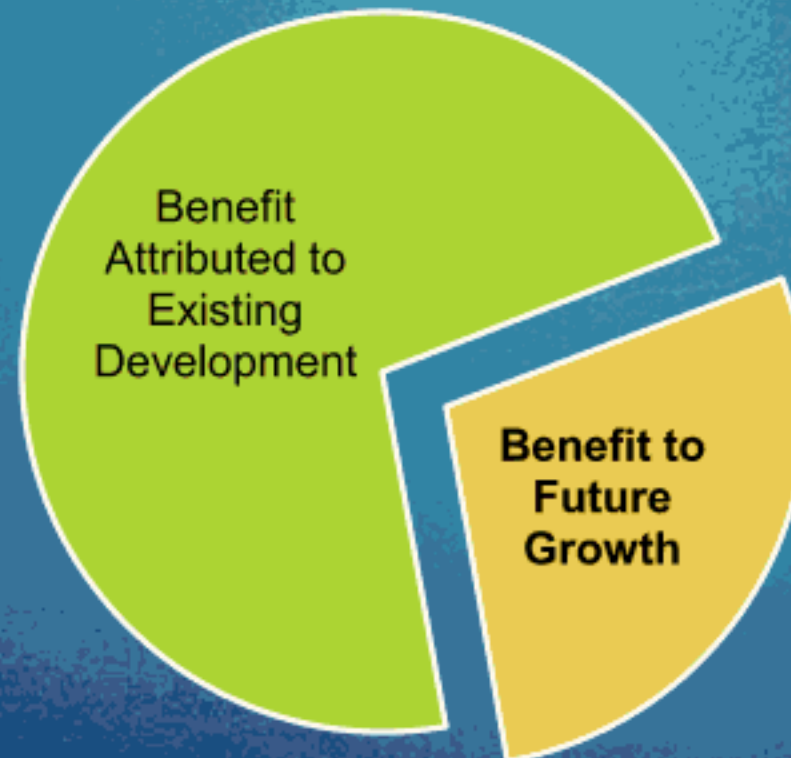
# Overview of DCs (continued)

5

- ▶ Overall, DCs are reflective of the projects being undertaken to service growth.
- ▶ Generally more growth projects = higher DCs
- ▶ DCs can only be collected for the portion of the project that benefits future growth



## Net Capital Costs



This is what can be collected for through DCs

# What types of projects are DC eligible?

- ▶ Water Supply (including treatment and distribution)
- ▶ Wastewater (sewers and treatment)
- ▶ Stormwater services
- ▶ Services related to a highway (transportation)
- ▶ Transit
- ▶ Waste diversion services
- ▶ Policing
- ▶ Fire Protection
- ▶ Ambulance services
- ▶ Library services
- ▶ Long-term care services
- ▶ Parks and Recreation services
- ▶ Public Health services
- ▶ Child care and early years programs and services
- ▶ Housing services
- ▶ By-law enforcement and municipally-administered court services
- ▶ Emergency preparedness services



**Only services listed in DC Act can be included in DCs**

# Development Charges in Plympton-Wyoming



Last iteration was 2016



Currently one DC service area for entire Town



Collect residential and non-residential DCs



Current By-law expires September 26, 2021.

# Process for Implementing a DC Bylaw

8

- ▶ Undertake a Background Study
  - ▶ Forecast of future growth
  - ▶ Review of projects (take out old projects, add new ones, review costs)
  - ▶ Calculation of DCs for each project
- ▶ Background Study must be available for review 60 days prior to passage of By-law
- ▶ Prepare draft By-law (available 2 weeks prior to Public Meeting)
- ▶ **Host Public Meeting to get feedback on proposed DC**
- ▶ Council passes DC By-law
- ▶ Issue Notice of Passage
- ▶ 40-day appeal period starts immediately after by-law passed.

# Current DCs - Residential

9

Service	Single Detached and Semi Detached Unit	Multiples	Apartments
Library Service	\$0	\$0	\$0
Fire Services	\$729	\$710	\$532
Parks and Recreation	\$647	\$630	\$472
Public Works – Buildings and Fleet	\$803	\$781	\$587
General Government	\$388	\$378	\$283
Roads and Related	\$6,560	\$6,386	\$4,789
<b>Total (per unit)</b>	<b>\$9,127</b>	<b>\$8,885</b>	<b>\$6,663</b>

# Non-Residential Charge

10

Sq. Ft	Development Charge (per sq. ft)
0 – 500 sqft	\$0
501 – 1,000 sqft	\$500
1,001 – 10,000 sqft	\$1,000
10,001 + sqft	\$2,000

- Council decided to charge non-residential DCs using a flat rate approach.
- Calculated charge was \$111.80 per sq meter (or \$10.39/sq. ft)

# Projects in 2016 Development Charges

11

## Fire Services

- Radio Equipment
- Pumper Replacement

## Parks and Recreation

- New Splashpad
- McKay Park Enhancements
- Camp Lamrecton Park Development
- Parks and Recreation Master Plan

## Public Works – Buildings and Fleet

- Public Works Facility Improvements
- New ¼ Ton Plow/Dump Truck
- Upgrade Maintenance Equipment

## General Government

- DC Study
- Official Plan Review
- Water Cap Study and Model Development
- Strategic Plan
- Zoning By-law Review and Update
- Wyoming Downtown CIP

# Projects in 2016 Development Charges (con't.)

12

Category	Project
Roads	Fleming Rd – Lakeshore to North (Reconstruction with paved shoulder)
Roads	Fleming Rd – Lakeshore to North (enclose ditch)
Roads	Queen St – Francis to Lakeshore (Reconstruction with paved shoulder)
Roads	Bonnie Doone Road Area Road Improvements
Roads	Camlachie Rd – London to Lakeshore, Reconstruction
Roads	Egremont Rd – Fleming to Oil Heritage, Reconstruction
Roads	O'Brien Road – Lakeshore to Egremont
Roads	Douglas Line – Oil Heritage and Forest Rd
Roads	Sidewalk Development
Roads	Downtown Wyoming Street Enhancements
Roads	Roads Needs Study Update
Roads	Transportation Master Plan

# Projects in 2021 Development Charges

13

Fire Services	Parks and Recreation	Public Works – Buildings and Fleet	General Government	Stormwater (Wyoming only)
<ul style="list-style-type: none"><li>• Pumper Replacement</li></ul>	<ul style="list-style-type: none"><li>• New Splashpad</li><li>• <b>Blue Point and Sunset Park Improvements</b></li><li>• <b>Errol Village Park Improvements</b></li><li>• <b>Washroom Improvements</b></li><li>• Parks and Recreation Master Plan</li></ul>	<ul style="list-style-type: none"><li>• Public Works Facility Improvements</li><li>• New ¼ Ton Plow/Dump Truck</li><li>• Upgrade Maintenance Equipment</li><li>• <b>Waste Transfer and Composting Facility Study</b></li></ul>	<ul style="list-style-type: none"><li>• DC Study</li><li>• Official Plan Review</li><li>• <b>Operations and Workflow Software Platform</b></li><li>• Strategic Plan</li><li>• Zoning Bylaw Update</li></ul>	<ul style="list-style-type: none"><li>• <b>Urban Wyoming Drainage Improvements</b></li></ul>

Note: bolded projects are new additions to the 2021 DCs

# Projects in 2021 Development Charges (con't.)

14

Category	Project	Note
Roads	Fleming Rd – Rear to Queen	Lakeshore to Rear completed – adjust cost estimate
Roads	Queen St. – Fleming to Lakeshore	Fancies to Fleming completed – adjust cost estimate
Roads	Bonnie Doone Road Area Road Improvements	No change
Roads	Camlachie Rd – London to Lakeshore, Reconstruction	Cost estimate adjusted
Roads	Egremont Rd – Fleming to Oil Heritage, Reconstruction	Cost estimate adjusted
Roads	O'Brien Road – Lakeshore to Egremont	Cost estimate adjusted
Roads	Douglas Line – Oil Heritage to Hillsboro	Cost estimate adjusted
<b>Roads</b>	<b>Confederation Line – Broadway to Ketter</b>	New project
<b>Roads</b>	<b>London Line – Main to Confederation</b>	New project
<b>Roads</b>	<b>Confederation Line – Broadway to Centennial</b>	New project
Roads	Sidewalk Development	Cost estimate adjusted
Roads	Roads Needs Study Update	Cost estimate adjusted
Roads	Transportation Master Plan	Cost estimate adjusted

# 2021 Development Charge Projects - Discussion

15

- ▶ Projects were reviewed with staff and against the amended DC Act.
- ▶ Some projects removed (projects either complete or paid for):
  - ▶ Fire – radio equipment
  - ▶ Parks and Recreation – McKay Park, Camp Lamrecton
  - ▶ General Government – Water cap study, Wyoming CIP
  - ▶ Roads – Fleming drainage, Downtown Wyoming enhancements,
- ▶ New projects added
- ▶ Cost estimates revised
- ▶ Inclusion of Urban Wyoming Drainage Improvements will result in a Wyoming specific development charge.

# 2021 Calculated Residential Development Charges (per capita)

16

Service Category	Municipal Wide	Wyoming
Fire	\$165.16	\$165.16
Parks and Recreation	\$250.68	\$250.68
Public Works – Fleet and Facilities	\$530.52	\$530.52
Administration	\$129.74	\$129.74
Roads	\$2,891.54	\$2,891.54
Stormwater	-	\$585.06
<b>Total (per capita)</b>	<b>\$3,967.65</b>	<b>\$4,552.71</b>

# 2021 Calculated Residential Development Charges (per unit)

17

Service Category	Single & Semi Detached Unit	Multi-Units & Townhouses	Apartment
Fire	\$433	\$306	\$271
Parks and Recreation	\$657	\$464	\$411
Public Works – Fleet and Facilities	\$1,390	\$981	\$870
Administration	\$340	\$240	\$213
Roads	\$7,576	\$5,349	\$4,742
<b>Municipal Wide Total (per unit)</b>	<b>\$10,396</b>	<b>\$7,340</b>	<b>\$6,507</b>
Stormwater (Wyoming)	\$1,533	\$1,082	\$960
<b>Wyoming Total (per unit)</b>	<b>\$11,929</b>	<b>\$8,422</b>	<b>\$7,467</b>

# 2016 – 2021 Development Charge Changes

- ▶ Change in Municipal-wide development charges (for a single detached unit) is + \$1,269
- ▶ Change in Wyoming development charges (for a single detached unit) is: + \$2,802
- ▶ For a \$350,000 new home, the DCs would be 3% of the total costs (3.4% in Wyoming).
- ▶ Increase due to new projects and revised road reconstruction estimates

# 2021 Calculated Non-Residential Development Charges

19

Service Category	Non-Residential Charges (per sq.m)	Non-Residential Charges (per sq.ft)
Fire	\$0.07	\$0.01
Parks and Recreation	\$ -	\$-
Public Works – Fleet and Facilities	\$0.24	\$0.02
Administration	\$0.06	\$0.01
Roads	\$1.22	\$0.11
<b>Municipal Wide Total</b>	<b>\$1.59</b>	<b>\$0.15</b>
Stormwater	\$0.26	\$0.02
<b>Wyoming Total</b>	<b>\$1.85</b>	<b>\$0.17</b>

# Comparison to 2016 rates

20

Area in sq.ft	DC (2016)	DC 2021 (min)	DC 2021 (max)
0-500 sqft	\$0	\$0	\$73.83
501-1,000 sqft	\$500	\$73.99	\$147.50
1,001-10,000	\$1,000	\$147.66	\$1, 475.03
10,001+	\$2,000	\$1,476.62	-

Comparison based on 2021 calculated municipal-wide non-residential DC.

# DCs in Neighbouring Municipalities

- ▶ Remember – DCs are based on what growth related projects are being undertaken
- ▶ Not an apples to apples to comparison
- ▶ Generally, where you have large infrastructure projects, DCs will be higher



# DCs in Neighbouring Municipalities

22

Municipality/DC Area	DC for Single Detached Unit
Sarnia (Rural Area)	\$9,280
Sarnia (Urban Area)	\$14,374
Sarnia (Development Area 2)	\$30,723
Lambton Shores (Municipal-Wide)	\$6,056
Lambton Shores (Grand Bend, water + wastewater)	\$11,448
St. Clair	\$6,583
North Middlesex (Ailsa Craig, Nairn)	\$5,876
North Middlesex (Parkhill)	\$5,986
Strathroy Caradoc (Municipal-Wide)	\$3,448
Strathroy Caradoc (Strathroy)	\$19,478
Strathroy Caradoc (Mount Brydges)	\$13,828

# Draft 2021 Bylaw - Changes

- ▶ Addition of Wyoming service area
- ▶ Addition of exemptions for additional dwelling units in existing dwellings and ancillary dwellings (in accordance with the amended DC Act)
- ▶ Credit for existing units removed and redeveloped within 5 years of demolition permit (was previously 3 years)
- ▶ Addition of ability for rental and institutional developments to pay DCs in 6 annual installments, 21 installments for non-profit housing (in accordance with amended DC Act).
- ▶ DCs can be indexed annual, By-law now references inflation index (in accordance with DC Act)

## Considerations for the draft by- law.



Phasing and indexing



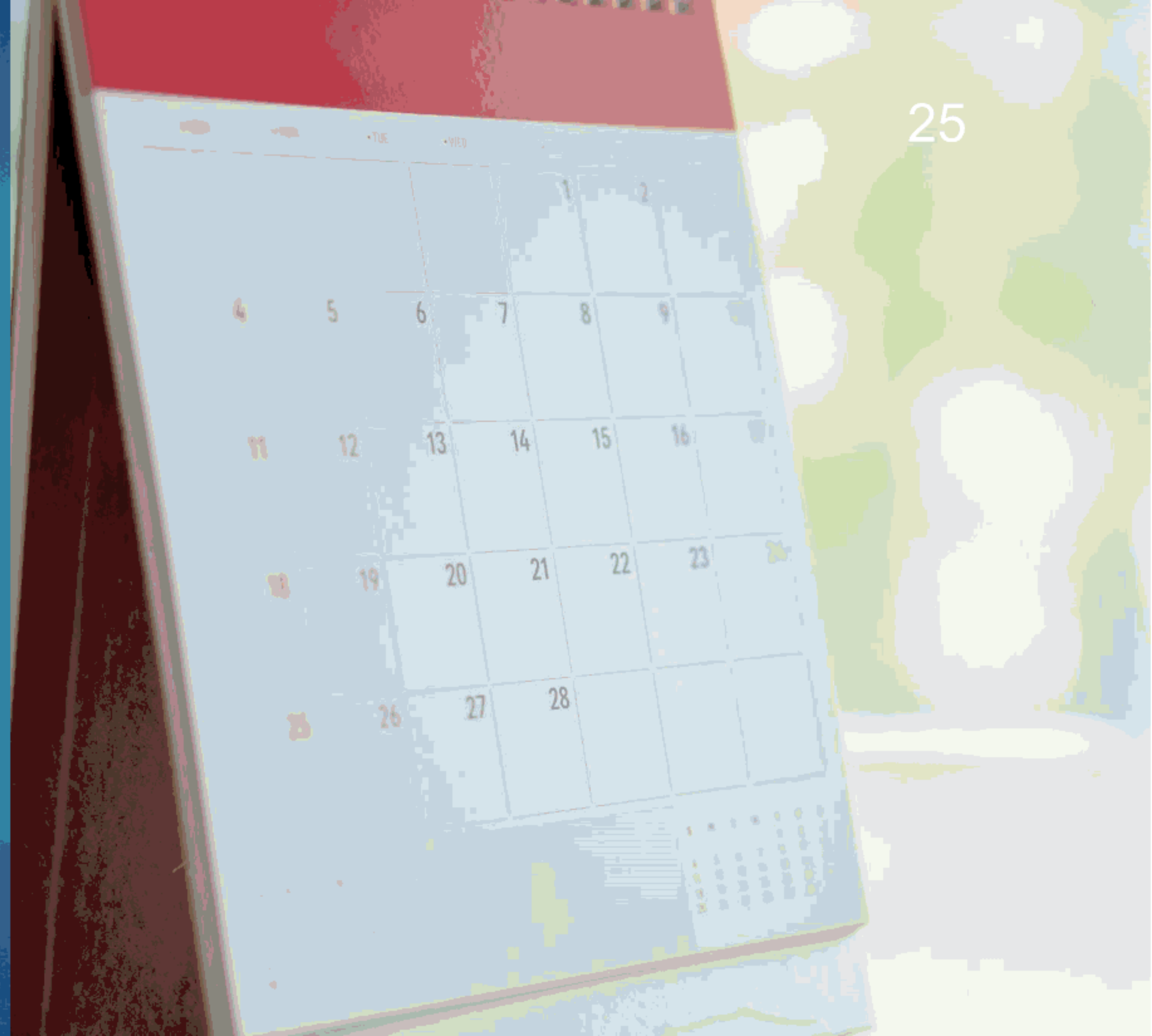
Exemptions



Discounts for certain types of  
development

# Next Steps

- ▶ Take feedback revise Background Report and Bylaw as needed
- ▶ Pass new By-law September 8
- ▶ Issue Notice of Passage



# Questions or Comments?

26

