



 Watson
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ECONOMISTS LTD.

Development Charge Background Study - Amendments

Town of Ajax

2018 Development Charge Background Study
Update

October 14, 2020

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List of Acronyms and Abbreviations

D.C.	Development Charges
D.C.A.	Development Charges Act
O.Reg.	Ontario Regulation
C.I.P.	Community Improvement Project
D.C.I.P.	Downtown Community Improvement Project
P.V.C.I.P.	Pickering Village Community Improvement Project



1. Introduction

1.1 Purpose of this Document

This background study has been prepared pursuant to the requirements of the *Development Charges Act 1997 (D.C.A.)* (s.10), to amend the Town of Ajax Development Charge (D.C.) by-law.

The Town retained Watson & Associates Economists Ltd. (Watson) to undertake the D.C. by-law amendment study process. The proposed amendments relate to the removal of the 10% deduction for soft services and changes to exemptions for the Community Improvement Project (C.I.P.) areas. 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. These amendments to the D.C.A. are discussed in greater detail subsequently.

This D.C. background study, containing the draft amended D.C. by-law, will be distributed to members of the public in order to provide interested parties with sufficient background information on the legislation, the study's recommendations, and an outline of the basis for these recommendations.

1.2 Changes to the Development Charges Act, 1997: More Homes, More Choice Act (Bill 108) the Plan to Build Ontario Together Act (Bill 138), and the COVID-19 Economic Recovery Act (Bill 197)

On May 2, 2019, the Province introduced Bill 108, 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. As of January 1, 2020, the following provisions had been proclaimed:



- Transitional provisions were in effect which have been subsequently replaced by updated provisions within Bill 197.
- Effective January 1, 2020, 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.
- Effective January 1, 2020, 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 after this section is proclaimed) shall be determined based on the D.C. charge in effect on the day of site plan or zoning by-law amendment 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 the earlier of the date of issuance of a building permit or occupancy.

In response to the global pandemic that began affecting Ontario in early 2020, the Province released Bill 197, the COVID-19 Economic Recovery Act, which provided amendments to a number of Acts, including the D.C.A. and *Planning Act*. This Bill also revised some of the proposed changes identified in Bill 108. Bill 197 was tabled on July 8, 2020 and received Royal Assent on July 21, 2020, however, the changes would not come into effect until proclaimed by the Lieutenant Governor. On September 18, 2020 the Province proclaimed the remaining amendments to the D.C.A. that were made through Bill 108 and Bill 197. The following provides a summary of the changes to the D.C.A. that are now in effect:

List of D.C. Eligible Services

- Under Bill 108 some services were to be included under the D.C.A. and some would be included under the Community Benefits Charge (C.B.C.) authority. However, Bill 197 revised this proposed change and has included all services (with some exceptions) under the D.C.A. These services are as follows:
 - 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 (but not 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.
- Additional services as prescribed

Classes of D.C. Services

The D.C.A. had allowed for categories of services to be grouped together into a minimum of two categories (90% and 100% services).

The Act (as proclaimed) repeals that provision and replaces the above with the four following subsections:

- 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.



10% Statutory Deduction

As well, the removal of 10% deduction for soft services under Bill 108 has been maintained.

Statutory Exemptions

Statutory exemptions to the payment of D.C.s for the creation of secondary residential dwelling units in prescribed classes of existing residential buildings or structures ancillary to existing residential buildings. Furthermore, the creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to 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 C.B.C. by-law under subsection 37 (2) of the *Planning Act*, or the specified date (i.e. September 18, 2022).

1.3 Summary of Proposed Amendments

Other than those changes identified within this section, all other exemption policies, as well as all other D.C. policies (i.e. rules) contained in By-law 50-2018, remain unchanged through this process.

1.3.1 D.C.A. Amendments

The analysis provided herein will address the proposed amendments to the Town's D.C. by-law (By-law 50-2018) as a result of recent amendments to the D.C.A. outlined in Section 1.2. In particular, the following Sections will address the analysis required for the revised D.C. calculation and collection policies, statutory exemptions, and removal of 10% deduction for 'soft' services.



1.3.2 Community Improvement Project Area Exemptions

Under the Town's current D.C. By-law, certain types of office, commercial and residential development located in the Downtown and Pickering Village C.I.P. Areas qualifies for either a full or partial exemption from the D.C.s otherwise payable.

At the direction of Council, it is proposed that the D.C. By-law be amended to remove the C.I.P. Area exemptions.

2. Summary of 2018 D.C. Background Study and By-Law 50-2018

2.1 2018 D.C. Background Study

The Town's D.C. Background Study, dated May 7, 2018 (as amended), was adopted by Council on July 9, 2018. The following summarizes the major components of the D.C. Background Study and By-law 50-2018.

2.1.1 Amount, Type and Location of 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 2018 D.C. Background Study (with supplemental tables in Appendix A) provides for the anticipated development for which the Town will be required to provide services, over a five-year (mid-2018 to mid-2023), ten-year (mid-2018 to mid-2028), and longer-term (mid-2018 to mid-2031) time horizons.

The growth forecast contained in the 2018 D.C. Background Study is summarized in Table 2-1

For the purposes of this D.C. Background Study the growth forecast as contained within the 2018 D.C. Background Study remains unchanged.



Table 2-1
Town of Ajax
2018 D.C. Background Study – Growth Forecast Summary

Time Horizon	Residential		Non-Residential	
	Net Population	Residential Units	Employment ¹	Sq.ft. of I GFA
Mid 2018	121,306	38,450	28,150	
Mid 2028	130,350	43,110	37,220	
Mid 2031	131,664	44,272	40,080	
Incremental Change				
10-year (2018-2028)	9,044	4,660	9,070	8,484,750
13-year (2018-2031)	10,358	5,822	11,930	11,153,500

¹ Excludes NFPOW and WAH

2.1.2 Calculation of the Development Charges

Chapters 4 through 6 of the 2018 D.C. Background Study address the requirements of the D.C.A. with respect to:

- the establishment of the increase in need for service which underpins the D.C. calculation;
- the basis for calculating D.C. eligible costs for the D.C.s to be applied on a uniform basis for municipal-wide services;
- the calculation of the D.C.s for residential development on a per capita basis, for implementation on four forms of housing types:
 - single and semi-detached;
 - apartments 2+ bedrooms;
 - bachelor and 1 bedroom apartments; and
 - other multiples; and
- the calculation of the D.C.s for non-residential development on a per square foot of gross floor area basis for commercial, industrial and institutional development.

Table 2-2 summarizes the calculation of the D.C. based on the eligible capital costs by service. These capital costs are utilized in Chapter 6 of the 2018 D.C. Background Study to derive the calculated schedule of D.C.s



**Table 2-2
Town of Ajax
Summary of the Determination of D.C. Eligible Capital Costs (2018\$)**

Increased Service Needs Attributable to Anticipated Development	Gross Capital Cost Estimate (2018\$)	Less:				D.C. Eligible Services		
		Post Period Benefit	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
Transportation Services	157,160,000	15,270,000	14,954,918	6,434,547	-	124,133,202	57,101,273	67,031,929
Fire Services	2,770,900	-	77,895	-	-	2,693,005	1,346,503	1,346,503
Parks and Recreation Services	86,546,300	45,353,350	7,593,440	-	2,582,851	19,188,122	18,228,716	959,406
Library Services	14,260,000	6,339,076	1,334,500	-	620,742	3,890,085	3,695,581	194,504
Administration Services	3,191,000	-	906,245	-	136,556	2,211,831	1,105,915	1,105,915
Total	263,928,200	66,962,426	24,866,998	6,434,547	3,340,149	152,116,244	81,477,987	70,638,257

Based on the determination of the D.C. eligible costs in Table 2-2, Table 2-3 summarizes the schedule of charges as contained in the 2018 D.C. Background Study.

**Table 2-3
Town of Ajax
Schedule of D.C.s (2018\$)**

Service	Residential				Non-Residential (per ft ² of Gross Floor Area)
	Single and Semi-Detached	Apartments - Two Bedrooms +	Apartments - Bachelor and 1 Bedrooms	Other Multiples	
Municipal Wide Service					
Transportation Services	16,402	7,890	4,959	12,952	6.01
Fire Services	474	228	143	374	0.16
Parks and Recreation Services	6,413	3,085	1,939	5,064	0.11
Library Services	1,300	625	393	1,027	0.02
Administrative Studies	389	187	118	307	0.13
Total Municipal Wide Services	24,978	12,015	7,552	19,724	6.43

Sections 3.6 and 3.7 summarize the changes in the D.C. eligible capital costs and schedule of charges as a result of this update study.

2.1.3 Long-Term Capital and Operating Costs and Asset Management Plan

Appendix C of the 2018 D.C. Background Study contains the assessment of the long-term capital and operating impacts of the D.C. eligible capital costs. This is a requirement of the D.C.A. under subsection 10(2)(c). The analysis isolates the incremental operating expenditures directly associated with the D.C. eligible capital costs, factors in cost saving attributable to economies of scale or cost sharing where applicable, and prorates 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 Town's 2016 Financial



Information Return. In addition, the lifecycle replacement costs of the incremental infrastructure have also been identified.

Table 2-4 summarizes the incremental annual operating costs associated with the D.C. eligible capital costs at the time that they are all in place. This table is extracted from Appendix C of the 2018 D.C. Background Study.

Table 2-4
Town of Ajax
Schedule of Annual Operating Expenditures

Service	Annual Lifecycle Expenditures	Annual Operating Expenditures	Total Annual Expenditures
1. Transportation Services	5,544,831	1,645,814	7,190,645
2. Fire Services	123,636	1,604,474	1,728,110
3. Parks and Recreation Services	2,717,876	1,743,137	4,461,013
4. Library Services	524,216	402,330	926,546
5. Administration Services	-	-	-
Total	8,910,559	5,395,755	14,306,314

Chapter 8 of the 2018 D.C. Background Study addresses the requirement of subsection 10(2)(c.2) of the D.C.A., that the background study must include an Asset Management Plan (A.M.P) related to new infrastructure.

Table 2-5 provides the annualized expenditures and revenues associated with new growth from the 2018 D.C. Background Study.



Table 2-5
Town of Ajax
Asset Management – Future Expenditures and Associated Revenues (2018\$)

	2031 (Total)
Expenditures (Annualized)	
Annual Debt Payment on Non-Growth Related Capital ¹	\$1,996,335
Annual Debt Payment on Post Period Capital ²	\$3,803,619
Lifecycle:	
Annual Lifecycle - Town Wide Services	\$8,910,559
Incremental Operating Costs (for D.C. Services)	\$5,395,755
Total Expenditures (Net of post period benefit interim funding)	\$16,302,650
Revenue (Annualized)	
Total Existing Revenue ³	\$107,398,018
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)	\$8,705,114
Total Revenues	\$116,103,132

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

² Interim Debt Financing for Post Period Benefit

³ As per Sch. 10 of FIR

Updates to the assessment of the long-term capital and operating impacts and A.M.P. are summarized in Section 3.8.

2.2 D.C. By-Law 50-2018

2.2.1 Schedule of D.C.s

The schedule of D.C.s as contained in Chapter 6 of the 2018 D.C. Background Study, and summarized in Table 2-2 above, were adopted by Council on July 9, 2018. Section 13 of By-law 50-2018 provides for the indexing of the D.C.s annually on July 1st, in accordance with the most recent twelve month change in the Statistics Canada Quarterly, "Construction Price Statistics".



2.2.2 'Rules' for the Imposition of the Development Charges

By-law 50-2018 includes the 'rules' for the imposition and administration of the D.C.s. The following summarizes these policies:

- The Town imposes a uniform municipal-wide D.C. calculation for all municipal services.
- D.C.s are imposed at the time of the first building permit issuance for all services in relation to a building or structure on land to which a D.C. applies.
- Exemptions from the payment of D.C.s are applicable for:
 - industrial building additions of up to and including 50% of the existing gross floor area (defined in O.Reg. 82/98, s.1) of the building; for industrial building additions which exceed 50% of the existing gross floor area, D.C.s shall be payable and collected in accordance with s.4(3) of the *Development Charges Act*;
 - buildings or structures owned by and used for the purposes of the Town, the Regional Municipality of Durham, or any board thereof, or Board of Education;
 - 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;
 - private schools as defined in the Education Act;
 - a place of worship classified as exempt from taxation under Section 3 of the Assessment Act;
 - hospitals under the Public Hospitals Act;
 - non-residential farm buildings;
 - parking structures;
 - development where, by comparison with the land at any time within five years previous to the imposition of the charge:
 - no Additional dwelling units are being created;
 - no additional non-residential gross floor area is being added.
 - full or partial exemptions for office, commercial and residential development, subject to the conditions outlined in Schedule "C" of By-law 50-2018 in the Downtown Community Improvement Project Area that is defined by Schedule "E" of By-law 50-2018;



- full or partial exemptions for residential/commercial or commercial/office development, subject to the conditions outlined in Schedule “D” of By-law 50-2018 in the Pickering Village Community Improvement Project Area that is defined by Schedule “E” of By-law 50-2018;
- one additional dwelling unit that is located within an existing accessory building or structure provided that:
 - there is no secondary dwelling unit in the existing residential building; and
 - the accessory building or structure must be located on a residential lot containing a single detached, semi-detached, or townhouse dwelling.
- Where a development involves the demolition of 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 development charge is payable; and/or
 - the gross floor area of the building demolished/converted multiplied by the current non-residential D.C. in place at the time the development charge is payable.
- The redevelopment 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 (5 years) 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.

3. Revisions to the 2018 D.C. Background Study

This section provides further explanation of the proposed amendments to the D.C. By-law identified in Section 1.3

3.1 Removal of the 10% Deduction

Prior to the recent amendments to the D.C.A., municipalities were required to apply a 10% deduction to these ‘soft’ services. The Town currently imposes D.C.s for the following ‘soft’ services for which the statutory 10% deduction was applied:



- Parks and Recreation Services;
- Library Services; and
- Administration Studies (10% deduction not applied to studies relating to transportation, fire, or stormwater services).

With the proclamation of the amendments to the D.C.A. contained in the COVID-19 Economic Recovery Act, this deduction is no longer required in the calculation of D.C.s.

3.2 Eligible D.C. Services and Classes of Service

S. 2(4) of the D.C.A. now defines the D.C.-eligible services that a municipality can include in a D.C. by-law. With the exception of administration studies, all services in By-law 50-2018 continue to be D.C. eligible.

With regard to growth-related studies included with the Administration Studies service in By-law 50-2018, section 7 of the D.C.A. states that a D.C. by-law may provide for any D.C. eligible service or the capital costs with respect to those services. Further, a class may be composed of any number or combination of services and may include parts or portions of each D.C. eligible services. With respect to growth-related studies, Section 7(3) of the D.C.A. states that:

“For greater certainty, a development charge by-law may provide for a class consisting of studies in respect of any service listed in subsection 2 (4) whose capital costs are described in paragraphs 5 and 6 of subsection 5 (3).”

These provisions allow for services (or components of services) to be grouped together to create a class for the purposes of the D.C. by-law and D.C. reserve funds. The D.C. calculations and draft amending by-law provided herein include a class for growth studies. This class is comprised of studies pertaining to the following D.C.-eligible services:

- Growth Studies
 - Transportation;
 - Fire Services;
 - Parks and Recreation Services;
 - Library Services; and
 - Stormwater Services.



The revised D.C. eligible costs by service based on the changes identified in Sections 3.1 and 3.2 are summarized in Section 3.6.

3.3 D.C. Calculation and Collection Policies

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:

- Effective January 1, 2020, 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 received and will be payable at building permit issuance.

- Effective January 1, 2020, 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 after this section is proclaimed) shall be determined based on the D.C. charge in effect on the day of site plan or zoning by-law amendment 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 the earlier of the date of issuance of a building permit or occupancy.

The D.C.A. also provides that municipalities may charge interest on the installment payments and charges calculated when the planning application is received. The Town will be charging interest as set out in the Town of Ajax Policy # COR-148.

3.4 Statutory Exemptions

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



- S.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 3-1)
 - S.2(2)(a) of O.Reg. 82/98 now prescribes structures ancillary to the prescribed classes of existing residential buildings

Table 3-1
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, subject to the prescribed restrictions set out in section 2(3) of O.Reg. 82/98 (see Table 3-2)



**Table 3-2
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>

3.5 Non-Statutory Exemptions

Subsections 3(3)(e) and 3(3)(f) of By-law 50-2018, provide for full and partial exemptions from payment of D.C.s for certain types of office, commercial and residential development within the Downtown and Pickering Village C.I.P. Areas.

The criteria for this exemption policy are outlined in Schedules “C”, “D”, “E” and “F” of By-law 50-2018. Schedule “C” and “D” establish the types of development for which full or partial exemptions would apply. Schedule “E” and “F” define the area to which the exemptions policies in Schedule “C” and “D” apply.

At the direction of Town Council, the draft amending by-law proposes to remove the aforementioned non-statutory exemptions to the payment of D.C.s.

3.6 Revised D.C. Eligible Capital Costs by Service/Class

The following subsections identify the changes to the D.C. eligible costs by service based on the removal of the 10% statutory deduction for soft services and changes to



D.C. eligible services described in Sections 3.1 and 3.2, respectively. No changes have been made for the D.C.-eligible costs for Transportation and Fire Services.

3.6.1 Growth Related Studies

The studies included in the Town's 2018 D.C. Background Study under the Administration-Studies Service, including both service specific studies and general growth-related studies, have been included in the D.C. calculation under the Growth-Related Studies class of services. The service specific studies include:

- Transportation Services:
 - 2021 and 2026, Integrated Transportation Master Plan
 - 2021 and 2026, Transportation Demand Management
- Fire Services:
 - 2019, Peer Review Fire Master Plan
 - 2020, Fire Master Plan
- Parks and Recreation Services:
 - 2019 and 2024, Recreation, Parks & Culture Master Plan
- Library Services:
 - 2022-2027, Library Master Plan
- Stormwater Services:
 - 2022 and 2027, Stormwater Capacity Study

For general growth-related studies, a deduction of 10% has been applied to recognize the extent to which the studies relate to non-D.C.-eligible services. All general growth-related studies have been allocated to the eligible services in the following manner:

- Transportation Services – 81.1%
- Fire Services – 1.8%
- Parks and Recreation Services – 14.2%
- Library Services – 2.9%
- Stormwater Services – 0.0%

The following provides a list of the general growth-related studies included in the Growth Related Studies class:

- Central Ajax Employment Area Intensification Study;



- Asset Management Plan and Software;
- Official Plan Review;
- Uptown Intensification Study;
- Harwood Avenue Midtown Improvement Study;
- North Pickering Village Study;
- Pickering Village (Lower Duffins) Special Policy Area Review;
- D.C. Background Studies (including costs for this D.C. By-law amendment process);
- Architectural Design Guidelines for Medium and High-Density Development;
- Comprehensive Zoning By-law Update; and
- Other Growth Studies

The gross capital cost of these studies is \$3.2 million of which \$906,000 is attributable to existing benefit. A deduction of \$81,600 has been made to recognize the portion of planning studies related to D.C.-ineligible services, as mentioned above. The existing reserve fund deficit of \$63,631 has been added resulting in a net D.C.-eligible cost of \$2.2 million to be included in the calculation of the charge.

The allocation of the net growth-related costs between residential and non-residential development is 58% residential and 42% non-residential based on the weighted average residential and non-residential allocations for each of the benefitting services.

3.6.2 Parks and Recreation

The 10-year capital needs for parks and recreation remain unchanged from the 2018 D.C. background study. This study serves to remove the statutory 10% deduction that is no longer required by the D.C.A.

In comparison the 2018 D.C. Background Study, the removal of the 10% statutory deduction adds \$2.6 million to the D.C. eligible capital costs. In aggregate the D.C.-eligible costs for inclusion in the D.C. calculation is \$21.8 million. These eligible costs have been apportioned 95% to residential and 5% non-residential in acknowledgement that the predominant user of parks tend to be residents of the Town.



3.6.3 Library Services

Similar to the discussion for parks and recreation services, the D.C. eligible costs for library services have been revised to account for the removal of the statutory 10% deduction (\$620,742).

The above noted changes increase the D.C. recoverable costs for library services to \$4.5 million. These eligible costs have been apportioned 95% to residential and 5% non-residential development



Infrastructure Costs Covered in the D.C. Calculation – Growth Related Studies

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Services to Which Project Relates	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
								Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
2018-2027												
A01	Central Ajax Employment Area Intensification Study:											
	Central Ajax Employment Area Intensification Study	2019	Transportation Services	66,482	-	6,648	59,834	-		53,186	24,465	28,720
	Central Ajax Employment Area Intensification Study	2019	Fire Services	1,442	-	144	1,298	-		1,154	577	577
	Central Ajax Employment Area Intensification Study	2019	Parks and Recreation Services	11,660	-	1,166	10,494	-		9,328	8,862	466
	Central Ajax Employment Area Intensification Study	2019	Library Services	2,416	-	242	2,174	-		1,933	1,836	97
	Central Ajax Employment Area Intensification Study	2019	Stormwater Services	-	-	-	-	-		-	-	-
	Subtotal			82,000	-	8,200	73,800	-	-	65,600	35,740	29,860
A02	Asset Management Plan and Software:											
	Asset Management Plan and Software	2019-2022	Transportation Services	304,033	-	3,337	300,697	270,666		26,694	12,279	14,415
	Asset Management Plan and Software	2019-2022	Fire Services	6,596	-	72	6,523	5,872		579	290	290
	Asset Management Plan and Software	2019-2022	Parks and Recreation Services	53,323	-	585	52,737	47,471		4,682	4,448	234
	Asset Management Plan and Software	2019-2022	Library Services	11,048	-	121	10,927	9,836		970	922	49
	Asset Management Plan and Software	2019-2022	Stormwater Services	-	-	-	-	-		-	-	-
	Subtotal			375,000	-	4,116	370,884	333,845	-	32,924	17,938	14,987
A03	Official Plan Review:											
	Official Plan Review	2020	Transportation Services	132,964	-	6,648	126,316	66,482		53,186	24,465	28,720
	Official Plan Review	2020	Fire Services	2,885	-	144	2,740	1,442		1,154	577	577
	Official Plan Review	2020	Parks and Recreation Services	23,320	-	1,166	22,154	11,660		9,328	8,862	466
	Official Plan Review	2020	Library Services	4,832	-	242	4,590	2,416		1,933	1,836	97
	Official Plan Review	2020	Stormwater Services	-	-	-	-	-		-	-	-
	Subtotal			164,000	-	8,200	155,800	82,000	-	65,600	35,740	29,860
A04	Uptown Intensification Study:											
	Uptown Intensification Study	2020	Transportation Services	64,860	-	6,486	58,374	-		51,888	23,869	28,020
	Uptown Intensification Study	2020	Fire Services	1,407	-	141	1,266	-		1,126	563	563
	Uptown Intensification Study	2020	Parks and Recreation Services	11,375	-	1,138	10,238	-		9,100	8,645	455
	Uptown Intensification Study	2020	Library Services	2,357	-	236	2,121	-		1,886	1,791	94
	Uptown Intensification Study	2020	Stormwater Services	-	-	-	-	-		-	-	-
	Subtotal			80,000	-	8,000	72,000	-	-	64,000	34,868	29,132
A05	Harwood Avenue Midtown Improvement Study:											
	Harwood Avenue Midtown Improvement Study	2020	Transportation Services	44,592	-	4,459	40,132	-		35,673	16,410	19,264
	Harwood Avenue Midtown Improvement Study	2020	Fire Services	967	-	97	870	-		774	387	387
	Harwood Avenue Midtown Improvement Study	2020	Parks and Recreation Services	7,821	-	782	7,039	-		6,257	5,944	313
	Harwood Avenue Midtown Improvement Study	2020	Library Services	1,620	-	162	1,458	-		1,296	1,232	65
	Harwood Avenue Midtown Improvement Study	2020	Stormwater Services	-	-	-	-	-		-	-	-
	Subtotal			55,000	-	5,500	49,500	-	-	44,000	23,972	20,028



Infrastructure Costs Covered in the D.C. Calculation – Growth Related Studies Cont'd

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Services to Which Project Relates	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
								Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
2018-2027												
A06	North Pickering Village Study:											
	North Pickering Village Study	2020	Transportation Services	40,538	-	3,040	37,497	10,134		24,323	11,188	13,134
	North Pickering Village Study	2020	Fire Services	879	-	66	813	220		528	264	264
	North Pickering Village Study	2020	Parks and Recreation Services	7,110	-	533	6,576	1,777		4,266	4,053	213
	North Pickering Village Study	2020	Library Services	1,473	-	110	1,363	368		884	840	44
	North Pickering Village Study	2020	Stormwater Services	-	-	-	-	-		-	-	-
	Subtotal			50,000	-	3,750	46,250	12,500	-	30,000	16,344	13,656
A07	Pickering Village (Lower Duffins) Special Policy Area Review:											
	Pickering Village (Lower Duffins) Special Policy Area Review	2021	Transportation Services	56,753	-	5,675	51,078	-		45,402	20,885	24,517
	Pickering Village (Lower Duffins) Special Policy Area Review	2021	Fire Services	1,231	-	123	1,108	-		985	492	492
	Pickering Village (Lower Duffins) Special Policy Area Review	2021	Parks and Recreation Services	9,954	-	995	8,958	-		7,963	7,565	398
	Pickering Village (Lower Duffins) Special Policy Area Review	2021	Library Services	2,062	-	206	1,856	-		1,650	1,567	82
	Pickering Village (Lower Duffins) Special Policy Area Review	2021	Stormwater Services	-	-	-	-	-		-	-	-
	Subtotal			70,000	-	7,000	63,000	-	-	56,000	30,510	25,490
A08	DC Background Study:											
	DC Background Study	2022	Transportation Services	81,076	-	-	81,076	-		81,076	37,295	43,781
	DC Background Study	2022	Fire Services	1,759	-	-	1,759	-		1,759	879	879
	DC Background Study	2022	Parks and Recreation Services	14,219	-	-	14,219	-		14,219	13,508	711
	DC Background Study	2022	Library Services	2,946	-	-	2,946	-		2,946	2,799	147
	DC Background Study	2022	Stormwater Services	-	-	-	-	-		-	-	-
	Subtotal			100,000	-	-	100,000	-	-	100,000	54,481	45,519
A09	Architectural Design Guidelines for Medium and High Density Development:											
	Architectural Design Guidelines for Medium and High Density Development	2022	Transportation Services	71,347	-	7,135	64,212	-		57,077	26,256	30,822
	Architectural Design Guidelines for Medium and High Density Development	2022	Fire Services	1,548	-	155	1,393	-		1,238	619	619
	Architectural Design Guidelines for Medium and High Density Development	2022	Parks and Recreation Services	12,513	-	1,251	11,262	-		10,010	9,510	501
	Architectural Design Guidelines for Medium and High Density Development	2022	Library Services	2,593	-	259	2,333	-		2,074	1,970	104
	Architectural Design Guidelines for Medium and High Density Development	2022	Stormwater Services	-	-	-	-	-		-	-	-
	Subtotal			88,000	-	8,800	79,200	-	-	70,400	38,355	32,045



Infrastructure Costs Covered in the D.C. Calculation – Growth Related Studies Cont'd

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Services to Which Project Relates	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
								Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
	2018-2027											
A10	Comprehensive Zoning By-law Update:											
	Comprehensive Zoning By-law Update	2027	Transportation Services	141,882	-	7,094	134,788	70,941		56,753	26,106	30,647
	Comprehensive Zoning By-law Update	2027	Fire Services	3,078	-	154	2,924	1,539		1,231	616	616
	Comprehensive Zoning By-law Update	2027	Parks and Recreation Services	24,884	-	1,244	23,640	12,442		9,954	9,456	498
	Comprehensive Zoning By-law Update	2027	Library Services	5,156	-	258	4,898	2,578		2,062	1,959	103
	Comprehensive Zoning By-law Update	2027	Stormwater Services	-	-	-	-	-		-	-	-
	Subtotal			175,000	-	8,750	166,250	87,500	-	70,000	38,137	31,863
A11	DC Background Study:											
	DC Background Study	2027	Transportation Services	81,076	-	-	81,076	-		81,076	37,295	43,781
	DC Background Study	2027	Fire Services	1,759	-	-	1,759	-		1,759	879	879
	DC Background Study	2027	Parks and Recreation Services	14,219	-	-	14,219	-		14,219	13,508	711
	DC Background Study	2027	Library Services	2,946	-	-	2,946	-		2,946	2,799	147
	DC Background Study	2027	Stormwater Services	-	-	-	-	-		-	-	-
	Subtotal			100,000	-	-	100,000	-	-	100,000	54,481	45,519
A12	Other Growth Studies:											
	Other Growth Studies	2018-2027	Transportation Services	195,392	-	15,631	179,761	39,078		125,051	57,523	67,528
	Other Growth Studies	2018-2027	Fire Services	4,239	-	339	3,900	848		2,713	1,356	1,356
	Other Growth Studies	2018-2027	Parks and Recreation Services	34,269	-	2,741	31,527	6,854		21,932	20,835	1,097
	Other Growth Studies	2018-2027	Library Services	7,100	-	568	6,532	1,420		4,544	4,317	227
	Other Growth Studies	2018-2027	Stormwater Services	-	-	-	-	-		-	-	-
	Subtotal			241,000	-	19,280	221,720	48,200	-	154,240	84,032	70,208
A13	D.C. By-law Amendment:											
	By-law Amendment	2020	Transportation Services	10,134	-	-	10,134	-		10,134	4,662	5,473
	By-law Amendment	2020	Fire Services	220	-	-	220	-		220	110	110
	By-law Amendment	2020	Parks and Recreation Services	1,777	-	-	1,777	-		1,777	1,689	89
	By-law Amendment	2020	Library Services	368	-	-	368	-		368	350	18
	By-law Amendment	2020	Stormwater Services	-	-	-	-	-		-	-	-
	Subtotal			12,500	-	-	12,500	-	-	12,500	6,810	5,690
A14	Peer Review Fire Master Plan:											
	Peer Review Fire Master Plan	2019	Fire Services	20,000	-	-	20,000	4,000		16,000	8,000	8,000
	Subtotal			20,000	-	-	20,000	4,000	-	16,000	8,000	8,000
A15	Fire Master Plan:											
	Fire Master Plan	2020	Fire Services	164,000	-	-	164,000	32,800		131,200	65,600	65,600
	Subtotal			164,000	-	-	164,000	32,800	-	131,200	65,600	65,600
A16	Integrated Transportation Master Plan:											
	Integrated Transportation Master Plan	2021	Transportation Services	225,000	-	-	225,000	45,000		180,000	82,800	97,200
	Subtotal			225,000	-	-	225,000	45,000	-	180,000	82,800	97,200
A17	Transportation Demand Management:											
	Transportation Demand Management	2021	Transportation Services	70,000	-	-	70,000	14,000		56,000	25,760	30,240
	Subtotal			70,000	-	-	70,000	14,000	-	56,000	25,760	30,240



Infrastructure Costs Covered in the D.C. Calculation – Growth Related Studies Cont'd

Prj.No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Services to Which Project Relates	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
								Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share	Non-Residential Share
2018-2027												
A18	Integrated Transportation Master Plan:											
	Integrated Transportation Master Plan	2026	Transportation Services	225,000	-	-	225,000	45,000		180,000	82,800	97,200
	Subtotal			225,000	-	-	225,000	45,000	-	180,000	82,800	97,200
A19	Transportation Demand Management:											
	Transportation Demand Management	2026	Transportation Services	70,000	-	-	70,000	14,000		56,000	25,760	30,240
	Subtotal			70,000	-	-	70,000	14,000	-	56,000	25,760	30,240
A20	Recreation, Parks & Culture Master Plan:											
	Recreation, Parks & Culture Master Plan	2019	Parks and Recreation Services	150,000	-	-	150,000	30,000		120,000	114,000	6,000
	Subtotal			150,000	-	-	150,000	30,000	-	120,000	114,000	6,000
A21	Recreation, Parks & Culture Master Plan:											
	Recreation, Parks & Culture Master Plan	2024	Parks and Recreation Services	150,000	-	-	150,000	30,000		120,000	114,000	6,000
	Subtotal			150,000	-	-	150,000	30,000	-	120,000	114,000	6,000
A20	Library Master Plan:											
	Library Master Plan	2022-2027	Library Services	137,000	-	-	137,000	27,400		109,600	104,120	5,480
	Subtotal			137,000	-	-	137,000	27,400	-	109,600	104,120	5,480
A21	Stormwater Capacity Study:											
	Stormwater Capacity Study	2022	Stormwater Services	200,000	-	-	200,000	50,000		150,000	75,000	75,000
	Subtotal			200,000	-	-	200,000	50,000	-	150,000	75,000	75,000
A22	Stormwater Capacity Study:											
	Stormwater Capacity Study	2027	Stormwater Services	200,000	-	-	200,000	50,000		150,000	75,000	75,000
	Subtotal			200,000	-	-	200,000	50,000	-	150,000	75,000	75,000
	Reserve Fund Adjustment									63,631	37,099	26,531
	Total			3,203,500	-	81,596	3,121,904	906,245	-	2,197,695	1,281,348	916,347



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	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 95%	Non- Residential Share 5%
	2018-2027										
	Parkland Development and Trails										
P01	Eagle Woods Parkette (A3 John Boddy Parkette)	2018	340,000	-		340,000	25,500		314,500	298,775	15,725
P02	Duffins Village Central Park (A9 Central Parkette)	2018	950,000	-		950,000	71,250		878,750	834,813	43,938
P03	Audley Recreation Centre, Phase 2	2018	479,000	-		479,000	35,925		443,075	420,921	22,154
P04	Mulberry Meadows (Sundial Audley/Rossland) Neighbourhood Park	2018-2027	950,000	-		950,000	71,250		878,750	834,813	43,938
P05	Mulberry Meadows Parkettes (Sundial Audley/Rossland Valley Parkettes)	2019	350,000	-		350,000	26,250		323,750	307,563	16,188
P06	Woodland Park - Harwood Avenue	2020	165,000	-		165,000	12,375		152,625	144,994	7,631
P07	Meadows North Neighbourhood Park	2021	660,000	-		660,000	49,500		610,500	579,975	30,525
P08	Magnum Opus Community Park	2021	1,600,000	-		1,600,000	120,000		1,480,000	1,406,000	74,000
P09	Remmer Neighbourhood Park	2021	600,000	-		600,000	45,000		555,000	527,250	27,750
P10	Daste North Parkette	2022	200,000	-		200,000	15,000		185,000	175,750	9,250
P11	Fieldgate Homes Parkette	2022	200,000	-		200,000	15,000		185,000	175,750	9,250
P12	A9 Taunton Parkette	2023-2027	200,000	-		200,000	15,000		185,000	175,750	9,250
P13	A9 Duffins Parkette	2023-2027	200,000	-		200,000	15,000		185,000	175,750	9,250
P14	Sundial Downtown Park, Phase 2	2023-2027	597,000	-		597,000	44,775		552,225	524,614	27,611
P15	A9 North Neighbourhood Park	2023-2027	1,112,000	-		1,112,000	83,400		1,028,600	977,170	51,430
P16	Audley Recreation Centre, Phase 3 (skate trail and outdoor events area)	2023-2027	1,280,000	-		1,280,000	96,000		1,184,000	1,124,800	59,200
P17	A9 East Village Park	2023-2027	244,000	-		244,000	18,300		225,700	214,415	11,285
	Indoor Recreation										
P18	Audley Recreation Centre Phase 2	2018	26,124,000	9,361,600		16,762,400	2,612,400		14,150,000	13,442,500	707,500
P19	Audley Recreation Centre Phase 1 (Net Present Value of Principal Payments)	2018-2027	6,106,000	-		6,106,000	-		6,106,000	5,800,700	305,300
P20	Audley Recreation Centre Phase 1 (Net Present Value of Interest Payments)	2018-2027	1,665,000	-		1,665,000	-		1,665,000	1,581,750	83,250
P21	Audley Recreation Centre Phase 3 (Twin Pad Arena)	2023-2027	39,880,000	35,892,000		3,988,000	3,988,000		-	-	-
P22	A-9 Community School	2023-2027	2,026,000	-		2,026,000	202,600		1,823,400	1,732,230	91,170



Infrastructure Costs Covered in the D.C. Calculation – Parks and Recreation Services Cont'd

Prj .No	Increased Service Needs Attributable to Anticipated Development	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Other Deductions	Net Capital Cost	Less:		Potential DC Recoverable Cost		
							Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 95%	Non- Residential Share 5%
	2018-2027										
	Operations Vehicles and Equipment										
P23	Mini Sweeper	2018	250,000	-		250,000	12,500		237,500	225,625	11,875
P24	Crew Cab 4x4 Pickup (S)	2019	28,000	-		28,000	1,400		26,600	25,270	1,330
P25	Front Runner (S)	2019	15,000	-		15,000	750		14,250	13,538	713
P26	Zero Turn Mower	2019	22,500	-		22,500	1,125		21,375	20,306	1,069
P27	Trades Van (S)	2020	27,000	-		27,000	1,350		25,650	24,368	1,283
P28	Fleet Service Truck (S)	2022	38,000	-		38,000	1,900		36,100	34,295	1,805
P29	Crew Cab 4x4 Pickup	2025	62,000	-		62,000	3,100		58,900	55,955	2,945
P30	Equipment Trailer	2025	15,000	-		15,000	750		14,250	13,538	713
P31	Front Runner	2025	33,300	-		33,300	1,665		31,635	30,053	1,582
P32	Zero Turn Mower	2025	22,500	-		22,500	1,125		21,375	20,306	1,069
P34	Ice Resurfacer (ARC)	2025	105,000	99,750		5,250	5,250		-	-	-
	Reserve Fund Adjustment		-	-		-	-		(11,828,537)	(11,237,110)	(591,427)
	Total		86,546,300	45,353,350	-	41,192,950	7,593,440	-	21,770,973	20,682,425	1,088,549



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

Prj.No	Increased Service Needs Attributable to Anticipated Development 2018-2027	Timing (year)	Gross Capital Cost Estimate (2018\$)	Post Period Benefit	Net Capital Cost	Less:		Potential DC Recoverable Cost		
						Benefit to Existing Development	Grants, Subsidies and Other Contributions Attributable to New Development	Total	Residential Share 95%	Non-Residential Share 5%
	Facilities									
L01	ARC Facility (15,640 sq.ft.)	2018	12,809,000	6,339,076	6,469,924	1,280,900		5,189,024	4,929,573	259,451
L02	Main Library Branch (Net Present Value of Principal Payments)	2018-2019	352,000	-	352,000	-		352,000	334,400	17,600
L03	Main Library Branch (Net Present Value of Interest Payments)	2018-2019	27,000	-	27,000	-		27,000	25,650	1,350
	Materials									
L04	Library Materials for ARC - 35,000 items	2018-2019	893,000	-	893,000	44,650		848,350	805,933	42,418
L05	Library Materials for ARC - 5,000 items	2021	179,000	-	179,000	8,950		170,050	161,548	8,503
	Reserve Fund Adjustment							(2,075,597)	(1,971,817)	(103,780)
	Total		14,260,000	6,339,076	7,920,924	1,334,500	-	4,510,827	4,285,286	225,541



3.7 Revised D.C. Calculation and Schedule of Charges

The calculation of the amended D.C. is detailed in Tables 3-3 and 3-4 for services assessed over the period to 2031 and over the 10-year period, respectively. Based on the revisions outlined in Section 3.6 of this report, the amended residential and non-residential D.C.s by service/class are provided in Table 3-5 below (in 2018\$) and Table 3-6 (in 2020\$). Table 3-7 compares the amended D.C.s (in 2020\$) to the current D.C.s for single detached residential dwelling units and per sq.ft. of non-residential G.F.A. In total, the D.C.s for single detached residential dwelling units would increase by \$1,224 (+4.5%) and the non-residential charge would remain increase by \$0.01 (<0.1%).

Table 3-3
Town of Ajax – Amended D.C. Calculation – 2018-2031 Services (2018\$)

SERVICE/CLASS	2018 \$ DC Eligible Cost		2018 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft ²
1. Transportation Services	\$ 57,101,273	\$ 67,031,929	\$ 16,402	\$ 6.01
TOTAL	\$57,101,273	\$67,031,929	\$16,402	\$6.01
DC ELIGIBLE CAPITAL COST	\$57,101,273	\$67,031,929		
13 Year Gross Population / GFA Growth (ft ² .)	13,323	11,153,500		
Cost Per Capita / Non-Residential GFA (ft².)	\$4,285.92	\$6.01		
<u>By Residential Unit Type</u>	<u>p.p.u</u>			
Single and Semi-Detached Dwelling	3.827	\$16,402		
Apartments - 2 Bedrooms +	1.841	\$7,890		
Apartments - Bachelor and 1 Bedroom	1.157	\$4,959		
Other Multiples	3.022	\$12,952		



**Table 3-4
Town of Ajax – Amended D.C. Calculation – 2018-2027 Services (2018\$)**

SERVICE/CLASS	2018 \$ DC Eligible Cost		2018 \$ DC Eligible Cost	
	Residential	Non-Residential	SDU	per ft ²
	\$	\$	\$	\$
2. Fire Services	1,346,503	1,346,503	474	0.16
3. Parks and Recreation Services	20,682,425	1,088,549	7,275	0.13
4. Library Services	4,285,286	225,541	1,507	0.03
5. Growth Related Studies				
5.1 Transportation Services	555,914	652,595	196	0.08
5.2 Fire Services	83,631	83,631	29	0.01
5.3 Parks and Recreation Services	355,167	18,693	125	0.00
5.4 Library Services	132,164	6,956	46	0.00
5.5 Stormwater Services	<u>154,473</u>	<u>154,473</u>	<u>54</u>	<u>0.02</u>
Subtotal - Growth Related Studies	1,281,348	916,347	451	0.11
TOTAL	\$28,876,909	\$4,493,287	\$9,706.74	\$0.43
DC ELIGIBLE CAPITAL COST	\$28,876,909	\$4,493,287		
10 Year Gross Population / GFA Growth (ft ² .)	10,879	8,484,750		
Cost Per Capita / Non-Residential GFA (ft².)	\$2,654.37	\$0.53		
<u>By Residential Unit Type</u>	<u>p.p.u</u>			
Single and Semi-Detached Dwelling	3.827	\$10,158		
Apartments - 2 Bedrooms +	1.841	\$4,887		
Apartments - Bachelor and 1 Bedroom	1.157	\$3,071		
Other Multiples	3.022	\$8,022		

**Table 3-5
Town of Ajax – Amended Schedule of Development Charges (2018\$)**

Service/Class	Residential				Non-Residential
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per ft ² of Gross Floor Area)
Municipal Wide Services/Classes:					
Transportation Services	16,402	7,890	4,959	12,952	6.01
Fire Services	474	228	143	374	0.16
Parks and Recreation Services	7,275	3,500	2,199	5,745	0.13
Library Services	1,507	725	456	1,190	0.03
Growth Related Studies	451	217	136	356	0.11
Total Municipal Wide Services/Classes	26,109	12,560	7,893	20,617	6.44



Table 3-6
Town of Ajax – Amended Schedule of Development Charges (2020\$)

Service/Class	Residential				Non-Residential
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per ft ² of Gross Floor Area)
Municipal Wide Services/Classes:					
Transportation Services	17,756	8,542	5,368	14,021	6.51
Fire Services	513	247	155	405	0.17
Parks and Recreation Services	7,876	3,789	2,381	6,219	0.14
Library Services	1,631	785	493	1,288	0.03
Growth Related Studies	488	235	148	385	0.12
Total Municipal Wide Services/Classes	28,264	13,598	8,545	22,318	6.97

Table 3-7
Town of Ajax – Comparison of Current and Amended D.C.s (2020\$)

Residential (Single Detached) Comparison			Non-Residential (per ft ²) Comparison		
Service/Class	Current	Calculated	Service/Class	Current	Calculated
Municipal Wide Services/Classes:			Municipal Wide Services/Classes:		
Transportation Services	17,756	17,756	Transportation Services	6.51	6.51
Fire Services	513	513	Fire Services	0.17	0.17
Parks and Recreation Services	6,942	7,876	Parks and Recreation Services	0.12	0.14
Library Services	1,407	1,631	Library Services	0.02	0.03
Growth Related Studies	421	488	Growth Related Studies	0.14	0.12
Total Municipal Wide Services/Classes	27,039	28,264	Total Municipal Wide Services/Classes	6.96	6.97

3.8 Revised Long-Term Capital and Operating Costs and Asset Management Plan

Table 3-8 summarizes the changes to the incremental annual operating costs associated with the D.C. eligible costs at full emplacement.

Table 3-8
Town of Ajax
Schedule of Annual Operating Expenditures (2018\$)

SERVICE	ANNUAL LIFECYCLE EXPENDITURES	ANNUAL OPERATING EXPENDITURES	TOTAL ANNUAL EXPENDITURES
1. Transportation Services	5,544,831	1,645,814	7,190,645
2. Fire Services	123,636	1,604,474	1,728,110
3. Parks and Recreation Services	2,717,876	1,743,137	4,461,013
4. Library Services	524,216	402,330	926,546
5. Growth Related Studies	-	-	-
Total	8,910,559	5,395,755	14,306,314



Table 3-9 highlights the updates to the A.M.P. and the annualized expenditures and revenues associated with new growth after the above-mentioned changes to the D.C. eligible costs.

Note that the D.C.A. does not require an analysis of the non-D.C. capital needs or their associated operating costs so these are omitted from the table below. Furthermore, as only the present infrastructure gap been considered at this time within the A.M.P., the following does not represent a fiscal impact assessment (including future tax/rate increases) but provides insight into the potential affordability of the new assets:

1. The non-D.C. recoverable portion of the projects which will require financing from Town 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/classes (only) have been included.
4. The resultant total annualized expenditures are \$16.1 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 \$8.7 million. This amount, totalled with the existing operating revenues of \$107.4 million, provide annual revenues of \$116.1 million by the end of the period.
6. In consideration of the above, the capital plan is deemed to be financially sustainable.



Table 3-9
Town of Ajax
Asset Management – Future Expenditures and Associated Revenues (2018\$)

	2031 (Total)
Expenditures (Annualized)	
Annual Debt Payment on Non-Growth Related Capital ¹	\$ 1,761,970
Annual Debt Payment on Post Period Capital ²	\$ 3,803,619
Lifecycle:	
Annual Lifecycle - Town Wide Services	\$ 8,910,559
Incremental Operating Costs (for D.C. Services)	\$5,395,755
Total Expenditures (Net of post period benefit interim funding)	\$16,068,285
Revenue (Annualized)	
Total Existing Revenue ³	\$107,398,018
Incremental Tax and Non-Tax Revenue (User Fees, Fines, Licences, etc.)	\$8,705,114
Total Revenues	\$116,103,132

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

² Interim Debt Financing for Post Period Benefit

³ As per Sch. 10 of FIR

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

The changes herein form the D.C. Background Study for the purposes of the amending By-law 50-2018, and rationale for the proposed amending by-law being presented to Council. If Council is satisfied with the proposed amendment to By-law 50-2018, and subject to any public submissions made at the public meeting regarding this matter, it is recommended that this D.C. Background Study and amending by-law be approved and adopted by Council. The process for adopting the proposed amendment is provided as follows:

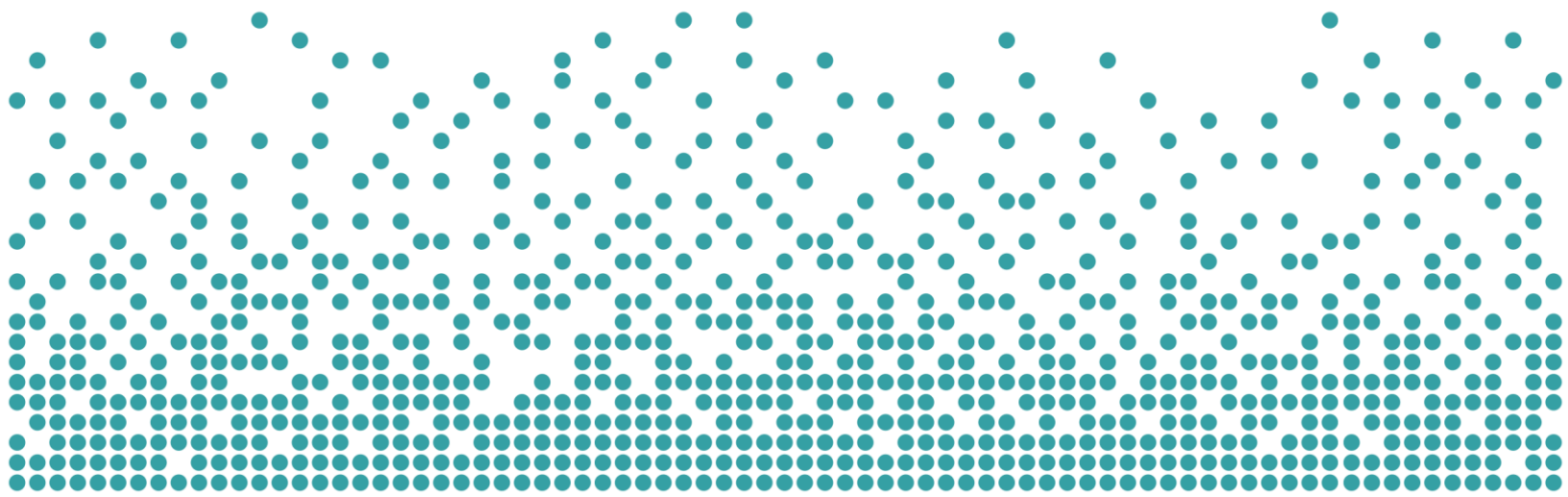
- Post the D.C. Background Study on the Town's website at least 60 days prior to the passage of the amending by-law;



- Provide notice of public meeting on the proposed amendment and amending by-law at least 20 clear-days prior to the public meeting;
- Make copies of the D.C. Background Study and amending by-law available to the public at least two weeks prior to the public meeting;
- Undertake the statutory public meeting and allow anyone in attendance to make representations on the matter; and

Provided the 60-day period from posting the D.C. Background Study has been observed, Council may:

- Adopt the D.C. Background Study;
- Resolve that no further public meetings are required on the matter; and
- pass the amending D.C. by-law,



Appendix A:

Proposed Amending D.C. By-law



By-law Number _____

- of -

The Corporation of the Town of Ajax

Being a by-law of the Corporation of the Town of Ajax to amend By-law 50-2018 to make revisions the calculation of the development charge and by-law policies.

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 Town of Ajax (hereinafter called “the Council”) has determined that certain amendments should be made to the Development Charge By-law of the Corporation of the Town of Ajax, being By-law 50-2018;

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 Town of Ajax has given notice and held a public meeting in accordance with the Act;

AND WHEREAS the Council, at its meeting of December 14, 2020, approved a report dated October 14, 2020 entitled “Town of Ajax Development Charge Background Study Update”.

NOW THEREFORE the Council of the Corporation of the Town of Ajax enacts as follows:

1. By-law 50-2018 is hereby amended as follows:

hh.1 The following definitions are added to Section 1

(hh) “institutional development” for the purposes of Section 9(6) means development of a building or structure intended for use:



- (a) as a long-term care home within the meaning of subsection 2 (1) of the Long Term Care Homes Act, 2007;
 - (b) as a retirement home within the meaning of subsection 2 (1) of the Retirement Homes Act, 2010;
 - (c) by any institution of the following post-secondary institutions for the objects of the institution:
 - i. a university in Ontario that receives direct, regular and ongoing operation funding from the Government of Ontario;
 - ii. a college or university federated or affiliated with a university described in subclause (i); or
 - iii. an Indigenous Institute prescribed for the purposes of section 6 of the Indigenous Institute Act, 2017;
 - (d) as a memorial home, clubhouse or athletic grounds by an Ontario branch of the Royal Canadian Legion; or
 - (e) as a hospice to provide end of life care;
- (ii) “Non-profit housing development” for the purposes of Section 9(7) means development of a building or structure intended for use as residential premises by:
- (a) a corporation without share capital to which the Corporations Act applies, that is in good standing under that Act and whose primary objective is to provide housing;
 - (b) a corporation without share capital to which the Canada Not-for-profit Corporation Act applies, that is in good standing under that Act and whose primary objective is to provide housing; or
 - (c) a non-profit housing co-operative that is in good standing under the Co-operative Corporations Act;
- (jj) “Rental housing” for the purposes of Section 9(6) means development of a building or structure with four or more dwelling units all of which are intended for use as rented residential premises;

1.2 Subsection 3(3)(e) is deleted.

1.3 Subsection 3(3)(f) is deleted.

1.4 Subsection 3(3)(g) is deleted.

1.5 Subsection 3(4) is deleted and replaced with the following:



(4) Section 2 of this by-law shall not apply to that category of exempt development described in s.s.2(3) and 2(3.1) of the Act, namely:

- (a) the enlargement of an existing dwelling unit or the creation of one or two additional dwelling units in an existing single detached dwelling unit or prescribed ancillary structure to the existing residential building;
- (b) 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 prescribed ancillary structure to the existing residential building;
- (c) the creation of one additional dwelling unit in any other existing residential building already containing at least one dwelling unit or prescribed ancillary structure to the existing residential building; or
- (d) the creation of a second dwelling unit in prescribed classes of proposed new residential buildings, including structures ancillary to dwellings, 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.	The proposed new detached dwelling must only contain two dwelling units. 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.
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.	The proposed new semi-detached dwelling or row dwelling must only contain two dwelling units. 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.
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.	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. 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.

1.6 Subsection 3(6) is deleted and replaced with the following:



- (6) Notwithstanding subsection (4)(c), development charges shall be calculated and collected in accordance with Schedule B, where the additional dwelling has a residential gross floor area greater than,
 - (a) In the case of a semi-detached dwelling unit, the gross floor area of the existing smallest dwelling unit, and
 - (b) In the case of any other residential building not mentioned in subsection 3(4)(a) or 3(4)(b), the residential gross floor area of the smallest dwelling unit contained in the residential building.

1.7 The following subsections are added to Section 9

- (6) Notwithstanding subsection 9(1) to 9(5), Development Charges for rental housing and institutional developments are due and payable in 6 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.
- (7) Notwithstanding subsections 9(1) to 9(5), Development Charges 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.
- (8) Notwithstanding subsections 9(1) to 9(7), 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 Section 2 shall be calculated based on the rates set out in Schedule “B” on the date of the planning application, including interest. Where both planning applications apply, Development Charges under Section 2 shall be calculated on the rates, including interest, set out in Schedule “B” on the date of the later planning application.
- (9) Interest for the purposes of subsections 9(6) to 9(8) shall be determined as set out in the Town of Ajax Policy # COR-148, as amended from time to time.



1.8 Section 15 is deleted and replaced with the following:

15 **SCHEDULES TO THE BY-LAW**

The following schedules to this by-law form an integral part of this by-law

Schedule A – Designated Municipal Services and Classes Under this By-law

Schedule B – Schedule of Development Charges

1.9 Schedule “A” is deleted and the attached Schedule “A” is substituted therefore.

1.10 Schedule “B” is deleted and the attached Schedule “B” is substituted therefore.

1.11 Schedule “C” is deleted.

1.12 Schedule “D” is deleted.

1.13 Schedule “E” is deleted.

1.14 Schedule “F” is deleted.

2. This by-law shall come into force on _____.

3. Except as amended by this By-law, all provisions of By-law 50-2018 are and shall remain in full force and effect.

Read a first and second time, this _____.

READ a third time and finally passed in Council, this _____.

The Corporation of the Town of Ajax



Mayor

Clerk



SCHEDULE "A"

Designated Municipal Services and Classes Under this By-law (To Development Charges By-law 50-2018, as amended)

1. Growth Related Studies, including development-related growth studies;
2. Fire, including stations, vehicles, and equipment;
3. Transportation, including roads, structures, sidewalks, streetlights, traffic signals, multi-use trails, operations facilities, and vehicles and equipment providing services related to a Highway;
4. Parks and Recreation, including parkland, recreational trail development, recreation facilities, operations facilities, and vehicles and equipment items related thereto; and
5. Library, including furniture, shelving, equipment, and items related thereto and including materials acquired for circulation, reference or information purposes by a library board;



SCHEDULE "B"
SCHEDULE OF DEVELOPMENT CHARGES
(To Development Charges By-law 50-2018, as amended)

Service/Class	Residential				Non-Residential
	Single and Semi-Detached Dwelling	Apartments - 2 Bedrooms +	Apartments - Bachelor and 1 Bedroom	Other Multiples	(per ft ² of Gross Floor Area)
Municipal Wide Services/Classes:					
Transportation Services	16,402	7,890	4,959	12,952	6.01
Fire Services	474	228	143	374	0.16
Parks and Recreation Services	7,275	3,500	2,199	5,745	0.13
Library Services	1,507	725	456	1,190	0.03
Growth Related Studies	451	217	136	356	0.11
Total Municipal Wide Services/Classes	26,109	12,560	7,893	20,617	6.44